BEFORE THE OIL CONSERVATION DIVISION Examiner Hearing May 8, 2025

Case No. 25317

Beer 30 Fed Com #202H Beer 30 Fed Com #204H Beer 30 Fed Com #211H Beer 30 Fed Com #213H

Eddy County, New Mexico



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

APPLICATION OF TAP ROCK OPERATING, LLC FOR APPROVAL OF STANDARD HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 25317

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• Tap Rock Exhibit E-4: Affidavit of Publication for April 22, 2025

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 25317	APPLICANT'S RESPONSE
Date	
Applicant	Tap Rock Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	372043
Applicant's Counsel: Case Title:	Miguel Suazo, Beatty & Wozniak, P.C. Application of Tap Rock Operating, LLC for Approval of Standard Horizontal Spacing Unit And Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	EOG Resources, Inc.
Well Family	Beer 30 Fed Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	The top of the Wolfcamp formation to the base of the Wolfcamp formation
Pool Name and Pool Code:	Purple Sage; Wolfcamp (98220)
Well Location Setback Rules:	Order No. R-14262
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	1,283.04-acres, more or less
Building Blocks:	320.00-acres
Orientation:	East-West
Description: TRS/County	All of Sections 3 and 4, T-25-S, R-25-E, Eddy County, NM
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	Yes, Beer 30 Fed Com #213H
Applicant's Ownership in Each Tract	Exhibits C-3 and C-4
Well(s) Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

.

Received by OCD: 5/1/2025 4:56:52 PM Well #1 Well #2	Beer 30 Fed Com #202H (API No. Pending) SHL: NE/4 NE/4 (Lot 1) of Section 3, Township 25 South, Range 25 East, N.M.P.M. BHL: SW/4 NW/4 (Unit E) of Section 4, Township 25 South, Range 25 East, N.M.P.M. Completion Target: Purple Sage; Wolfcamp Gas Pool Well Orientation: East-West Completion Location: Standard Beer 30 Fed Com #204H (API No. Pending) SHI: NE (4 SE (4 (Unit I) of Section 2, Township 25)	Page 4 of 54
	 SHL: NE/4 SE/4 (Unit I) of Section 3, Township 25 South, Range 25 East, N.M.P.M. BHL: SW/4 SW/4 (Unit M) of Section 4, Township 25 South, Range 25 East, N.M.P.M. Completion Target: Purple Sage; Wolfcamp Gas Pool Well Orientation: East-West Completion Location: Standard 	
Well #3	Beer 30 Fed Com #211H (API No. Pending) SHL: NE/4 NE/4 (Lot 1) of Section 3, Township 25 South, Range 25 East, N.M.P.M. BHL: NW/4 NW/4 (Lot 4) of Section 4, Township 25 South, Range 25 East, N.M.P.M. Completion Target: Purple Sage; Wolfcamp Gas Pool Well Orientation: East-West Completion Location: Standard	
Well #4	Beer 30 Fed Com #213H (API No. Pending)SHL: NE/4 SE/4 (Unit I) of Section 3, Township 25South, Range 25 East, N.M.P.M.BHL: NW/4 SW/4 (Unit L) of Section 4, Township 25South, Range 25 East, N.M.P.M.Completion Target: Purple Sage; Wolfcamp Gas PoolWell Orientation: East-WestCompletion Location: Standard	
Horizontal Well First and Last Take Points	Exhibit C-2	
Completion Target (Formation, TVD and MD)	Exhibits C-5 and D-3	
AFE Capex and Operating Costs		
Drilling Supervision/Month \$	Exhibit C \$8000	
Production Supervision/Month \$	Exhibit C \$800	
Justification for Supervision Costs	Exhibit C-5	
Requested Risk Charge	200% Case No. 2	
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Proposed Notice of Hearing	Exhibits B and E-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit E-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibits C-3 and C-4
Tract List (including lease numbers and owners)	Exhibits C-3 and C-4
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice	
requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-4
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above &	
below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibits C-3 and C-4
Chronology of Contact with Non-Joined Working Interests	Exhibit C-6
Overhead Rates In Proposal Letter	Exhibit C-5
Cost Estimate to Drill and Complete	Exhibit C-5
Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-4
Well Orientation (with rationale)	Exhibits D and D-2
Target Formation	Exhibits D-3 and D-4
HSU Cross Section	Exhibits D-3 and D-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-2
Tracts	Exhibits C-3 and C-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits C-3 and C-4
General Location Map (including basin)	Exhibit C-1
Well Bore Location Map	Exhibits C-1 and D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibits D-3 and D-4
Cross Section (including Landing Zone)	Exhibits D-3 and D-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provid	ed in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Miguel Suazo
Signed Name (Attorney or Party Representative):	Case No. 2
Reteas ed to Imaging: 5/1/2025 4:57:44 PM	5/1/2025 Tap Rock Operating, LLC- Exhi

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

APPLICATION OF TAP ROCK OPERATING, LLC FOR APPROVAL OF STANDARD HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO.

APPLICATION

Tap Rock Operating, LLC, OGRID No. 372043 ("Tap Rock" or "Applicant"), through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (1) approving a 1,283.04-acre, more or less, standard horizontal spacing unit ("HSU") composed of all of Sections 3 and 4, Township 25 South, Range 25 East, N.M.P.M., (the "Application Lands"), and (2) pooling all uncommitted mineral interests in the Purple Sage-Wolfcamp Pool (98220), designated as a gas pool, underlying said HSU.

In support of its Application, Tap Rock states the following:

1. Tap Rock and/or its affiliates are working interest owners in the Application Lands and have the right to drill wells thereon as the designated Operator of the Application Lands.

2. Tap Rock seeks to dedicate all of the Application Lands to form a 1,283.04-acre, more or less, HSU.

3. Tap Rock seeks to dedicate the above-referenced HSU to the following proposed wells:

A. Beer 30 Fed Com 202H (API No. *Pending*), which is a gas well that will be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 3,

1

Township 25 South, Range 25 East, to a bottom hole location in the Purple Sage-Wolfcamp Gas Pool in the SW/4 NW/4 (Unit E) of Section 4, Township 25 South, Range 25 East;

B. **Beer 30 Fed Com 204H** (API No. *Pending*), which is a gas well that will be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 3, Township 25 South, Range 25 East, to a bottom hole location in the Purple Sage-Wolfcamp Gas Pool in the SW/4 SW/4 (Unit M) of Section 4, Township 25 South, Range 25 East;

C. **Beer 30 Fed Com 211H** (API No. *Pending*), which is a gas well that will be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 3, Township 25 South, Range 25 East, to a bottom hole location in the Purple Sage-Wolfcamp Gas Pool in the NW/4 NW/4 (Lot 4) of Section 4, Township 25 South, Range 25 East, and;

D. **Beer 30 Fed Com 213H** (API No. *Pending*), which is a gas well that will be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 3, Township 25 South, Range 25 East, to a bottom hole location in the Purple Sage-Wolfcamp Gas Pool in the NW/4 SW/4 (Unit L) of Section 4, Township 25 South, Range 25 East.

4. The wells are orthodox in their location as defined by 19.15.16.15.(C) NMAC, and Special Pool Order No. R-14262 for the Purple Sage-Wolfcamp Pool (98220), and the take points and laterals comply with Statewide Rules for setbacks under 19.15.16.15.(C) NMAC.

5. Tap Rock has made good-faith efforts to obtain voluntary agreements from all interest owners in the Purple Sage-Wolfcamp Gas Pool underlying the proposed spacing unit, but has been unable to secure agreement from all parties to participate in the drilling of the wells or otherwise commit their interests.

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6. The pooling of all interests in the Purple Sage-Wolfcamp Gas Pool within the proposed unit will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. To provide for its just and fair share of the oil and gas underlying the Application Lands, Tap Rock requests that all uncommitted interests in this HSU be pooled and that Tap Rock be designated as the operator of the proposed horizontal wells and HSU.

WHEREFORE, Tap Rock requests this Application be set for hearing on May 8, 2025, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

- A. Approving the horizontal well spacing unit and pooling all uncommitted interests in the Purple Sage-Wolfcamp Gas Pool underlying the HSU within the Application Lands;
- B. Approving the Beer 30 Fed Com 202H, Beer 30 Fed Com 204H, Beer 30 Fed
 Com 211H, and Beer 30 Fed Com 213H as the initial wells for the HSU;
- C. Designating Tap Rock as operator of the HSU and the horizontal wells to be drilled thereon;
- D. Authorizing Tap Rock to recover its costs of drilling, completing, and equipping the wells;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

F. Imposing a 200% charge for the risk assumed by Tap Rock in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By:

Miguel A. Suazo James P. Parrot Jacob L. Everhart Ryan McKee 500 Don Gaspar Ave., Santa Fe, NM 87505 (505) 946-2090 msuazo@bwenergylaw.com jparrot@bwenergylaw.com jeverhart@bwenergylaw.com mckee@bwenergylaw.com Attorneys for Tap Rock Operating LLC Application of Tap Rock Operating, LLC for Approving a Standard Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) approving a 1,283.04-acre, more or less, standard horizontal spacing and proration unit composed of all of Sections 3 and 4 Township 25 South, Range 25 East, N.M.P.M., and (2) pooling all uncommitted mineral interests in the Purple Sage-Wolfcamp Pool, designated as a gas pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the: Beer 30 Fed Com 202H (API No. Pending), which is a gas well that will be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 3, Township 25 South, Range 25 East, to a bottom hole location in the Purple Sage-Wolfcamp Gas Pool in the SW/4 NW/4 (Unit E) of Section 4, Township 25 South, Range 25 East; the Beer 30 Fed Com 204H (API No. Pending), which is a gas well that will be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 3, Township 25 South, Range 25 East, to a bottom hole location in the Purple Sage-Wolfcamp Gas Pool in the SW/4 SW/4 (Unit M) of Section 4, Township 25 South, Range 25 East; the Beer 30 Fed Com 211H (API No. Pending), which is a gas well that will be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 3, Township 25 South, Range 25 East, to a bottom hole location in the Purple Sage-Wolfcamp Gas Pool in the NW/4 NW/4 (Lot 4) of Section 4, Township 25 South, Range 25 East, and; the Beer 30 Fed Com 213H (API No. *Pending*), which is a gas well that will be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 3, Township 25 South, Range 25 East, to a bottom hole location in the Purple Sage-Wolfcamp Gas Pool in the NW/4 SW/4 (Unit L) of Section 4, Township 25 South, Range 25 East. The wells are orthodox in location, and the take points and laterals comply with Statewide Rules for setbacks. The wells and lands are located approximately 1 mile southeast of Whites City, New Mexico.

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

APPLICATION OF TAP ROCK OPERATING, LLC FOR APPROVAL OF STANDARD HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 25317

SELF-AFFIRMED STATEMENT OF MATT PHILLIPS

Matt Phillips, being first duly sworn upon oath, deposes and states as follows:

 My name is Matt Phillips, and I am employed by Tap Rock Operating, LLC ("Tap Rock") as Land Manager.

2. I have previously testified before the New Mexico Oil Conservation Division ("Division"), and my qualifications as an expert in petroleum land matters were accepted and made a matter of record. I have several years of experience in petroleum land matters, and I have worked directly or in a supervisory role with the properties that are the subject of this matter.

3. I am familiar with the application filed by Tap Rock in the above-referenced case and the status of the subject lands.

4. I am submitting this statement in support of Tap Rock's application in the abovereferenced case, as required by the Pre-Hearing Order issued by the Division. I intend to present this case by affidavit pursuant to 19.15.4.12.(A)(1) NMAC.

5. Tap Rock seeks an order (1) approving a standard 1,283.04-acre, more or less, horizontal spacing unit ("HSU") underlying the Application Lands as defined in the application under Case No. 25317, and (2) pooling all uncommitted mineral interests in the Purple Sage-Wolfcamp Gas Pool (98220), designated as a gas pool, underlying said HSU, and (3) dedicating

the HSU to the subject wells incorporated herein by reference via the initial application filed under Case No. 25317.

6. **Tap Rock Exhibit C-1** is a general location map showing the proposed HSU.

7. **Tap Rock Exhibit C-2** contains the Form C-102s reflecting the proposed Purple Sage-Wolfcamp Gas Pool Wells to be drilled and completed in the HSU. The location of each well is orthodox and meets the Division's offset requirements.

8. A review of the Purple Sage-Wolfcamp Gas Pool underlying the subject lands indicated that there are no overlapping spacing units in this pool.

9. **Tap Rock Exhibit C-3** contains a plat identifying ownership by tract in the HSU and applicable federal lease numbers. The acreage subject to the applications are federal and fee lands.

10. **Tap Rock Exhibit C-4** sets forth the ownership of the parties being pooled in the Purple Sage-Wolfcamp Gas Pool and the nature of their interests. This exhibit identifies the tract number and working interest percentages for each owner.

11. **Tap Rock Exhibit C-5** contains a sample well proposal letter sent in January of 2025 to each working interest owner, which included AFEs for each proposed well. The estimated costs of the wells set forth in the AFEs are fair, reasonable, and comparable with the costs of other wells of similar depths and lateral lengths drilled in this area of New Mexico.

12. Tap Rock requests overhead and administrative rates of \$8,000/month for drilling each well and \$800/month for producing each well. These rates are fair and comparable to the rates charged by other operators for similar wells in this area of New Mexico. Tap Rock respectfully requests that these administrative and overhead costs be incorporated into any orders entered by the Division in these cases.

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13. Tap Rock requests the maximum cost, plus 200% risk charge be assessed against non-consenting working interest owners.

14. **Tap Rock Exhibit C-6** sets forth a chronology of contact with each of the owners Tap Rock seeks to pool. Tap Rock has made a good faith effort to obtain voluntary joinder of the interest owners in the proposed wells.

In compiling the working interest parties' addresses, I conducted a diligent search of the public records in Eddy County, New Mexico, where the wells are located and did computer searches to locate the contact information for parties entitled to notification. All working interest owners were locatable and noticed. Tap Rock caused notice to be published in the Carlsbad-Current Argus, a newspaper of general circulation in Eddy County, New Mexico. I provided the law firm Beatty & Wozniak, P.C., with the names and addresses for these working interest owners and instructed that each owner be provided notice of the hearing in these matters.

15. Tap Rock requests that it be designated operator of the HSU and wells.

16. **Exhibit C-1** through **Exhibit C-6** were either prepared by me or compiled from Tap Rock's company business records under my direction and supervision.

17. The granting of this application for compulsory pooling and approval of a standard spacing unit is in the best interest of conservation, the prevention of waste, and the protection of correlative rights, and will avoid the drilling of unnecessary wells.

18. I hereby swear that to the best of my knowledge and belief, all of the matters set forth herein and in the exhibits are true, correct, and accurate.

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FURTHER AFFIANT SAYETH NOT.

Dated this <u>30</u>¹ day of April, 2025.

Matt Phillips Tap Rock Operating, LLC

STATE OF COLORADO)) ss.

COUNTY OF JEFFERSON

The foregoing instrument was subscribed and sworn to before me this 30^{-1} day of April, 2025, by Matt Phillips, Land Manager for Tap Rock Operating, LLC.

Witness my hand and official seal.

