

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING JANUARY 8, 2025**

Case No. 25800

Upslope Fed Com #154H

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. 25800

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 25800	APPLICANT'S RESPONSE
Date: 12/31/2025	
Applicant	Tap Rock Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	372043
Applicant's Counsel:	Miguel Suazo, Beatty & Wozniak, P.C.
Case Title:	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. - EOA Only
Well Family	Upslope Fed Com 154H
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	The top of the Bone Spring formation to the base of the Bone
Pool Name and Pool Code:	Cottonwood Draw; Bone Spring (97494)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres, more or less
Building Blocks:	40-acre tracts (Quarter-Quarter Section)
Orientation:	East-West
Description: TRS/County	S/2 S/2 of Sections 9 and 10, Township 25 South, Range 25 East, N.M.P.M., Eddy County, NM
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit 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)	

Well #1	Upslope Fed Com 154H (API No. Pending) SHL: NW/4 SW/4 (Unit L) of Section 11, Township 25 South, Range 25 East, N.M.P.M. 1592' FSL, 300' FWL BHL: SW/4 SW/4 (Unit M) of Section 9, Township 25 South, Range 25 East, N.M.P.M. 900' FSL, 5' FWL Completion Target: Bone Spring Well Orientation: East-West Completion: Standard
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit C-5 Formation: 3rd Bone Spring TVD: 7200 MD: 17860
AFE Capex and Operating Costs	
	Exhibit C
Drilling Supervision/Month \$	\$10,000/Month
	Exhibit C
Production Supervision/Month \$	\$1,000/Month
Justification for Supervision Costs	Exhibit C & Exhibit C-5
	Exhibit B
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E-2 & E-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit E-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3 & C-4
Tract List (including lease numbers and owners)	Exhibit C-3 & 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
Released to Imaging: 12/31/2025 1:48:58 PM List of Interest Owners (ie Exhibit A of JOA)	Case No. 25800 Tap Rock Operating, LLC - Exhibit A Exhibit 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)	Exhibit D-2
Target Formation	Exhibit D-1 through D-5
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3 & C-4
General Location Map (including basin)	Exhibit C-1
Well Bore Location Map	Exhibit C-1 & D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Miguel Suazo
Signed Name (Attorney or Party Representative):	
Date:	12/31/2025

**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 320-acre, more or less, standard horizontal spacing unit (“HSU”) composed of the S/2 S/2 of Sections 9 and 10, Township 25 South, Range 25 East, N.M.P.M., Eddy County, New Mexico (the “Application Lands”), and (2) pooling all uncommitted mineral interests in the Cottonwood Draw; Bone Spring Pool [97494], designated as an oil 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 a well thereon as the designated Operator of the Application Lands.
2. Tap Rock seeks to dedicate all of the Application Lands to form a 320-acre, more or less, HSU.
3. Tap Rock seeks to dedicate the above-referenced HSU to the following proposed well:
 - A. **Upslope Fed Com 154H** (API No. *Pending*), which is an oil well that will be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 11, Township 25 South, Range 25 East, to a bottom hole location in the Cottonwood Draw;

Bone Spring Pool in the SW/4 SW/4 (Unit M) of Section 9, Township 25 South, Range 25 East.

4. The well is orthodox in its location as defined by 19.15.16.15.C. NMAC, and the take points and laterals comply with Statewide Rules for setbacks under 19.15.16.15.C.(1)(a-b) NMAC.

5. Tap Rock has made good faith efforts to obtain voluntary agreement from all interest owners in the Cottonwood Draw; Bone Spring Pool underlying the proposed spacing unit, but has been unable to secure agreement from all parties to participate in the drilling of the well or otherwise commit their interests.

6. The pooling of all interests in the Cottonwood Draw; Bone Spring 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 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 well and HSU.

WHEREFORE, Tap Rock requests this Application be set for hearing on January 8, 2026, 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 Cottonwood Draw; Bone Spring Pool underlying the HSU within the Application Lands;
- B. Approving the **Upslope Fed Com 154H** as the initial well for the HSU;

- C. Designating Tap Rock as operator of the HSU and the horizontal well to be drilled thereon;
- D. Authorizing Tap Rock to recover its costs of drilling, completing, and equipping the well;
- 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, equipping, and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By: 

Miguel A. Suazo

James P. Parrot

Jacob L. Everhart

Ryan McKee

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Santa Fe, NM 87505

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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 320-acre, more or less, standard horizontal spacing and proration unit composed of the S/2 S/2 of Sections 9 and 10, Township 25 South, Range 25 East, N.M.P.M, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Cottonwood Draw; Bone Spring Pool, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the: **Upslope Fed Com 154H** (API No. *Pending*), which is an oil well that will be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 11, Township 25 South, Range 25 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 9, Township 25 South, Range 25 East. The well is orthodox in location, and the take points and lateral comply with Statewide Rules for setbacks. The well and lands are located approximately 2.32 miles south 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. 25800

SELF-AFFIRMED STATEMENT OF ERICA SHEWMAKER

Erica Shewmaker, being first duly sworn upon oath, deposes and states as follows:

1. My name is Erica Shewmaker, and I am employed by Tap Rock Operating, LLC (“Tap Rock”) as Senior Landman.
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 above-referenced 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 320-acre, more or less, horizontal spacing unit (“HSU”) underlying the lands incorporated herein by reference via the initial application filed under Case No. 25800, and (2) pooling all uncommitted mineral interests in the Cottonwood Draw; Bone Spring Pool (97494), designated as an oil pool, underlying said HSU,

and (3) dedicating the HSU to the subject well incorporated herein by reference via the initial application filed under Case No. 25800.

6. **Tap Rock Exhibit C-1** is a general location map showing the proposed HSU. The acreage subject to the application are