My commission expires: 10-20-2025

ERICA ROCHELLE SHEWMAKER Notary Public State of Colorado Notary 1D # 20174044145 My Commission Expires 10-28-2025

Fric Sh

AP

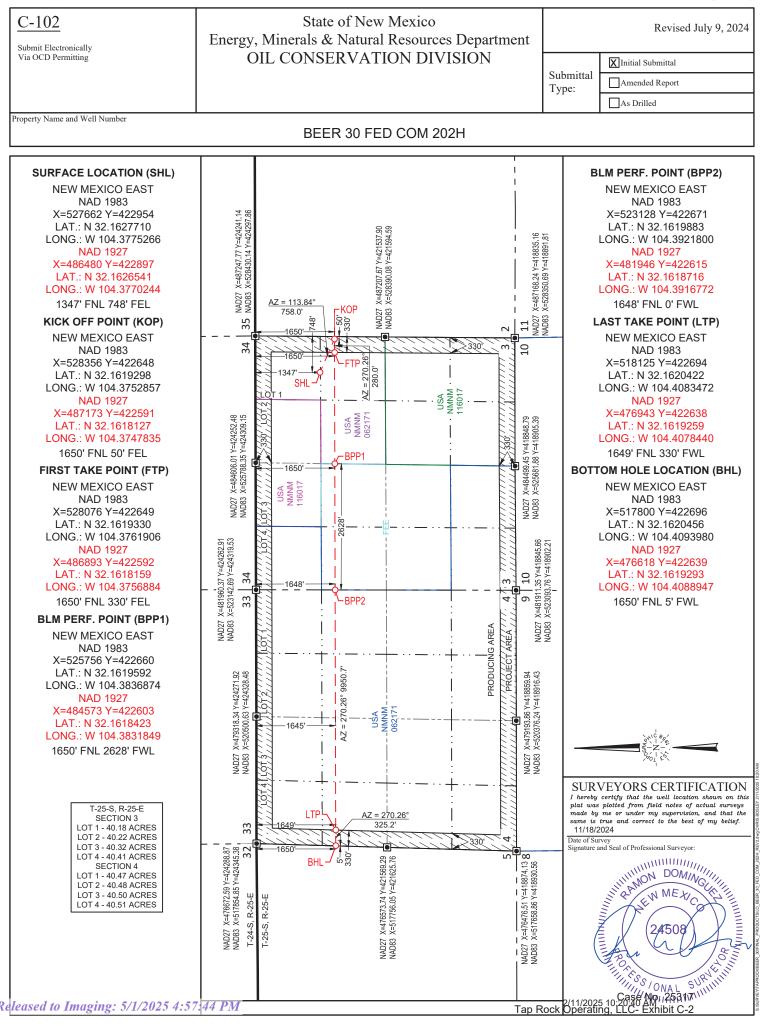
Location Map

30	29	28	27	26	25	
31	32	33	34	35	36	
6	5	Beer 30 Beer 30 4 Beer 30 Beer 30	#211H #202H 3 #213H	2	1	
7	8	9	10	11	12	
18	17	16 250		14		
					Tap Rock Operating, LI	ase No. 25317 _C- Exhibit C-1

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<u>C-102</u>	11		Energy		State of New ls & Natura		Department		Revised July 9, 2024		
Submit Electronic Via OCD Permitt						ION DIVIS	1		x Initial Submittal		
								Submittal Type:	Amended Report		
									As Drilled		
		W		CATIO			EDICATION	N PLAT			
API Number				98220	Pool Na		SAGE; WOL	FCAMP (G			
Property Code			Property Name		BEER 30	FED COM			Well Number	202H	
OGRID No.	372043		Operator Name	TA	P ROCK OF	PERATING, L	LC.		Ground Level Elev	ation 3611'	
Surface Owner:	State Fee	Tribal X Federal				Mineral Owner:	State X Fee Tribal	X Federal			
					Surface	Location					
UL or lot no.	Section	Township	Range	Lot Idn		Feet from the E/W	Latitude		Longitude	County	
1	3	25-S	25-E	-	1347' N	748' E	N 32.1627	710 W 1	04.3775266	EDDY	
UL or lot no.	Section	Township	Range	Lot Idn	Bottom Ho Feet from the N/S	le Location	Latitude		Longitude	County	
E	4	25-S	25-S	-	1650' N	5' W	N 32.16204	156 W 1	04.4093980	EDDY	
	·	200	20 0			0.11				2001	
Dedicated Acres	Infill or Defi	ining Well Defini	ing Well API			Overlapping Spacing		Consolidat			
1283.09	1283.09 Infill 213H (API NO. PENDING)					N C					
Order Numbers						Well Setbacks are un	der Common Ownersh	ip: XYes No)		
					Kick Off P	oint (KOP)					
UL or lot no.	Section	Township	Range	Lot Idn		Feet from the E/W	Latitude		Longitude	County	
H	3	25-S	25-E	-	1650' N	50' E	N 32.16192	298 W 1	04.3752857	EDDY	
						Point (FTP)					
UL or lot no.	Section	Township 25-S	Range 25-E	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude N 32.1619;		Longitude 04.3761906	County EDDY	
H	3	20-0	20-E	-	1650' N	330' E	IN 32.1019	550 101	04.3701900	EDDT	
					Last Take I	<u> </u>				~	
UL or lot no.	Section 4	Township 25-S	Range 25-S	Lot Idn	Feet from the N/S 1649' N	Feet from the E/W 330' W	Latitude N 32.16204		Longitude	County EDDY	
	4	20-0	25-5	-	1049 1	330 VV	IN 32.10204	+22 VV I	J4.4003472	EDDT	
Unitized Area or A	rea of Uniform I	ntrect		Spacing Unity	Type		Ground	Floor Elevation			
Chinized Area of A	-	nitest		Spacing Unity	X Horizonta	al Vertical	Ground				
OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief; and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. If this well is a horizontal well, I further certify that this organization has received The consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division. MAMMA 03-03-25					SURVEYORS CERTIFICATION I hereby certify that the well location shown on this reat Downpotted 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. 24508 24508 1000 AL SURVEY 2/11/2025 10:20:40 AM						
Signature Cory Walk			Date				of Professional Surveyo	or Date			
Print Name	••					Certificate Number	Date of	of Survey			
E-mail Address	nitswest.c	om						11/18/2024			
E man Address									0 NI. 050		

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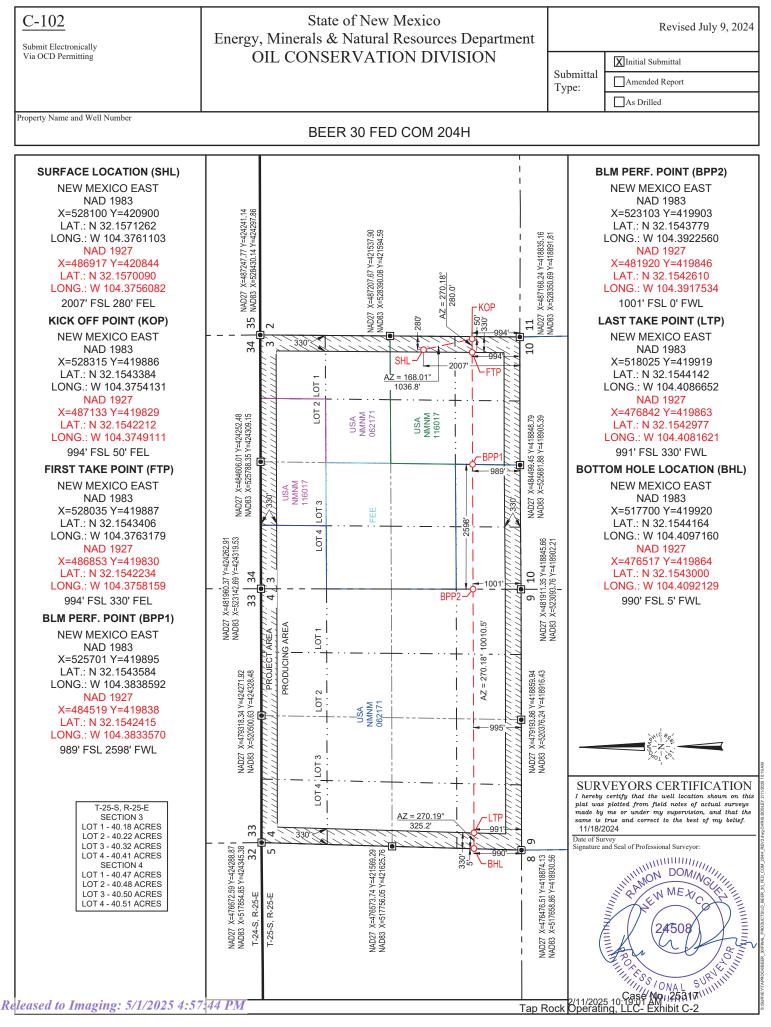


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C-102	solly		Energy		State of New ls & Natura		Department		Revised July 9, 2024		
Submit Electronic Via OCD Permitt			OIL CONSERVATION DIVISION						X Initial Submittal		
								Submittal Type:	Amended Report		
								51	As Drilled		
		W		CATIO	î		EDICATION	PLAT			
API Number				98220	Pool N		E SAGE; WC	LFCAMP (, 		
Property Code			Property Name		BEER 30	FED COM				204H	
OGRID No.	372043		Operator Name		P ROCK OF	PERATING, L	LC.		Ground Level Elev	^{vation} 3590'	
Surface Owner:	State Fee	Fribal 🗙 Federal				Mineral Owner:	State Fee Tribal	Federal			
				-		Location					
UL or lot no.	Section 3	Township 25-S	Range 25-E	Lot Idn	Feet from the N/S 2007' S	Feet from the E/W 280' E	Latitude N 32.15712		Longitude 04.3761103		
	5	23-3	2 3- E	-		le Location	N 32.13712		04.3701103	EDDY	
UL or lot no.	Section	Township	Range	Lot Idn		Feet from the E/W	Latitude		Longitude	County	
М	4	25-S	25-S	-	990' S	5' W	N 32.1544	164 W 1	04.4097160	EDDY	
Dedicated Acres	Infill or Defi	ning Well Defini	ng Well API			Overlapping Spacing	unit (Y/N)	Consolidat	ed Code		
1283.09						N C					
Order Numbers					Well Setbacks are un	nder Common Ownersh	ip: XYes No)			
					Kick Off P	oint (KOP)					
UL or lot no.	Section	Township	Range	Lot Idn		Feet from the E/W	Latitude		Longitude	County	
P	3	25-S	25-E	-	994' S	50' E	N 32.15433	384 W 1	04.3754131	EDDY	
UL or lot no.	Section	Township	Range	Lot Idn	First Take	Point (FTP) Feet from the E/W Latitude Longitude County					
P	3	25-S	25-E		994' S	330' E	N 32.15434	406 W 1	04.3763179	EDDY	
			-		Last Take]	Point (LTP)		Ī			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude		Longitude	County	
М	4	25-S	25-S	-	991' S	330' W	N 32.1544	142 W 1	04.4086652	EDDY	
Unitized Area or A	res of Uniform I	ntrect		Spacing Unity	Type		Ground	Floor Elevation			
	-			opaoning only	Horizonta	al Vertical	Ground				
OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief; and, if the well is a vertical or directional well that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill thi well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. If this well is a horizontal well, I further certify that this organization has received The consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.				lirectional well, nineral interest ght to drill this rking interest r a compulsory ation has nterest or thion) in which	SURVEYORS CERTIFICATION I hereby certify that the well location shown on this prot was have indefined 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. 24508 24508 2/11/2025 10:19:00 AM						
Signature	Walk		03-03-25 Date			Signature and Seal	of Professional Surveyo	2/11/2025 10:1	9:00 AM		
Cory Walk											
Print Name						Certificate Number	Date o	f Survey			
Cory@perr E-mail Address	nitswest.c	com						11/18/2024	Case No. 252		

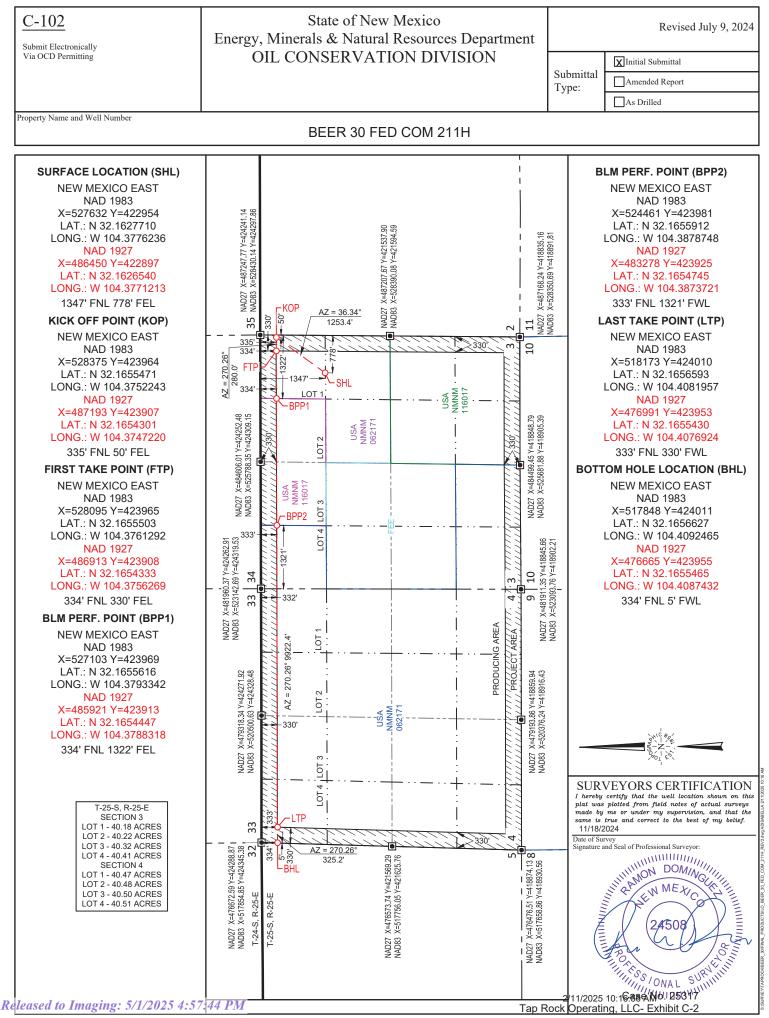
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<u>C-102</u>			Energy		State of Nev ls & Natura	v Mexico l Resources	Department		Revised July 9, 2024		
Submit Electronic Via OCD Permitt				·		TON DIVIS	1		X Initial Submittal		
								Submittal Type:	Amended Report		
								51	As Drilled		
		V		CATIO			DICATION	PLAT			
API Number				98220	Pool N		RPLE SAGE	WOLFCA			
Property Code			Property Name		BEER 30	FED COM				211H	
OGRID No.	372043		Operator Name	TA	P ROCK OF	PERATING, L	LC.		Ground Level Elev	ation 3611'	
Surface Owner:	State Fee	Fribal 🗙 Federal				Mineral Owner:	State Fee Tribal	Federal			
					Surface	Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude		Longitude	County	
1	3	25-S	25-E	-	1347' N	778' E	N 32.16277	710 W 1	04.3776236	EDDY	
III lat	Cootion.	Tourshin	Danas	I at Ida		le Location	Latitude		T en eltrada	Country	
UL or lot no. 4	Section 4	Township 25-S	Range 25-S	Lot Idn	334' N	5' W	N 32.16566	527 W 1	Longitude 04.4092465	County EDDY	
	-										
Dedicated Acres		ning Well Defin	-			Overlapping Spacing	Unit (Y/N)	Consolidat	ed Code		
1283.09	Infil		213H (/	API NO. F	PENDING)		N		С		
Order Numbers	Order Numbers						der Common Ownersh	ip: XYes N	0		
Kick Off						oint (KOP)					
UL or lot no.					Feet from the E/W			Longitude	County		
1	3	25-S	25-E	-	335' N					EDDY	
UL or lot no.	Section	Township	Range	Lot Idn	First Take	Point (FTP) Feet from the E/W	Latitude		Longitude	County	
1	3	25-S	25-E	-	334' N	330' E	N 32.1655	503 W 1	04.3761292	EDDY	
	•				Last Take 1	Point (LTP)					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude		Longitude	County	
4	4	25-S	25-S	-	333' N	330' W	N 32.1656	593 W 1	04.4081957	EDDY	
Unitized Area or A	an of Uniform I	atuaat		Cussing Units	Tuno		Crownd	Floor Elevation			
Unitized Area of A		litest		Spacing Unity	Horizont	al 🗌 Vertical	Ground	FIGO Elevation			
OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief; and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. If this well is a horizontal well, I further certify that this organization has received The consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division. May Madu 03-03-25					tirectional well, nineral interest ght to drill this rking interest r a compulsory ation has nterest or thion) in which	I hereby certify notes of actual is true and cor	RS CERTIFICA that the well loca surveys made by rect to the best of	tion shown on me or under m my belief.	this what was different with the what was different with the was dif	that the same	
Cory Walk			Date			Signature and Seal of		Dat			
Print Name						Certificate Number	Date of	of Survey			
E-mail Address	nitswest.c	om						11/18/2024			

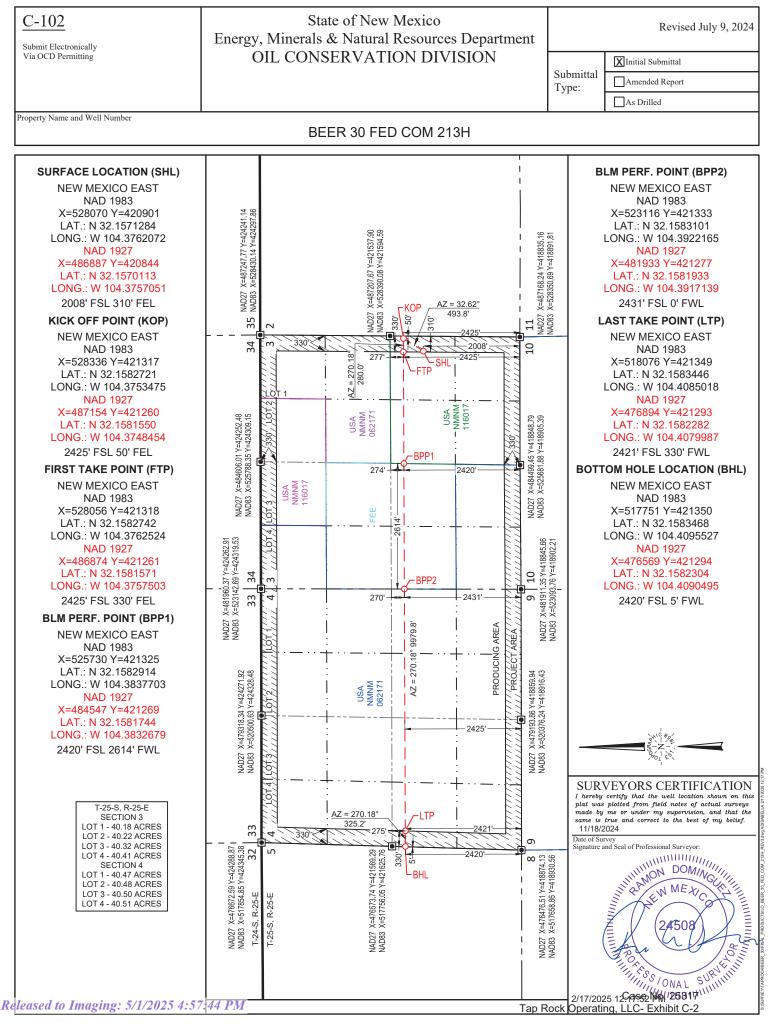
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<u>C-102</u>			Enorm			ew Mexico ral Resources	Donortmont		Revis	ed July 9, 2024	
Submit Electronic Via OCD Permitt					NSERVA		Initial Submittal				
									Amended Report		
								Type:	As Drilled		
L		W	/ /ELL LC	CATIO	N AND A	CREAGE DI	EDICATION	PLAT			
						l Name	RPLE SAGE; '		IP (GAS)		
Property Code			Property Name		BEER	30 FED COM			Well Number	213H	
OGRID No.	372043		Operator Name Ground Level Elevation TAP ROCK OPERATING, LLC. 3590						^{vation} 3590'		
Surface Owner:	State Fee	Tribal 🗙 Federal	1			Mineral Owner:	State 🗙 Fee 🗌 Tribal [X Federal			
					Surfac	e Location					
UL or lot no.	Section	Township	Range	Lot Idn		/S Feet from the E/W	Latitude		Longitude	County	
I	3	25-S	25-E	-	2008' S	310' E	N 32.15712	284 W 1	04.3762072	EDDY	
	~		-			Hole Location			×	~	
UL or lot no.	Section 4	Township 25-S	Range 25-S	Lot Idn	Feet from the N 2420' S	/S Feet from the E/W 5' W	Latitude F N 32.15834	ederal	Longitude 04.4095527	County EDDY	
	4	23-3	25-5	-	2420 3	5 77	11 52.1505	+00 001	04.4093327	EDDT	
Dedicated Acres	Infill or Defi	ining Well Defin	ing Well API			Overlapping Spacing	g Unit (Y/N)	Consolidat	ed Code		
1283.09	Defi	ning	213H (A	PI NO. PE	ENDING)		N C				
Order Numbers						Well Setbacks are ur	nder Common Ownersh	ip: XYes No)		
					Kick Of	Point (KOP)					
UL or lot no.	Section	Township	Range	Lot Idn		/S Feet from the E/W	Latitude		Longitude	County	
I	3	25-S	25-E	-	2425' S	50' E	N 32.15827	721 W 1	04.3753475	EDDY	
						e Point (FTP)					
UL or lot no.	Section	Township	Range	Lot Idn		/S Feet from the E/W					
I	3	25-S	25-E	-	2425' S	330' E	N 32.15827	42 1	04.3762524	EDDY	
	~ .		-			e Point (LTP)					
UL or lot no.	Section 4	Township 25-S	Range 25-S	Lot Idn	Feet from the N 2421' S	/S Feet from the E/W 330' W	Latitude N 32.15834	146 \ \\/ 1	Longitude 04.4085018	County EDDY	
	4	23-3	23-3	-	2421 3	330 W	N 32.1303-	40 001	04.4003010	EDDT	
Unitized Area or A	rea of Uniform I	ntrest		Spacing Unity	Type		Ground	Floor Elevation			
	-				Horiz	ontal Vertical					
OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill thi: well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. If this well is a horizontal well, I further certify that this organization has received The consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.				E I hereby certify notes of actual is is true and cor	SURVEYORS CERTIFICATION I hereby certify that the well location shown on this plot we blotted from field notes of actual surveys made by me or under the supervision and that the same is true and correct to the best of my belefor NME + O + O + O + O + O + O + O + O + O +						
Signature	Walk	~	03-03-25 Date			Signature and Seal	2/17 of Professional Surveyo	/2025 12:17:52			
Cory Walk			Date			Signature and Seal		. Date			
Print Name						Certificate Number	Date of	f Survey			
E-mail Address	nitswest.c	com				_		11/18/2024			

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Plat of Tracts, Tract Ownership, Applicable Lease Numbers

Total

Томпя	Township 25S, Range 25E				Tract	No.	Lease Type	Lease No.	ROCK
	County New Mex				1 & 2		FED	BLM Lease 062171	
					3 & 6		FED	BLM Lease 116017	
	Tract 2	Tra	ict 3		4		FEE		
				1	5		FEE		
	Tra	act 4	Tı	act 2		Roo	r 30 Fed Con	n Unit	
Tract 1 Section 04		act 5 act 2 Secti	Tra on 03	ct 6		Dee	i so rea con		
Tract 1 – Sec 4 All	WI %		Sec 3 NWN	W, NENE, S2NE,	WI %	/0	Tract 3 – Sec 3 N	WNE, NENW	WI %
Balog Family Trust dated 8/15/2002	0.290579	S2SW					Tap Rock Resource	11.538763	
COG Operating LLC	38.764819			ed 8/15/2002	0.29057	9	COG Operating LLC		49.086500
Concho Oil & Gas LLC	2.040254		Energy Grou	p LLC	0.07685		Concho Oil & Gas LLC		2.583500
EOG Resources Inc	21.054059	COG Opera	0		38.76481		EOG Resources Inc		26.660000
JKM Energy LLC	0.598906		I & Gas LLC		2.040254		OXY Y-1 Company		6.670000
OXY Y-1 Company	5.267463	EOG Resou			21.05405	9	Featherstone Deve	elopment Corporation	0.461498
Powderhorn Nominee Corp	8.000000			ment Corporation	0.15370		Parrot Head Prope	erties LLC	0.461498
Sydhan, LP	2.000000		JKM Energy LLC		0.59890	6	Prospector LLC		2.307492
Tap Rock Resources III, LLC	16.983920	OXY Y-1 Company			5.26746	3	Big Three Energy G	Group LLC	0.230749
Vision Energy Inc	5.000000	Parrot Head Properties LLC			0.15370		Total		100.000000
Total	100.000000		rn Nominee	Corp	8.00000		E 14 C 200		TATE 0/
		Prospector	⁻ LLC		0.76850)4		2NW + 1 Ac in N2SW	WI %
		Sydhan LP			2.00000		Cimarex Energy Co Coterra Energy Op		30.560613
		1	Resources III	LLC	15.83116	54	Tap Rock Resource	es III LLC	69.439387
		Vision Ene	rgy Inc		5.00000		Total		100.000000

Continued on next page Case No. 25317 Tap Rock Operating, LLC- Exhibit C-3

100.000000

Total

100.000000

Continued

Township 25S, Range 25E Eddy County New Mexico						
		Tract 2	Tra	ict 3		
Tract 1		Tra	act 4	Tr	Tract 2	
Section 04		Tra	act 5	Tract 6 pn 03		
		Tra	act 2 Secti			
Tract 5 – Sec 3 N2SW		WI %	Tract 6	- Sec 3 SE4		
Berdan Living Trust		1.041667	Tap Rock	Resources III,	, LLC	
Fandango, LLC		2.083333	COG Oper	rating LLC		
Estate of Betty Cole Drake		4.166667	Concho O	il & Gas LLC		
Estate of Frances Jane Owen		2.083333	EOG Reso	urces Inc		
Estate of Robert E Humphus		4.166667	OXY Y-1 C	OXY Y-1 Company		
Karen Dianne Farrell		6.250000	Featherst	Featherstone Development Corporatio		
Powderhorn Asset Co		8.333333	Parrot He	ad Properties	s LLC	
Tap Rock Resources III LLC	7	1.875000	Prospecto	or LLC		
Total	100	0.000000	Big Three	Energy Grou	p LLC	
			Total			

Tract No.	Lease Type	Lease No.
1&2	FED	BLM Lease 062171
3&6	FED	BLM Lease 116017
4	FEE	
5	FEE	

Beer 30 Fed Com Unit

WI % 11.538763 49.086500

Total	100.000000	
Big Three Energy Group LLC	0.230749	
Prospector LLC	2.307492	
Parrot Head Properties LLC	0.461498	
Featherstone Development Corporation	0.461498	
OXY Y-1 Company	6.670000	
EOG Resources Inc	26.660000	
Concho Oil & Gas LLC	2.583500	

Case No. 25317 Tap Rock Operating, LLC- Exhibit C-3



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Working Interest in Unit

0						
	Township 25S, Range 25E Eddy County New Mexico					0]
	Tract 2	Tra	ct 3			
T	Tra	act 4	Tr	act 2		
Tract 1	Tra	act 5				
Section 04	Tra	act 2 Secti	Tra on 03	ct 6		

WI Owner	WI %	Net Acres	Tract No	Status	Type of Interest	
Tap Rock Resources III LLC	22.438332	287.89	1, 2, 4, 5	Operator	Working Interest	
COG Operating LLC	35.865772	460.17	1, 2, 3, 6	Voluntary Joinder	Working Interest	
Concho Oil & Gas LLC	1.887672	24.22	1, 2, 3, 6	Voluntary Joinder	Working Interest	
Cimarex Energy Co, a subsidiary of Coterra Energy Operating Co.	1.929332	24.75	4	Voluntary Joinder	Working Interest	
Fandango, LLC	0.128276	1.65	5	Voluntary Joinder	Working Interest	
EOG Resources Inc	19.479520	<mark>249.93</mark>	1, 2, 3, 6	Compulsory Pool	Working Interest	
Powderhorn Nominee Corp	<mark>5.502556</mark>	<mark>70.60</mark>	1, 2, 5	Compulsory Pool	Working Interest	Parties Being
OXY Y-1 Company	<mark>4.873533</mark>	<mark>62.53</mark>	1, 2, 3, 6	Compulsory Pool	Working Interest	
Vision Energy Inc	<mark>3.439098</mark>	<mark>44.13</mark>	1, 2	Compulsory Pool	Working Interest	
Prospector LLC	0.576677	7.40	2, 3, 6	Compulsory Pool	Working Interest	Continue on next p
Sydhan LP	<mark>1.375639</mark>	<mark>17.65</mark>	1, 2	Compulsory Pool	Working Interest	on next p

ng Pooled

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Case No. 25317 Tap Rock Operating, LLC- Exhibit C-4

TAP

Continued

Township 25S, Range 25E Eddy County New Mexico					
	Tract 2	Tra	ct 3		
Tra 14	Tra	act 4	Tr	act 2	
Tract 1	Tra	act 5			
Section 04	Tra	nct 2 Secti	Tracon 03	ct 6	

Beer 30 Fed Com Unit

WI Owner	WI %	Net Acres	Tract No	Status	Type of Interest
Powderhorn Asset Co	<mark>0.513104</mark>	<mark>6.58</mark>	1, 2, 5	Compulsory Pool	Working Interest
Featherstone Development Corporation	0.115335	1.48	2, 3, 6	Compulsory Pool	Working Interest
Parrot Head Properties LLC	0.115335	1.48	2, 3, 6	Compulsory Pool	Working Interest
JKM Energy LLC	0.411939	5.29	1, 2	Compulsory Pool	Working Interest
Big Three Energy Group LLC	<mark>.057668</mark>	0.74	3, 6	Compulsory Pool	Working Interest
Balog Family Trust dated 8/15/2002	<mark>0.199866</mark>	2.56	1&2	Compulsory Pool	Working Interest
Estate of Frances Jane Owen	<mark>0.128276</mark>	1.65	5	Compulsory Pool	Unleased Mineral Interest
Berdan Living Trust	<mark>0.064138</mark>	<mark>0.82</mark>	5	Compulsory Pool	Unleased Mineral Interest
Karen Dianne Farrell	<mark>0.384828</mark>	4.94	5	Compulsory Pool	Unleased Mineral Interest
Estate of Betty Cole Drake	0.256552	3.29	5	Compulsory Pool	Unleased Mineral Interest
Estate of Robert E Humphus	0.256552	3.29	5	Compulsory Pool	Unleased Mineral Interest
Total	100.000000	1283.04			

Parties Being Pooled

Case No. 25317 Tap Rock Operating, LLC- Exhibit C-4



January 28, 2025

Via Certified Mail

BERDAN LIVING TRUST UTA DATED NOVEMBER 2, 2018 MARSHA COLE BERDAN AND BARCLAY E BERDAN, TRUSTEES 3639 ENCANTO DR FORT WORTH, TX 76109

Re: Well Proposals

- BEER 30 FEDERAL COM #202H
- BEER 30 FEDERAL COM #204H
- BEER 30 FEDERAL COM #211H
- BEER 30 FEDERAL COM #213H

Township 25 South, Range 25 East Section 3: All; Township 25 South, Range 25 East Section 4: All

Eddy County, New Mexico

To Whom It May Concern:

Tap Rock Operating, LLC ("Tap Rock"), as Operator, hereby proposes to drill and complete the following wells (the "Wells") at the following approximate locations:

Well Name	Surface Hole Location (SHL)	Bottom Hole Location (BHL)	Formation	True Vertical Depth	Measured Depth
BEER 30 FEDERAL COM #202H	NE/4NE/4 of Section 3	5' FWL of Section 4 & 1,650' FNL of Section 4	Wolfcamp A	8,450'	18,650'
BEER 30 FEDERAL COM #204H	NE/4SE/4 of Section 3	5' FWL of Section 4 & 990' FSL of Section 4	Wolfcamp A	8,450'	18,650'
BEER 30 FEDERAL COM #211H	NE/4NE/4 of Section 3	5' FWL of Section 4 & 334' FNL of Section 4	Wolfcamp A	8,450'	18,650'
BEER 30 FEDERAL COM #213H	NE/4SE/4 of Section 3	5' FWL of Section 4 & 2,360' FSL of Section 4	Wolfcamp A	8,450'	18,650'

The proposed locations and drilling plans described above are subject to change depending on surface or subsurface issues that may be encountered.

An itemized schedule of the total estimated cost to drill and complete each of the Wells is provided in the enclosed AFEs. Tap Rock also estimates an additional \$1,283,000.00 per well for a central tank battery. Your election to participate in the drilling and completion of the Wells will also be considered an election to participate in the construction of the production facility. Tap Rock is proposing to drill the Wells under the modified terms of the enclosed AAPL Form 610-1989



Operating Agreement.

Please indicate your election to participate by signing a copy of this letter and the AFEs and return to me via Email or mail within thirty (30) days. If you do not wish to participate in the operation, Tap Rock would like to offer the following terms, subject to approval of Tap Rock's board and verification of title:

• For leased working interest parties, a three-year Term Assignment, \$500 per net acre bonus consideration.

• For unleased mineral owners, a three-year primary term lease with a royalty equal to the difference between existing burdens and 20%, \$500 per net acre bonus consideration.

Additionally, Tap Rock is open to discuss possible trades or other deal structures related to your interest in the proposed Wells. If an agreement cannot be reached within thirty (30) days of your receipt of this letter, Tap Rock will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed Wells to allow Tap Rock to move forward with planning and drilling the Wells.

Thank you for your time and consideration. If you have any questions regarding the above, please feel free to contact me at 720-460-3316 or by email at eshewmaker@taprk.com.

Sincerely,

TAP ROCK OPERATING, LLC

Matter C. ACCR

Matthew C. Phillips Sr. Landman

BERDAN LIVING TRUST UTA DATED NOVEMBER 2, 2018 hereby elects to:

- _____ participate in the drilling, completion and equipping of the BEER 30 FEDERAL COM #202H non-consent the BEER 30 FEDERAL COM #202H
- participate in the drilling, completion and equipping of the BEER 30 FEDERAL COM #204H
- _____ non-consent the BEER 30 FEDERAL COM #204H
- participate in the drilling, completion and equipping of the BEER 30 FEDERAL COM #211H non-consent the BEER 30 FEDERAL COM #211H
- _____ participate in the drilling, completion and equipping of the BEER 30 FEDERAL COM #213H _____ non-consent the BEER 30 FEDERAL COM #213H

By:	 	 	
Name:			

- Title:
- Date:

523 Park Point Dr, Golden, Colorado 80401 Authorization For Expenditure

INTANGIBLE COMPLETION COSTS

Name:	Beer 30 Fed Com #202H
AFE #:	0
County:	Eddy
State:	NM

Well Description:

Date: January 28, 2025 MD/TVD: 18650 / 8450 Lateral Length: 9750 Geologic Target: Wolfcamp A

Drill, com	plete, and produce a horizontal Wo	lfcamp A well with a 9750 foot lateral.

		INTANGIBLE DRILLING COSTS	
COST C		DESCRIPTION	AMOUNT
1	1	Land - Legal	40,000
-	2	Land - Regulatory	14,000
1	3	Land - Surface Damages	50,000
1	4	Land - Survey	10,000
1	5	Location/Pit Construction	59,000
1	6	Remedial Dirtwork	0
1	7	Reserve/Frac Pit Closing	0
1	8	Drilling - Contractor	534,378
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	141,000
1	11	Cementing Equipment	30,000
1	12	Bits/Drill Out Assemblies	63,500
1	13	Fluid Circulation Equipment/Services	60,196
1	14	Fluids/Chemicals	102,577
1	15	WBM Cuttings/Wastewater Disposal	74,600
1	16	OBM Cuttings/Chemical Disposal	0
1	17	Fuel/Power	56,520
1	18	Water	35,768
1	19	Directional Drilling	188,401
1	20	Mud Logging	23,113
1	21	Open/Cased/Production Hole Logs	0
1	22	Coring	0
1	23	Geologic Supervision	0
1	24	Engineering Supervision	0
1	25	Consultant Supervision	96,096
1	26	Freight/Transportation	9,000
1	27	Labor	98,500
1	28	Supplies - Surface	2,500
1	29	Supplies - Living Quarters	1,000
1	30	Rentals - Surface	53,103
1	31	Rentals - Living Quarters	34,076
1	32	Rentals - Downhole	2,000
1	33	Rentals - Pipe & Handling Tools	58,404
1	34	Rentals - Frac Stack	50,404
1	35	Rentals - Frac Tanks	5,652
1	36	Coil Tubing Unit/Workover Rig	5,052
1	37	Wireline/Slickline/Perforating	
1	38		
1		Temporary Packers/Plugs	
1	39 40	High Pressure Pump Truck Stimulation	
_	-		
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	-
1	46	Pipeline Tapping Services	_
1	47	Plugging & Abandonment	0
1	53	Overhead	0
1	54	Insurance	20,000
1	55	Contingency	382,677

	CODES	DESCRIPTION	AMOUNT
2	1	Land - Legal	+
2	2	Land - Regulatory	
2	3	Land - Surface Damages	
2	4	Land - Survey	
2	5	Location/Pit Construction	
2	6	Remedial Dirtwork	
2	7	Reserve/Frac Pit Closing	
2	8	Drilling - Contractor	
2	9	Mob/Rig Up - Contractor/Trucking	
2	10	Cementing Services	
2	11	Cementing Equipment	
2	12	Bits/Drill Out Assemblies	65,26
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	43,483
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	479,38
2	18	Water	602,610
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,693
2	22	Coring	
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	80,560
2	26	Freight/Transportation	2,000
2	27	Labor	2,53
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	14,76
2	31	Rentals - Living Quarters	15,630
2	32	Rentals - Downhole	(
2	33	Rentals - Pipe & Handling Tools	(
2	34	Rentals - Frac Stack	84,30
2	35	Rentals - Frac Tanks	29,56
2	36	Coil Tubing Unit/Workover Rig	132,74
2	37	Wireline/Slickline/Perforating	261,60
2	38	Temporary Packers/Plugs	48,04
2	39	High Pressure Pump Truck	53,79
2	40	Stimulation	1,760,220
2	41	Rentals - Pressure Control	
2	42	Flowback Services	54,10
2	43	Water Transfer Services	55,650
2	44	Flowback Water Trucking & Disposal	9,44
2	45	Permanent Equipment Installation	-,
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	13,71
2	54	Insurance	13,71.
	24		1

COST	CODES	DESCRIPTION	AMOUNT
3	1	Land - Legal	
3	2	Land - Regulatory	
3	3	Land - Surface Damages	
3	4	Land - Survey	
3	5	Location/Pit Construction	5,00
3	6	Remedial Dirtwork	
3	7	Reserve/Frac Pit Closing	
3	8	Drilling - Contractor	
3	9	Mob/Rig Up - Contractor/Trucking	
3	10	Cementing Services	
3	11	Cementing Equipment	
3	12	Bits/Drill Out Assemblies	
3	13	Fluid Circulation Equipment/Services	
3	14	Fluids/Chemicals	
3	15	WBM Cuttings/Wastewater Disposal	
3	16	OBM Cuttings/Chemical Disposal	
3	17	Fuel/Power	
3	18	Water	
3	19	Directional Drilling	
3	20	Mud Logging	
3	21	Open/Cased/Production Hole Logs	
3	22	Coring	
3	23	Geologic Supervision	
3	24	Engineering Supervision	
3	25	Consultant Supervision	23,50
3	26	Freight/Transportation	10,00
3	27	Labor	10,00
3	28	Supplies - Surface	12,51
3	29	Supplies - Living Quarters	
3	30	Rentals - Surface	23.66
3	31	Rentals - Living Quarters	23,00
3	32		
3		Rentals - Downhole	
3	33 34	Rentals - Pipe & Handling Tools	
-		Rentals - Frac Stack	
3	35	Rentals - Frac Tanks	90
3	36	Coil Tubing Unit/Workover Rig	26,50
3	37	Wireline/Slickline/Perforating	12,00
3	38	Temporary Packers/Plugs	
3	39	High Pressure Pump Truck	
3	40	Stimulation	
3	41	Rentals - Pressure Control	
3	42	Flowback Services	67,16
3	43	Water Transfer Services	
3	44	Flowback Water Trucking & Disposal	65,00
3	45	Permanent Equipment Installation	
3	46	Pipeline Tapping Services	
3	47	Plugging & Abandonment	
3	53	Overhead	
3	54	Insurance	
3	55	Contingency	46,93

TOTAL INTANGIBLE DRILLING COSTS: \$2,296,060

	TANGIBLE DRILLING COSTS					TANGIBLE COMPLETION COSTS					TANGIBLE PRODUCTION COSTS			
COST	CODES	DESCRIPTION	AMOUNT	c	OST C	ODES	DESCRIPTION	AMOUNT		cos	T CODES	DESCRIPTION	AMOUNT	
4	60	Conductor Casing	30,000		5	60	Conductor Casing			6	60	Conductor Casing		
4	61	Surface Casing	15,652		5	61	Surface Casing			6	61	Surface Casing		
4	62	1st Intermediate Casing	46,620		5	62	1st Intermediate Casing			6	62	1st Intermediate Casing		
4	63	2nd Intermediate Casing	0		5	63	2nd Intermediate Casing			6	63	2nd Intermediate Casing		
4	64	Production Casing	454,128		5	64	Production Casing	0		6	64	Production Casing		
4	65	Tubing		1	5	65	Tubing			6	65	Tubing	51,783	
4	66	Wellhead	78,000	1	5	66	Wellhead	0		6	66	Wellhead	29,610	
4	67	Permanent Packers/Hangers/Plugs			5	67	Permanent Packers/Hangers/Plugs			6	67	Permanent Packers/Hangers/Plugs	0	
4	68	Tanks		1	5	68	Tanks			6	68	Tanks		
4	69	Production Vessels			5	69	Production Vessels] [6	69	Production Vessels	311,225	
4	70	Compressors			5	70	Compressors			6	70	Compressors		
4	71	Surface Flowlines		1	5	71	Surface Flowlines			6	71	Surface Flowlines	358,700	
4	72	Gathering Lines			5	72	Gathering Lines] [6	72	Gathering Lines	0	
4	73	Valves & Controllers			5	73	Valves & Controllers			6	73	Valves & Controllers	0	
4	74	Artificial Lift Equipment		1	5	74	Artificial Lift Equipment			6	74	Artificial Lift Equipment	79,000	
4	75	Instrumentation & Measurement			5	75	Instrumentation & Measurement] [6	75	Instrumentation & Measurement		
4	76	Electrical Grounding/Safety Equipment			5	76	Electrical Grounding/Safety Equipment			6	76	Electrical Grounding/Safety Equipment		
4	77	Permanent Equipment Installation		1	5	77	Permanent Equipment Installation			6	77	Permanent Equipment Installation	6,250	
4	80	Other - Surface			5	80	Other - Surface] [6	80	Other - Surface		
4	81	Other - Downhole	15,000		5	81	Other - Downhole] [6	81	Other - Downhole		
		TOTAL TANGIBLE DRILLING COSTS:	\$639,400				TOTAL TANGIBLE COMPLETION COSTS:	\$0				TOTAL TANGIBLE PRODUCTION COSTS:	\$836,568	
		TOTAL DRILLING COSTS:	\$2,935,460				TOTAL COMPLETION COSTS:	\$4,263,416				TOTAL PRODUCTION COSTS:	\$1,130,148	

TOTAL WELL COST: \$8,329,023

TAP ROCK RESOURCES COMPANY APPROVAL: CEO VP - EXPLORATION VP - OPERATIONS CFO _ ____ SENIOR GEOLOGIST ___ VP - LAND & LEGAL

	NON OPERATING P	ARTNER APPROVAL	
	COMPANY NAME:		
SIGNED BY:		TITLE:	
WORKING INTEREST (%):		DATE:	
TAX ID:		APPROVAL:	

AFE is an estimate only. By signing this AFE, you agree to pay your proportionate share of the actual costs.

523 Park Point Dr, Golden, Colorado 80401 Authorization For Expenditure

Name: AFE #: County: State: Beer 30 Fed Com #204H 0 Eddy NM

Date: January 28, 2025 MD/TVD: 18650 / 8450 Lateral Length: 9750 Geologic Target: Wolfcamp A

Well Description:

Drill, complete, and produce a horizontal Wolfcamp A well with a 9750 foot lateral. INTANGIBLE COMPLETION COSTS

cos	T CODES	DESCRIPTION	AMOUNT
1	1	Land - Legal	40,000
1	2	Land - Regulatory	14,000
1	3	Land - Surface Damages	50,000
1	4	Land - Survey	10,000
1	5	Location/Pit Construction	59,000
1	6	Remedial Dirtwork	
1	7	Reserve/Frac Pit Closing	
1	8	Drilling - Contractor	534,37
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	141,00
1	11	Cementing Equipment	30,000
1	12	Bits/Drill Out Assemblies	63,50
1	13	Fluid Circulation Equipment/Services	60,19
1	14	Fluids/Chemicals	102,57
1	15	WBM Cuttings/Wastewater Disposal	74,60
1	16	OBM Cuttings/Chemical Disposal	74,00
1	17	Fuel/Power	56,52
1	18	Water	35,76
1	19	Directional Drilling	188,40
1	20	Mud Logging	23,11
-			
1	21	Open/Cased/Production Hole Logs	
1	22	Coring	
1	23	Geologic Supervision	
1	24	Engineering Supervision	
1	25	Consultant Supervision	96,09
1	26	Freight/Transportation	9,00
1	27	Labor	98,50
1	28	Supplies - Surface	2,50
1	29	Supplies - Living Quarters	1,00
1	30	Rentals - Surface	53,10
1	31	Rentals - Living Quarters	34,07
1	32	Rentals - Downhole	2,00
1	33	Rentals - Pipe & Handling Tools	58,40
1	34	Rentals - Frac Stack	
1	35	Rentals - Frac Tanks	5,65
1	36	Coil Tubing Unit/Workover Rig	
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck	
1	40	Stimulation	
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	44	Permanent Equipment Installation	
1	45		1
-		Pipeline Tapping Services	-
1	47	Plugging & Abandonment	
1	53 54	Overhead	
1		Insurance	20,00

INTANGIBLE DRILLING COSTS

<u>s</u>	r codes	DESCRIPTION	AMOUNT
	1	Land - Legal	
	2	Land - Regulatory	
	3	Land - Surface Damages	
	4	Land - Survey	
	5	Location/Pit Construction	
	6	Remedial Dirtwork	
	7	Reserve/Frac Pit Closing	
1	8	Drilling - Contractor	
1	9	Mob/Rig Up - Contractor/Trucking	
1	10	Cementing Services	
1	11	Cementing Equipment	
1	12	Bits/Drill Out Assemblies	65,261
1	13	Fluid Circulation Equipment/Services	03,202
+	14	Fluids/Chemicals	43,482
	15	WBM Cuttings/Wastewater Disposal	43,402
┥	16	OBM Cuttings/Chemical Disposal	
┥	10		470.385
	17	Fuel/Power Water	479,385
┥			602,610
+	19	Directional Drilling	-
+	20	Mud Logging	
+	21	Open/Cased/Production Hole Logs	8,692
+	22	Coring	
4	23	Geologic Supervision	-
4	24	Engineering Supervision	-
4	25	Consultant Supervision	80,560
	26	Freight/Transportation	2,000
	27	Labor	2,532
	28	Supplies - Surface	2,000
	29	Supplies - Living Quarters	2,000
	30	Rentals - Surface	14,763
	31	Rentals - Living Quarters	15,630
	32	Rentals - Downhole	0
	33	Rentals - Pipe & Handling Tools	0
	34	Rentals - Frac Stack	84,307
Ι	35	Rentals - Frac Tanks	29,562
Ι	36	Coil Tubing Unit/Workover Rig	132,744
Ι	37	Wireline/Slickline/Perforating	261,608
	38	Temporary Packers/Plugs	48,045
1	39	High Pressure Pump Truck	53,795
1	40	Stimulation	1,760,226
1	41	Rentals - Pressure Control	
1	42	Flowback Services	54,103
1	43	Water Transfer Services	55,650
1	44	Flowback Water Trucking & Disposal	9,446
	45	Permanent Equipment Installation	5,440
1	45	Pipeline Tapping Services	1
┥	40	Plugging & Abandonment	1
+	53	Overhead	12 715
+	53		13,715
+		Insurance	
	55	Contingency	441,301

cos	T CODES	DESCRIPTION	AMOUNT
3	1	Land - Legal	
3	2	Land - Regulatory	
3	3	Land - Surface Damages	
3	4	Land - Survey	
3	5	Location/Pit Construction	5,00
з	6	Remedial Dirtwork	
3	7	Reserve/Frac Pit Closing	
3	8	Drilling - Contractor	
3	9	Mob/Rig Up - Contractor/Trucking	
3	10	Cementing Services	
3	11	Cementing Equipment	
3	12	Bits/Drill Out Assemblies	
3	13	Fluid Circulation Equipment/Services	
3	14	Fluids/Chemicals	
3	15	WBM Cuttings/Wastewater Disposal	
3	16	OBM Cuttings/Chemical Disposal	
3	17	Fuel/Power	
3	18	Water	
3	19	Directional Drilling	
3	20		
3	20	Mud Logging Open/Cased/Production Hole Logs	
-			
3	22	Coring	
3	23	Geologic Supervision	
3	24	Engineering Supervision	
3	25	Consultant Supervision	23,50
3	26	Freight/Transportation	10,00
3	27	Labor	12,91
3	28	Supplies - Surface	
3	29	Supplies - Living Quarters	
3	30	Rentals - Surface	23,66
3	31	Rentals - Living Quarters	
3	32	Rentals - Downhole	
3	33	Rentals - Pipe & Handling Tools	
3	34	Rentals - Frac Stack	
3	35	Rentals - Frac Tanks	90
3	36	Coil Tubing Unit/Workover Rig	26,50
3	37	Wireline/Slickline/Perforating	12,00
3	38	Temporary Packers/Plugs	
3	39	High Pressure Pump Truck	
3	40	Stimulation	
3	41	Rentals - Pressure Control	
3	42	Flowback Services	67,16
3	43	Water Transfer Services	
3	44	Flowback Water Trucking & Disposal	65,00
3	45	Permanent Equipment Installation	
3	46	Pipeline Tapping Services	
3	47	Plugging & Abandonment	
3	53	Overhead	
3	54	Insurance	
3	55		46,93
5	25	Contingency	46,93

TOTAL INTANGIBLE DRILLING COSTS: \$2,296,060

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VP - LAND & LEGAL

		TANGIBLE DRILLING COSTS		TANGIBLE COMPLETION COSTS				TANGIBLE PRODUCTION COSTS				
CO	T CODES	DESCRIPTION	AMOUNT	C	ST CODES	DESCRIPTION	AMOUNT	-	COS	T CODES	DESCRIPTION	AMOUNT
4	60	Conductor Casing	30,000	5	60	Conductor Casing			6	60	Conductor Casing	
4	61	Surface Casing	15,652	5	61	Surface Casing			6	61	Surface Casing	
4	62	1st Intermediate Casing	46,620	5	62	1st Intermediate Casing			6	62	1st Intermediate Casing	
4	63	2nd Intermediate Casing	0	5	63	2nd Intermediate Casing			6	63	2nd Intermediate Casing	
4	64	Production Casing	454,128	5	64	Production Casing	0		6	64	Production Casing	
4	65	Tubing		5	65	Tubing			6	65	Tubing	51,783
4	66	Wellhead	78,000	5	66	Wellhead	0		6	66	Wellhead	29,610
4	67	Permanent Packers/Hangers/Plugs		5	67	Permanent Packers/Hangers/Plugs			6	67	Permanent Packers/Hangers/Plugs	0
4	68	Tanks		5	68	Tanks			6	68	Tanks	
4	69	Production Vessels		5	69	Production Vessels			6	69	Production Vessels	311,225
4	70	Compressors		5	70	Compressors			6	70	Compressors	
4	71	Surface Flowlines		5	71	Surface Flowlines			6	71	Surface Flowlines	358,700
4	72	Gathering Lines		5	72	Gathering Lines			6	72	Gathering Lines	0
4	73	Valves & Controllers		5	73	Valves & Controllers			6	73	Valves & Controllers	0
4	74	Artificial Lift Equipment		5	74	Artificial Lift Equipment			6	74	Artificial Lift Equipment	79,000
4	75	Instrumentation & Measurement		5	75	Instrumentation & Measurement			6	75	Instrumentation & Measurement	
4	76	Electrical Grounding/Safety Equipment		5	76	Electrical Grounding/Safety Equipment			6	76	Electrical Grounding/Safety Equipment	
4	77	Permanent Equipment Installation		5	77	Permanent Equipment Installation			6	77	Permanent Equipment Installation	6,250
4	80	Other - Surface		5	80	Other - Surface			6	80	Other - Surface	
4	81	Other - Downhole	15,000	5	81	Other - Downhole			6	81	Other - Downhole	
		TOTAL TANGIBLE DRILLING COSTS:	\$639,400			TOTAL TANGIBLE COMPLETION COSTS:	\$0				TOTAL TANGIBLE PRODUCTION COSTS:	\$836,568
		TOTAL DRILLING COSTS:	\$2,935,460			TOTAL COMPLETION COSTS:	\$4,263,416				TOTAL PRODUCTION COSTS:	\$1,130,148

\$1,130,148 TOTAL WELL COST: \$8,329,023

	NON OPERATING P	ARTNER APPROVAL:
	COMPANY NAME:	
SIGNED BY:		TITLE:
WORKING INTEREST (%): _		DATE:
TAX ID:		APPROVAL:

AFE is an estimate only. By signing this AFE, you agree to pay your proportionate share of the actual costs.

TAP ROCK RESOURCES COMPANY APPROVAL:

VP - EXPLORATION

VP - OPERATIONS

___ SENIOR GEOLOGIST _

523 Park Point Dr, Golden, Colorado 80401 Authorization For Expenditure

Name: AFE #: County: State: Beer 30 Fed Com #211H Beer 0 Eddy NM

Date: January 28, 2025 MD/TVD: 18650 / 8450 Lateral Length: 9750 Geologic Target: Wolfcamp A

Well Description:

Drill, complete, and produce a horizontal Wolfcamp A well with a 9750 foot lateral. INTANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
1 1	Land - Legal	40,000
1 2	Land - Regulatory	14,000
1 3	Land - Surface Damages	50,000
1 4	Land - Survey	10,000
1 5	Location/Pit Construction	59,000
1 6	Remedial Dirtwork	0
1 7	Reserve/Frac Pit Closing	0
1 8	Drilling - Contractor	534,378
1 9	Mob/Rig Up - Contractor/Trucking	50,000
1 10	Cementing Services	141,000
1 11	Cementing Equipment	30,000
1 12	Bits/Drill Out Assemblies	63,500
1 13	Fluid Circulation Equipment/Services	60,196
1 14	Fluids/Chemicals	102,577
1 15	WBM Cuttings/Wastewater Disposal	74,600
1 16	OBM Cuttings/Chemical Disposal	(
1 17	Fuel/Power	56,520
1 18	Water	35,768
1 19	Directional Drilling	188,401
1 20	Mud Logging	23,113
1 21	Open/Cased/Production Hole Logs	25,115
1 22	Coring	0
1 23	Geologic Supervision	0
1 24	Engineering Supervision	
1 24	Consultant Supervision	96,096
1 25	Freight/Transportation	9,000
1 20	Labor	98,500
1 27	Supplies - Surface	98,500
1 20	Supplies - Living Quarters	
1 29	Rentals - Surface	1,000
1 30		53,103
	Rentals - Living Quarters	34,076
1 32	Rentals - Downhole	2,000
1 33	Rentals - Pipe & Handling Tools	58,404
1 34	Rentals - Frac Stack	
1 35	Rentals - Frac Tanks	5,652
1 36	Coil Tubing Unit/Workover Rig	-
1 37	Wireline/Slickline/Perforating	
1 38	Temporary Packers/Plugs	
1 39	High Pressure Pump Truck	
1 40	Stimulation	
1 41	Rentals - Pressure Control	
1 42	Flowback Services	
1 43	Water Transfer Services	_
1 44	Flowback Water Trucking & Disposal	
1 45	Permanent Equipment Installation	
1 46	Pipeline Tapping Services	-
1 47	Plugging & Abandonment	(
1 53	Overhead	(
1 54	Insurance	20,000
1 55	Contingency	382,677

INTANGIBLE DRILLING COSTS

os	T CODES	DESCRIPTION	AMOUNT
2	1	Land - Legal	
2	2	Land - Regulatory	
2	3	Land - Surface Damages	
2	4	Land - Survey	
2	5	Location/Pit Construction	
2	6	Remedial Dirtwork	
2	7	Reserve/Frac Pit Closing	
2	8	Drilling - Contractor	
2	9	Mob/Rig Up - Contractor/Trucking	
2	10	Cementing Services	
2	11	Cementing Equipment	
2	12	Bits/Drill Out Assemblies	65,261
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	43,482
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	479,385
2	18	Water	602,610
2	19	Directional Drilling	002,010
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8.692
2	22	Coring	0,052
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	80,560
2	26	Freight/Transportation	2,000
2	27	Labor	2,532
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	14,763
2	31	Rentals - Living Quarters	15,630
2	32	Rentals - Downhole	15,050
2	33	Rentals - Pipe & Handling Tools	0
2	34	Rentals - Frac Stack	84,307
	35	Rentals - Frac Tanks	
2	36	Coil Tubing Unit/Workover Rig	29,562
2	37	Wireline/Slickline/Perforating	261,608
2	38	Temporary Packers/Plugs	48,045
2	39	High Pressure Pump Truck	53,795
2	40	Stimulation	1,760,226
2	40	Rentals - Pressure Control	1,700,220
2	41	Flowback Services	54,103
2	43	Water Transfer Services	55,650
2	43		9,446
2	44	Flowback Water Trucking & Disposal Permanent Equipment Installation	9,440
	45	Pipeline Tapping Services	
2	46		+
2		Plugging & Abandonment	42.745
2	53	Overhead	13,715
2	54	Insurance	
	55	Contingency	441,301

COST	CODES	DESCRIPTION	AMOUNT
3	1	Land - Legal	
3	2	Land - Regulatory	
3	3	Land - Surface Damages	
3	4	Land - Survey	
3	5	Location/Pit Construction	5,00
3	6	Remedial Dirtwork	0,00
3	7	Reserve/Frac Pit Closing	
3	8	Drilling - Contractor	
3	9	Mob/Rig Up - Contractor/Trucking	
3	10	Cementing Services	
3	11	Cementing Equipment	
3	12	Bits/Drill Out Assemblies	
3	13	Fluid Circulation Equipment/Services	
3	14	Fluids/Chemicals	
3	15	WBM Cuttings/Wastewater Disposal	
3	16	OBM Cuttings/Chemical Disposal	
3	17	Fuel/Power	
3	18	Water	
3	19	Directional Drilling	
3	20	Mud Logging	
3	21	Open/Cased/Production Hole Logs	
3	22	Coring	
3	23	Geologic Supervision	
3	24	Engineering Supervision	
3	25	Consultant Supervision	23,50
3	26	Freight/Transportation	10,00
3	27	Labor	12.91
3	28	Supplies - Surface	12,51
3	29	Supplies - Living Quarters	
3	30	Rentals - Surface	23,66
3	31	Rentals - Living Quarters	20,00
3	32	Rentals - Downhole	
3	33	Rentals - Pipe & Handling Tools	
3	34	Rentals - Frac Stack	
3	35	Rentals - Frac Tanks	90
3	36	Coil Tubing Unit/Workover Rig	26,50
3	37	Wireline/Slickline/Perforating	12,00
3	38	Temporary Packers/Plugs	12,00
3	39	High Pressure Pump Truck	
3	40	Stimulation	
3	41	Rentals - Pressure Control	
3	42	Flowback Services	67,16
3	43	Water Transfer Services	07,10
3	44	Flowback Water Trucking & Disposal	65,00
3	44	Permanent Equipment Installation	03,00
3	45	Pipeline Tapping Services	
3	40	Plugging & Abandonment	
3	53	Plugging & Abandonment Overhead	
3	53		
-	-	Insurance	
3	55	Contingency	46,93

TOTAL INTANGIBLE DRILLING COSTS: \$2,296,060

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		TANGIBLE DRILLING COSTS			TANGIBLE COMPLETION COSTS					TANGIBLE PRODUCTION COSTS				
COS	T CODES	DESCRIPTION	AMOUNT	cc	ST CODES	DESCRIPTION	AMOUNT		cos	CODES	DESCRIPTION	AMOUNT		
4	60	Conductor Casing	30,000	5	60	Conductor Casing			6	60	Conductor Casing			
4	61	Surface Casing	15,652	5	61	Surface Casing			6	61	Surface Casing			
4	62	1st Intermediate Casing	46,620	5	62	1st Intermediate Casing			6	62	1st Intermediate Casing			
4	63	2nd Intermediate Casing	0	5	63	2nd Intermediate Casing			6	63	2nd Intermediate Casing			
4	64	Production Casing	454,128	5	64	Production Casing	0		6	64	Production Casing			
4	65	Tubing		5	65	Tubing			6	65	Tubing	51,783		
4	66	Wellhead	78,000	5	66	Wellhead	0		6	66	Wellhead	29,610		
4	67	Permanent Packers/Hangers/Plugs		5	67	Permanent Packers/Hangers/Plugs			6	67	Permanent Packers/Hangers/Plugs	0		
4	68	Tanks		5	68	Tanks			6	68	Tanks			
4	69	Production Vessels		5	69	Production Vessels			6	69	Production Vessels	311,225		
4	70	Compressors		5	70	Compressors			6	70	Compressors			
4	71	Surface Flowlines		5	71	Surface Flowlines			6	71	Surface Flowlines	358,700		
4	72	Gathering Lines		5	72	Gathering Lines			6	72	Gathering Lines	0		
4	73	Valves & Controllers		5	73	Valves & Controllers			6	73	Valves & Controllers	0		
4	74	Artificial Lift Equipment		5	74	Artificial Lift Equipment			6	74	Artificial Lift Equipment	79,000		
4	75	Instrumentation & Measurement		5	75	Instrumentation & Measurement			6	75	Instrumentation & Measurement			
4	76	Electrical Grounding/Safety Equipment		5	76	Electrical Grounding/Safety Equipment			6	76	Electrical Grounding/Safety Equipment			
4	77	Permanent Equipment Installation		5	77	Permanent Equipment Installation			6	77	Permanent Equipment Installation	6,250		
4	80	Other - Surface		5	80	Other - Surface			6	80	Other - Surface			
4	81	Other - Downhole	15,000	5	81	Other - Downhole			6	81	Other - Downhole			
		TOTAL TANGIBLE DRILLING COSTS:	\$639,400			TOTAL TANGIBLE COMPLETION COSTS:	\$0				TOTAL TANGIBLE PRODUCTION COSTS:	\$836,568		

TOTAL DRILLING COSTS: \$2,935,460 TOTAL COMPLETION COSTS: \$4,263,416 TOTAL PRODUCTION COSTS: \$1,130,148

TOTAL WELL COST: \$8,329,023

	NON OPERATING PA	ARTNER APPROVAL	:
	COMPANY NAME:		
SIGNED BY:		TITLE:	
WORKING INTEREST (%):		DATE:	
TAX ID:		APPROVAL:	

AFE is an estimate only. By signing this AFE, you agree to pay your proportionate share of the actual costs.

TAP ROCK RESOURCES COMPANY APPROVAL:

VP - EXPLORATION

VP - OPERATIONS

__ SENIOR GEOLOGIST _

523 Park Point Dr, Golden, Colorado 80401 Authorization For Expenditure

Name: AFE #: County: State: Beer 30 Fed Com #213H Beer 0 Eddy NM

Date: January 28, 2025 MD/TVD: 18650 / 8450 Lateral Length: 9750 Geologic Target: Wolfcamp A

Wel	Description:	

Drill, complete, and produce a horizontal Wolfcamp A well with a 9750 foot lateral. INTANGIBLE COMPLETION COSTS

cost	T CODES	DESCRIPTION	AMOUNT
1	1	Land - Legal	40,000
1	2	Land - Regulatory	14,000
1	3	Land - Surface Damages	50,000
1	4	Land - Survey	10,000
1	5	Location/Pit Construction	59,000
1	6	Remedial Dirtwork	C
1	7	Reserve/Frac Pit Closing	0
1	8	Drilling - Contractor	534,378
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	141,000
1	11	Cementing Equipment	30,000
1	12	Bits/Drill Out Assemblies	63,50
1	13	Fluid Circulation Equipment/Services	60,19
1	14	Fluids/Chemicals	102,57
1	15	WBM Cuttings/Wastewater Disposal	74,60
1	16	OBM Cuttings/Chemical Disposal	/4,00
1	10	Fuel/Power	
_			56,520
1	18	Water	35,76
1	19	Directional Drilling	188,40
1	20	Mud Logging	23,11
1	21	Open/Cased/Production Hole Logs	
1	22	Coring	
1	23	Geologic Supervision	
1	24	Engineering Supervision	
1	25	Consultant Supervision	96,09
1	26	Freight/Transportation	9,00
1	27	Labor	98,50
1	28	Supplies - Surface	2,50
1	29	Supplies - Living Quarters	1,00
1	30	Rentals - Surface	53,10
1	31	Rentals - Living Quarters	34,07
1	32	Rentals - Downhole	2,00
1	33	Rentals - Pipe & Handling Tools	58,40
1	34	Rentals - Frac Stack	
1	35	Rentals - Frac Tanks	5,65
1	36	Coil Tubing Unit/Workover Rig	5,05
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	38		
_		High Pressure Pump Truck	
1	40	Stimulation	
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1	47	Plugging & Abandonment	(
1	53	Overhead	
. T	54	Insurance	20,000
1	34	Insulance	20,000

INTANGIBLE DRILLING COSTS

	T CODES	DESCRIPTION	AMOUNT
2	1	Land - Legal	AWOUNT
2	2	Land - Regulatory	
2	3	Land - Surface Damages	
2	4	Land - Survey	
2	5	Location/Pit Construction	
2	6	Remedial Dirtwork	
_			
2	7	Reserve/Frac Pit Closing	
2	8	Drilling - Contractor	
2	9	Mob/Rig Up - Contractor/Trucking	
2	10 11	Cementing Services	
		Cementing Equipment	
2	12	Bits/Drill Out Assemblies	65,261
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	43,482
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	479,385
2	18	Water	602,610
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,692
2	22	Coring	
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	80,560
2	26	Freight/Transportation	2,000
2	27	Labor	2,532
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	14,763
2	31	Rentals - Living Quarters	15,630
2	32	Rentals - Downhole	0
2	33	Rentals - Pipe & Handling Tools	0
2	34	Rentals - Frac Stack	84,307
2	35	Rentals - Frac Tanks	29,562
2	36	Coil Tubing Unit/Workover Rig	132,744
2	37	Wireline/Slickline/Perforating	261,608
2	38	Temporary Packers/Plugs	48,045
2	39	High Pressure Pump Truck	53,795
2	40	Stimulation	1,760,226
2	41	Rentals - Pressure Control	
2	42	Flowback Services	54,103
2	43	Water Transfer Services	55,650
2	44	Flowback Water Trucking & Disposal	9,446
2	45	Permanent Equipment Installation	
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	13,715
2	54	Insurance	
2	55	Contingency	441,301
-			
		TOTAL INTANGIBLE COMPLETION COSTS:	\$4,263,416

cos	T CODES	DESCRIPTION	AMOUNT
3	1	Land - Legal	
3	2	Land - Regulatory	
3	3	Land - Surface Damages	
3	4	Land - Survey	
3	5	Location/Pit Construction	5,00
3	6	Remedial Dirtwork	
3	7	Reserve/Frac Pit Closing	
3	8	Drilling - Contractor	
3	9	Mob/Rig Up - Contractor/Trucking	
3	10	Cementing Services	
3	11	Cementing Equipment	
3	12	Bits/Drill Out Assemblies	
3	13	Fluid Circulation Equipment/Services	
3	14	Fluids/Chemicals	
3	15	WBM Cuttings/Wastewater Disposal	
3	16	OBM Cuttings/Chemical Disposal	
3	17	Fuel/Power	
3			
-	18	Water	
3	19	Directional Drilling	
3	20	Mud Logging	
3	21	Open/Cased/Production Hole Logs	
3	22	Coring	
3	23	Geologic Supervision	
3	24	Engineering Supervision	
3	25	Consultant Supervision	23,50
3	26	Freight/Transportation	10,00
3	27	Labor	12,91
3	28	Supplies - Surface	
3	29	Supplies - Living Quarters	
3	30	Rentals - Surface	23,66
3	31	Rentals - Living Quarters	
3	32	Rentals - Downhole	
3	33	Rentals - Pipe & Handling Tools	
3	34	Rentals - Frac Stack	
3	35	Rentals - Frac Tanks	90
3	36	Coil Tubing Unit/Workover Rig	26,50
3	37	Wireline/Slickline/Perforating	12,00
3	38	Temporary Packers/Plugs	
3	39	High Pressure Pump Truck	
3	40	Stimulation	
3	41	Rentals - Pressure Control	
3	42	Flowback Services	67,16
3	43	Water Transfer Services	07,10
3	44	Flowback Water Trucking & Disposal	65 Q
3	44		65,00
3		Permanent Equipment Installation	
-	46	Pipeline Tapping Services	
3	47	Plugging & Abandonment	
3	53	Overhead	
3	54	Insurance	
3	55	Contingency	46,9

TOTAL INTANGIBLE DRILLING COSTS: \$2,296,060

TANGIBLE DRILLING COSTS					TANGIBLE COMPLETION COSTS					TANGIBLE PRODUCTION COSTS			
COST	ODES	DESCRIPTION	AMOUNT		cos	T CODES	DESCRIPTION	AMOUNT	_	COST	CODES	DESCRIPTION	AMOUNT
4	60	Conductor Casing	30,000		5	60	Conductor Casing			6	60	Conductor Casing	
4	61	Surface Casing	15,652		5	61	Surface Casing			6	61	Surface Casing	
4	62	1st Intermediate Casing	46,620		5	62	1st Intermediate Casing			6	62	1st Intermediate Casing	
4	63	2nd Intermediate Casing	0		5	63	2nd Intermediate Casing			6	63	2nd Intermediate Casing	
4	64	Production Casing	454,128		5	64	Production Casing	0		6	64	Production Casing	
4	65	Tubing			5	65	Tubing			6	65	Tubing	51,783
4	66	Wellhead	78,000		5	66	Wellhead	0		6	66	Wellhead	29,610
4	67	Permanent Packers/Hangers/Plugs			5	67	Permanent Packers/Hangers/Plugs			6	67	Permanent Packers/Hangers/Plugs	0
4	68	Tanks			5	68	Tanks			6	68	Tanks	
4	69	Production Vessels			5	69	Production Vessels			6	69	Production Vessels	311,225
4	70	Compressors			5	70	Compressors			6	70	Compressors	
4	71	Surface Flowlines			5	71	Surface Flowlines			6	71	Surface Flowlines	358,700
4	72	Gathering Lines			5	72	Gathering Lines			6	72	Gathering Lines	0
4	73	Valves & Controllers			5	73	Valves & Controllers			6	73	Valves & Controllers	0
4	74	Artificial Lift Equipment			5	74	Artificial Lift Equipment			6	74	Artificial Lift Equipment	79,000
4	75	Instrumentation & Measurement			5	75	Instrumentation & Measurement			6	75	Instrumentation & Measurement	
4	76	Electrical Grounding/Safety Equipment			5	76	Electrical Grounding/Safety Equipment			6	76	Electrical Grounding/Safety Equipment	
4	77	Permanent Equipment Installation			5	77	Permanent Equipment Installation			6	77	Permanent Equipment Installation	6,250
4	80	Other - Surface		[5	80	Other - Surface			6	80	Other - Surface	
4	81	Other - Downhole	15,000		5	81	Other - Downhole			6	81	Other - Downhole	
		TOTAL TANGIBLE DRILLING COSTS:	\$639,400				TOTAL TANGIBLE COMPLETION COSTS:	\$0				TOTAL TANGIBLE PRODUCTION COSTS:	\$836,568
		TOTAL DRILLING COSTS:	\$2,935,460				TOTAL COMPLETION COSTS:	\$4,263,416				TOTAL PRODUCTION COSTS:	\$1,130,148

TOTAL WELL COST: \$8,329,023

TAP ROCK RESOURCES COMPANY APPROVAL: CEO VP - EXPLORATION VP - OPERATIONS CFO_ __ SENIOR GEOLOGIST _ VP - LAND & LEGAL

	NON OPERATING P	ARTNER APP	ROVAL:	
	COMPANY NAME:			
SIGNED BY: _		TITLE: _		
WORKING INTEREST (%): _		DATE: _		
TAX ID: _		APPROVAL: _		

AFE is an estimate only. By signing this AFE, you agree to pay your proportionate share of the actual costs.

Chronology of Contact wit	n Pooled Parties		1		
			Proposal, AFE,		
			and JOA	Proposal, AFE, and	
		Proposal, AFE, and JOA	Certified Mail	JOA Certified Mail	
Party	Address	Certified Mail Tracking No.	Sent Date	Received Date	Correspondence
BERDAN LIVING TRUST	3639 ENCANTO DR	9402611898765458258954	1/28/2025	2/4/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
	FORT WORTH, TX 76109				
BIG THREE ENERGY GROUP LLC	PO BOX 429	9402611898765458258961	1/28/2025	2/4/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
	ROSWELL, NM 88202				4/21 - Closed deal acquiring most of remaining ownership in the unit.
EOG RESOURCES INC	5509 CHAMPIONS DR	9402611898765458258978	1/28/2025	2/3/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
	MIDLAND, TX 79702				
ESTATE OF BETTY COLE DRAKE	415 N MCKINLEY ST, STE 270 C	9402611898765458258619	1/28/2025	2/3/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
	LITTLE ROCK, AR 72205				
ESTATE OF FRANCES JANE OWEN	5341 N 68TH PL	9402611898765458258657	1/28/2025	3/3/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
1	SCOTTSDALE, AZ 85253	9402611898765456805914	2/19/2025	3/26/2025	2/19 - First packet wasn't delivered, remailed to Miami Ave address, which was received on 3/3
	,	9402611898765453174969	3/20/2025		3/20 - Mailed another packet to 68th place address, which was received on 3/26
1					
FEATHERSTONE DEVELOPMENT	PO BOX 429	9402611898765458258626	1/28/2025	2/4/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
CORPORATION	ROSWELL, NM 88202				4/21 - Closed deal acquiring most of remaining ownership in the unit
JKM ENERGY LLC	26 E COMPRESS RD	9402611898765458258602	1/28/2025	2/3/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
	ARTESIA, NM 88210				
KAREN DIANE FARRELL	914 FOUNTAIN DR	9402611898765458258640	1/28/2025	2/15/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
	CARLSBAD, NM 88220	0402011000700400200040	1/20/2020	2/10/2020	
OXY Y 1 COMPANY	5 GREENWAY PLAZA, STE 110	9402611898765458258152	1/28/2025	2/1/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
	HOUSTON, TX 77046	0402011000700400200102	1/20/2020	2/1/2020	 4/7 - Emailed a copy of the JOA, gave notice of docket date, sked if they wanted to sign or had questions.
PARROT HEAD PROPERTIES LLC	PO BOX 429	9402611898765458258121	1/28/2025	2/4/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
	ROSWELL, NM 88202	5402011050705450250121	1/20/2023	214/2023	4/21 - Closed deal acquiring most of remaining ownership in the unit
THE BALOG FAMILY TRUST	25812 SOUTH DARTFORD DRIVE	9402611898765458258190	1/28/2025	2/3/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
THE BALOOTAPHET HOOT	SUN LAKES, AZ 85248	5402011050705450250150	1/20/2023	2/0/2020	220 - Halica weit proposats, Al Es, and proposed operating Agreement
POWDERHORN ASSETS LLC	600 N MARIENFELD ST. SUITE 1000	9402611898765458258367	1/28/2025	2/1/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
POWDERHORN ASSETS EEG	MIDLAND, TX 79705	5402011858705458258507	1/20/2023	2/1/2023	4/7 - Emailed a copy of the JOA, gave notice of docket date, asked if they wanted to sign or had questions.
	MIDLAND, 1X 79705				They indicate willingness to sign JOA.
					4/24 - Emailed again requesting signatures on the JOA. Not received.
POWDERHORN NOMINEE CORP	600 MARIENFELD ST, SUITE 1000	9402611898765458258305	1/28/2025	0/4/0005	
POWDERHORN NOMINEE CORP		9402611898765458258305	1/28/2025	2/1/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
	MIDLAND, TX 79705				4/7 - Emailed a copy of the JOA, gave notice of docket date, asked if they wanted to sign or had questions.
					They indicate willingness to sign JOA.
					4/24 - Emailed again requesting signatures on the JOA. Not received.
PROSPECTOR LLC	PO BOX 429	9402611898765458258145	1/28/2025	2/4/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
	ROSWELL, NM 88202				4/21 - Closed deal acquiring most of remaining ownership in the unit
ESTATE OF ROBERT E HUMPHUS	304 SOPER RD	9402611898765458258183		2/24/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
	CARLSBAD, NM 88220	9402611898765456805709	2/19/2025		2/19 - First packet wasn't delivered, remailed to Soper Rd address, which was received on 2/24/2025
SYDHAN LP	PO BOX 92349	9402611898765458258138	1/28/2025	2/1/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
	AUSTIN, TX 78709				
VISION ENERGY INC	PO BOX 2459	9402611898765458258176	1/28/2025	2/6/2025	1/28 - Mailed well proposals, AFEs, and proposed Operating Agreement
	CARLSBAD, NM 88221-2459		1		

Chronology of Contact with Pooled Parties

Case No. 25317 Tap Rock Operating, LLC- Exhibit C-6

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

APPLICATION OF TAP ROCK OPERATING, LLC FOR APPROVAL OF STANDARD HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 25317

AFFIDAVIT OF ELI DENBESTEN

Eli DenBesten, being first duly sworn upon oath, deposes and states as follows:

 My name is Eli DenBesten, and I am employed by Tap Rock Operating, LLC ("Tap Rock") as a Senior Geologist.

2. I have testified before the New Mexico Oil Conservation Division ("Division"), and my qualifications as an expert in petroleum geology were accepted and made a matter of record. I have several years of experience in petroleum geological matters, and I have worked directly or in a supervisory role with the properties that are the subject of this matter.

3. I am familiar with the applications filed by Tap Rock in this case and the geology involved.

4. I am submitting this affidavit in support of Tap Rock's application in the abovereferenced case, as required by the Pre-Hearing Order issued by the Division. I intend to present this case by affidavit pursuant to 19.15.4.12.(A)(1) NMAC. The Application Lands and subject Wells included in the initial application filed under Case No. 25317 are incorporated herein by reference.

5. **Tap Rock Exhibit D-1** includes a base map of the lands showing the proposed Wolfcamp formation spacing unit and the proposed well development plan.

6. **Tap Rock Exhibit D-2** is a subsea structure map showing the top of the Wolfcamp formation, a marker that defines the top of the target interval for the proposed wells. The contour interval used in this exhibit is 25'. The unit being pooled is outlined in red, and the proposed wells are identified as green dashed lines. The structure map shows regional down-dip to the east. I do not observe any faulting, pinchouts, or other geologic impediments to developing this target interval.

7. **Tap Rock Exhibit D-2** also provides a cross-section locator map that identifies wells penetrating the targeted interval used to construct a structural cross-section from A to A'. These wells penetrate the targeted interval, are of good quality, and are representative of the geology in the area.

8. **Tap Rock Exhibit D-3** includes stratigraphic cross-section flattened on the top of the Wolfcamp A Lower top. Each well in the cross-section contains a gamma ray, resistivity, and porosity log. The cross-sections demonstrate continuity and consistent thickness across the target zone, and the well logs on the cross-section give a representative sample of the targeted interval. The landing zone is highlighted on the exhibit.

9. **Tap Rock Exhibit D-4** shows the Gunbarrel Diagram within the Wolfcamp formation in the vicinity of the proposed unit.

10. **Tap Rock Exhibit D-5** includes the gross isopach map. The Wolfcamp wells are indicated by green dashed lines. The proposed horizontal spacing unit is outlined in red. The contour interval used in this exhibit is 25'.

11. Based on the attached exhibits, I hereby conclude as follows:

a. The target formation is present and continuous throughout the lands subject to the applications.

b. The standard horizontal spacing and proration unit is justified from a geologic standpoint.

c. There are no structural impediments or faulting that will interfere with horizontal development.

d. Each quarter-quarter section in the unit will contribute more or less equally to production, and I can confirm each quarter section along the lateral will also contribute more or less equally to production.

e. The preferred well orientation in this area is East-West so that the wells run sub-perpendicular to the inferred orientation of the maximum horizontal stress. The standup orientation will efficiently and effectively develop the subject acreage.

12. **Exhibit D-1** through **Exhibit D-5** were prepared by me or compiled from Tap Rock's company business records under my direct supervision.

13. The granting of these applications is in the best interest of conservation, the prevention of waste, the protection of correlative rights, and will avoid the drilling of unnecessary wells.

14. I hereby swear that to the best of my knowledge and belief, all of the matters set forth herein and in the exhibits are true, correct, and accurate.

[*Remainder of page left intentionally blank*]

FURTHER AFFIANT SAYETH NOT,

Dated this **29** day of April, 2025.

Eli Denbesten Tap Rock Operating, LLC

STATE OF COLORADO)) ss. COUNTY OF JEFFERSON)

The foregoing instrument was subscribed and sworn to before me this 29^{20} day of April, 2025, by Eli DenBesten, Senior Geologist for Tap Rock Operating, LLC.

Witness my hand and official seal.

My commission expires: 10-78-2025

ERICA ROCHELLE SHEWMAKER Notary Public State of Colorado Notary ID # 20174044145 My Commission Expires 10-28-2025

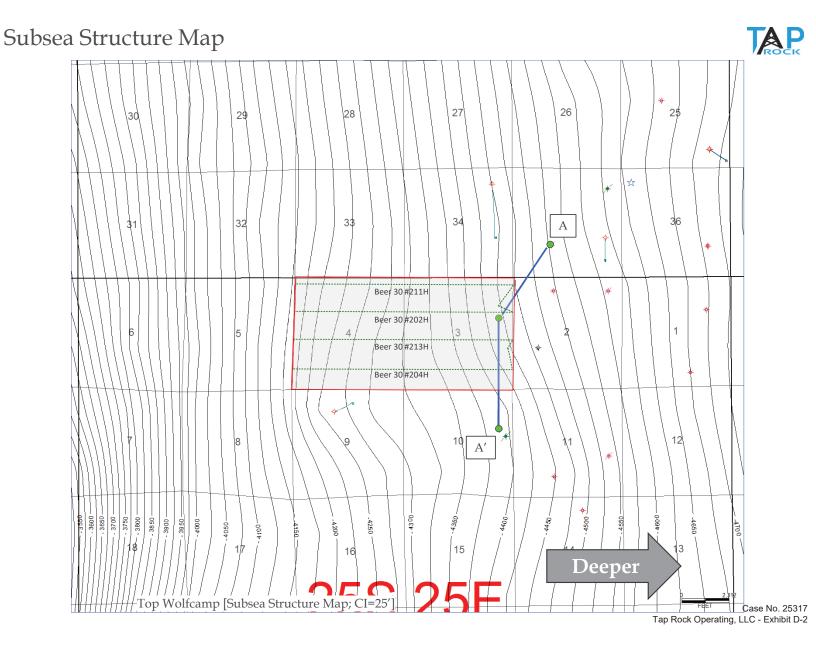
Enco

Ρ

A

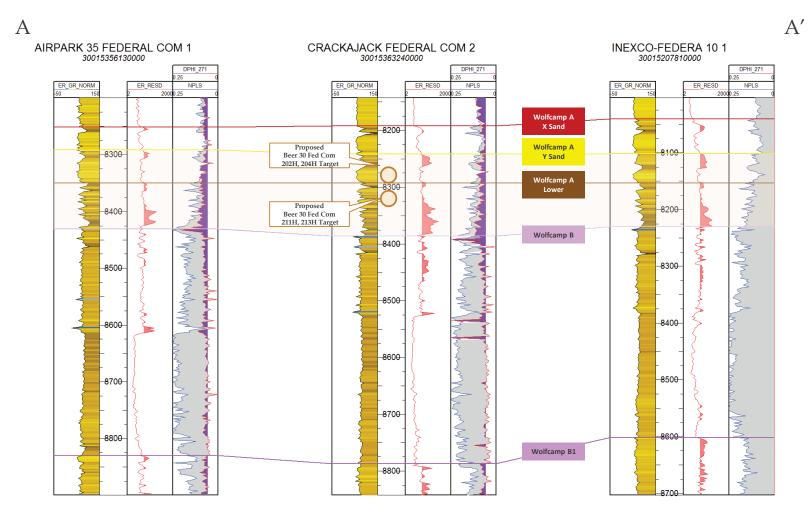
Location Map

30	29	28	27	26	25	
31	32	33	34	35	36	
6	5	Beer 30 Beer 30 4 Beer 30 Beer 30	3 #213H	2	1	
7	8	9	10	11	12	
18	17	¹⁶ 259	¹⁵	14		
					Tap Rock Operating, L	Case No. 25317 LC- Exhibit D-1

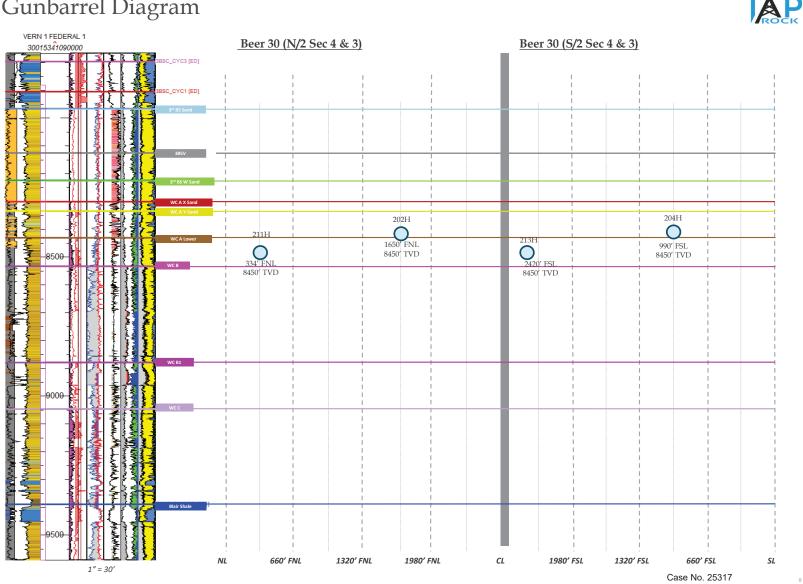


ROCK



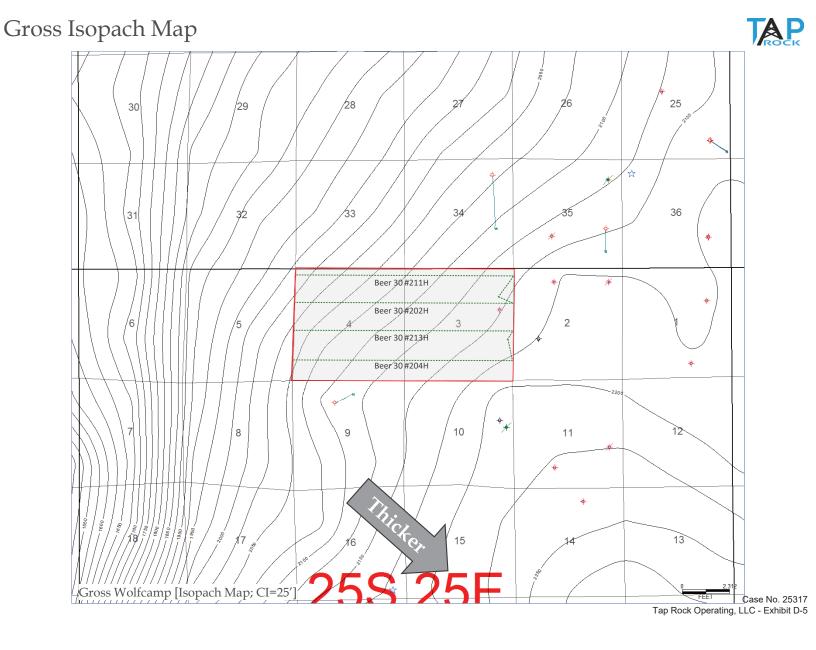


Case No. 25317 Tap Rock Operating, LLC - Exhibit D-3



Gunbarrel Diagram

Tap Rock Operating, LLC - Exhibit D-4



Released to Imaging: 5/1/2025 4:57:44 PM

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

APPLICATION OF TAP ROCK OPERATING, LLC FOR APPROVAL OF STANDARD HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO. 25317

AFFIDAVIT

STATE OF COLORADO)) ss. CITY AND COUNTY OF DENVER)

Rachael Ketchledge, legal assistant and authorized representative of Tap Rock Operating, LLC ("Tap Rock"), the Applicant herein, being first duly sworn, upon oath, states that the abovereferenced Application has been provided under Notice Letters dated April 15, 2025, which the Applicant mailed via U.S. Postal Service Certified Mail. Notice was delivered to the interested parties on or about April 20, 2025, as shown on certified mail receipts attached as Exhibit E-3.

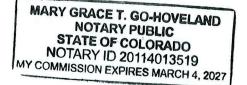
Applicant also published notice of the Application in the Carlsbad Current-Argus on April 22, 2025. Proof of receipt is shown on Exhibit E-4.

Rachael Ketchledge

SUBSCRIBED AND SWORN to before me on April 30, 2025, by Rachael Ketchledge.

My commission expires:

Released to Imaging: 5/1/2025 4:57:44 PM



NOTA

Case No. 25317 Tap Rock Operating, LLC - Exhibit E

BEATTY & WOZNIAK, P.C.

ATTORNEYS AT LAW 500 DON GASPAR AVENUE SANTA FE, NEW MEXICO 87505 TELEPHONE 505-983-8545 FACSIMILE 800-886-6566 www.bwenergylaw.com

COLORADO NEW MEXICO WYOMING

MIGUEL SUAZO

505-946-2090 MSUAZO@BWENERGYLAW.COM

April 15, 2025

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO SPACING AND POOLING PROCEEDINGS

Re: Application of Tap Rock Operating, LLC for Approval of a Standard Horizontal Spacing Unit and Compulsory Pooling in Eddy County, New Mexico (Case No. 25317).

Dear Interest Owners:

This letter is to advise you that Tap Rock Operating, LLC ("Tap Rock") has filed the enclosed application, Case No. 25317, with the New Mexico Oil Conservation Division for Approval of a Standard Horizontal Spacing Unit and Compulsory Pooling in Eddy County, New Mexico.

In Case No. 25317, Tap Rock seeks an Order from the Division to: (1) approve a 1,283.04acre, more or less, standard horizontal spacing and proration unit composed of all of Sections 3 and 4, Township 25 South, Range 25 East, N.M.P.M.; and (2) to pool all uncommitted mineral interests in the Purple Sage-Wolfcamp Pool (98220), designated as a gas pool, underlying said unit.

A hearing has been requested before a Division Examiner on May 8, 2025, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 9:00 a.m. Mountain Standard Time, and will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the Microsoft Teams virtual meeting platform. To view the hearing docket and to determine how to participate in the electronic hearing, visit the Division's website at: <u>https://www.emnrd.nm.gov/ocd/hearing-info/</u> or call (505) 476-3441.

You are being notified as an interest owner and are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting the matter at a later date.

Parties appearing in cases who intend to present evidence are required by Division Rule 19.15.4.13.B NMAC to file a Prehearing Statement at least four business days in advance of a

BEATTY & WOZNIAK, P.C.

April 15, 2025 Case No. 25317 Page 2

scheduled hearing, but in no event later than 5 p.m. mountain time on the Thursday preceding the scheduled hearing date. This statement must be submitted through the OCD E-Permitting system (<u>https://wwwapps.emnrd.nm.gov/ocd/ocdpermitting/</u>) or via e-mail to ocd.hearings@emnrd.nm.gov should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing. The statement must also be provided to the attorney for the applicant, Miguel Suazo at msuazo@bwenergylaw.com.

If you have any questions about this matter, please contact Erica Shewmaker at <u>eshewmaker@taprk.com</u>.

Sincerely,

Miguel Suazo

Attorney for Tap Rock Operating, LLC

Case No. 25317 Certified Mailing Status

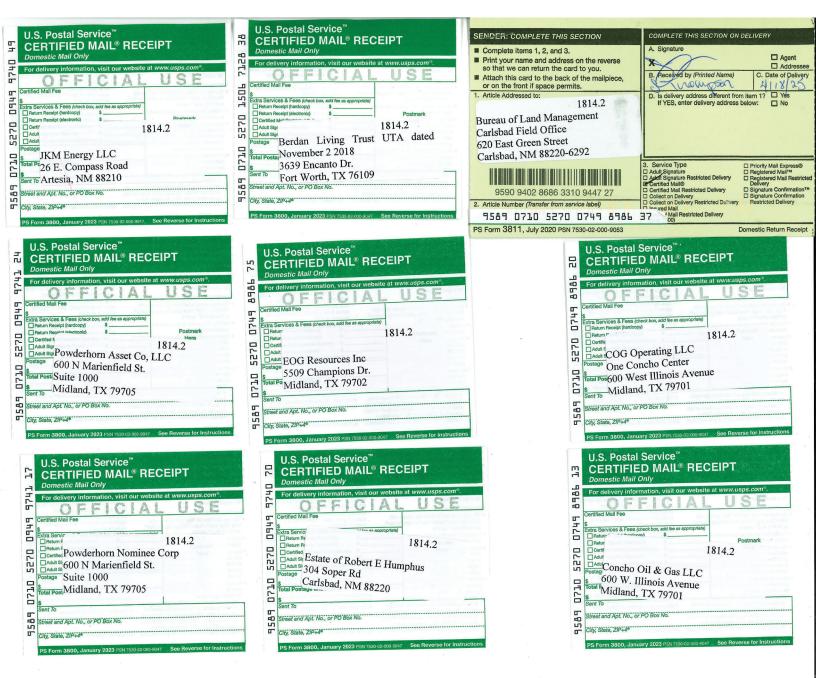
MAIL DATE	OWNER	ADDRESS	TYPE INT	MAIL CLASS	TRACKING NUMBER
April 15, 2025		25812 South Dartford Drive	WI		
April 15, 2025	Balog Family Trust dated 8/15/2002	Sun Lakes, Arizona 85248	vv1	Certified w/ Return Receipt (Signature)	9589 0710 5270 1506 7128 45
April 15, 2025	Berdan Living Trust UTA dated	3639 Encanto Dr.	Unleased		
	November 2 2018	Fort Worth, TX 76109	Officased	Certified w/ Return Receipt (Signature)	9589 0710 5270 1506 7128 38
April 15, 2025		P.O. Box 429	WI		
	Big Three Energy Group LLC	Roswell, NM 88202		Certified w/ Return Receipt (Signature)	9589 0710 5270 1506 7128 21
April 15, 2025		415 Del Rio # 56	Unleased		
· · · · · · · · · · · · · · · · · · ·	Denise Price	Carisbad, INIX 88220		Certified w/ Return Receipt (Signature)	9589 0710 5270 0749 8986 82
April 15, 2025	FOG D I	5509 Champions Dr.	WI		0500 0510 5250 0540 0007 55
	EOG Resources Inc	Midland, TX 79702 415 N. McKinley St. Ste. 270C		Certified w/ Return Receipt (Signature)	9589 0710 5270 0749 8986 75
April 15, 2025	Estate of Betty Cole Drake		Unleased	Certified w/ Return Receipt (Signature)	9589 0710 5270 0949 9740 94
	Estate of Betty Cole Drake	Betty Cole Drake Little Rock AR 72205		Certified w/ Return Receipt (Signature)	9589 0/10 52/0 0949 9/40 94
April 15, 2025	Estate of Frances Jane Owen	Scottsdale, AZ 85253	Unleased	Certified w/ Return Receipt (Signature)	9589 0710 5270 0949 9740 87
* *	Estate of Frances Jane Owen	304 Soper Rd		Certified w/ Return Receipt (Signature)	9389 0710 3270 0949 9740 87
April 15, 2025	Estate of Robert E Humphus	Carlsbad, NM 88220	Unleased	Certified w/ Return Receipt (Signature)	9589 0710 5270 0949 9740 70
	Estate of Robert E Humphus	P.O. Box 2606		Certified w/ Return Receipt (Signature)	9389 0/10 32/0 0949 9/40 /0
April 15, 2025	Fandango, LLC	Amarillo, TX 79105	WI	Certified w/ Return Receipt (Signature)	9589 0710 5270 0949 9740 63
	r unumgo, bbe	P.O. Box 429		Certified () Result Receipt (Diginature)	5005 0110 5210 0515 5710 05
April 15, 2025	Feathersone Development Corporation		WI	Certified w/ Return Receipt (Signature)	9589 0710 5270 0949 9740 56
		26 E. Commons David	+		
April 15, 2025	JKM Energy LLC	Artesia, NM 88210	WI	Certified w/ Return Receipt (Signature)	9589 0710 5270 0949 9740 49
		914 Fountain Dr.		1.00	
April 15, 2025	Karen Dianne Farrell	Carlsbad, NM 88220	Unleased	Certified w/ Return Receipt (Signature)	9589 0710 5270 0949 9740 32
		6001 N. Deauville Blvd., Ste.		1.00	
April 15, 2025	Magnum Hunter Production Company	300N	WI		
* ·	Inc	Midland, TX 79706		Certified w/ Return Receipt (Signature)	9589 0710 5270 0949 9740 25
April 15, 2025		5 Greenway Plaza, Ste 110	WI		
	OXY Y-1 Company	Houston, Texas 7/045	W1	Certified w/ Return Receipt (Signature)	9589 0710 5270 0949 9740 18
April 15, 2025		P.O. Box 429	WI		
	Parrot Head Properties LLC	Koswell, NNI 88202	vv I	Certified w/ Return Receipt (Signature)	9589 0710 5270 0949 9741 31
April 15, 2025		600 N Marienfield St.			
			WI		
	Powderhorn Asset Co, LLC	Midland, TX 79705		Certified w/ Return Receipt (Signature)	9589 0710 5270 0949 9741 24
		600 N Marienfield St.	WI		
April 15, 2025		Suite 1000			
	Powderhorn Nominee Corp	Midland, TX 79705		Certified w/ Return Receipt (Signature)	9589 0710 5270 0949 9741 17
April 15, 2025		P.O. Box 429	WI		0.500 0.510 5250 0.540 0.007 51
X ,	Prospector LLC	Roswell, NM 88202 P.O. Box 92349		Certified w/ Return Receipt (Signature)	9589 0710 5270 0749 8986 51
April 15, 2025	College ID		WI	$C \rightarrow C$	0590 0710 5270 0040 0741 00
	Sydhan LP	Austin, TX 78709 PO BOX 2459		Certified w/ Return Receipt (Signature)	9589 0710 5270 0949 9741 00
April 15, 2025	Vision Energy Inc	Carlsbad, NM 88221	WI	Certified w/ Return Receipt (Signature)	9589 0710 5270 0749 8986 44
	VISION Energy Inc	One Concho Center		Certified w/ Return Receipt (Signature)	9389 0710 3270 0749 8980 44
April 15, 2025			WI		
	COG Operating LLC	Midland, TX 79701	VV 1	Certified w/ Return Receipt (Signature)	9589 0710 5270 0749 8986 20
		600 W Illingia Avanua		Corunea w/ Keturn Keceipi (Signature)	2307 0/10 32/0 0/ 4 7 8980 20
April 15, 2025	Concho Oil & Gas LLC	Midland, TX 79701	WI	Certified w/ Return Receipt (Signature)	9589 0710 5270 0749 8986 13
	Bureau of Land Management		MINERAL	continue in rectain recorpt (Signature)	5505 0110 5210 0145 8500 15
April 15, 2025	_ neur of Luna management	020 Lust Often bitet	OWNER/ROYALTY	Certified w/ Return Receipt (Signature)	9589 0710 5270 0749 8986 37

Case No. 25317 Tap Rock Operating, LLC- Exhibit E-2

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Case No. 25317 Tap Rock Operating, LLC- Exhibit E-3



Case No. 25317 Tap Rock Operating, LLC- Exhibit E-3



Case No. 25317 Tap Rock Operating, LLC- Exhibit E-3

AFFIDAVIT OF PUBLICATION

CARLSBAD CURRENT-ARGUS PO BOX 507 HUTCHINSON, KS 67504-0507

STATE OF NEW MEXICO } SS COUNTY OF EDDY }

Account Number: 96

Ad Number:	44190
Description:	TR Notice for Pub 25317
Ad Cost:	\$221.99

Sherry Groves, being first duly sworn, says:

That she is the Agent of the the Carlsbad Current-Argus, a Weekly newspaper of general circulation, printed and published in Carlsbad, Eddy County, New Mexico; that the publication, a copy of which is attached hereto, was published in said newspaper on the following dates:

April 22, 2025

That said newspaper was regularly issued and circulated on those dates. SIGNED:

Sherry Dances

Agent

Subscribed to and sworn to me this 22th day of April 2025.

Leanne Kaufenberg, Notary Public, Redwood County Minnesota

Beatty & Wozniak, P.C. BEATTY & WOZNIAK, P.C. 1675 Broadway # 600 Denver, CO 80202-4692 rketchledge@bwenergylaw.com



LEANNE JOY KAUFENBERG Notary Public State of Minnesota My Commission Expires January 31, 2030

LEGAL NOTICE APRIL 22, 2025

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

The State of New Mexico, Energy, Minerals, and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case

The hearing will be conducted on Thursday, May 8, 2025, beginning at 9:00 A.M. MST in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe. NM 87505 and via the Microsoft Teams meeting platform. To view the hearing docket and to determine how to panicipate in the electronic hearing, visit the Division's website at: http://www.emrd.state.nm.us/ OCD/hearing-info/ or contact Sheila Apodaca at Sheila Apodaca@emrd.nm.ov, Documents filed in the case may also be viewed at https://ocdima@emrd.state.nm.us/maving/faseFileCriteria.asnx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in the hearing, contact Sheila Apodaca or the New Mexico Relay Network at 1-800-659-1779, no later than May 1, 2025.

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

TO: All Interested parties, including: Balog Family Trust dated 8/15/2002; Berdan Living Trust UTA dated November 2 2018; Big: Three Energy Group LLC; Denise Price; EOG Resources Inc; Estate of Betty Cole Drake; Estate of Frances Jane Owen; Estate of Robert E Humphus; Fandango, LLC; Feathersone Development Corporation; JKM Energy LLC; Karen Dianne Farrell ; Magnum Hunter Production Company Inc; OXY Y-1 Company; Partot Head Properties LLC; Powderhorn Asset Co, LLC ; Powderhorn Nominee Corp; Prospector LLC; Sydhan LP; Vision Energy Inc; Bureau of Land Management; COG Operating LLC; Concho Oil & Gas LLC.

of Land Management: COG Operating LLC; Concho Oil & Gas LLC. CASE NO. 25317: Application of Tap Rock Operating, LLC for Approving a Standard Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) approving a 1,283.04-acre, more or less, standard horizontal spacing and protation unit composed of all of Sections 3 and 4 Township 25 South, Range 25 East, N.M.P.M., and (2) pooling all uncommitted mineral interests in the Purple Sage-Wolfcamp Pool, designated as a gas pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the: Beer 30 Fed Com 202H (API No. Pending), which is a gas well that will be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 3, Township 25 South, Range 25 East, to a bottom hole location in the Purple Sage-Wolfcamp Gas Pool in the SW/4 NW/4 (Unit E) of Section 4, Township 25 South, Range 25 East; the Beer 30 Fed Com 204H (API No. Pending), which is a gas well that will be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 3, Township 25 South, Range 25 East; to a bottom hole location in the Purple Sage-Wolfeamp Gas Pool in the SW/4 SW/4 (Unit M) of Section 4, Township 25 South, Range 25 East; the Beer 30 Fed Com 211H (API No. Pending), which is a gas well that will be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 3, Township 25 South, Range 25 East; the Beer 30 Fed Com 111H (API No. Pending), which is a gas well that will be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 3, Township 25 South, Range 25 East; the Beer 30 Fed Com 211H (API No. Pending), which is a gas well that will be horizontally drilled from a surface location in the NE/4 NE/4 (Lot 1) of Section 3, Township 25 South, Range 25 East, the Beer 30 Fed Com 211H (API No. Pending), which is a gas well that will be horizontally drilled from a surface location in the NE/4 SE/

Published in the Carlsbad Current-Argus April 22, 2025. #44190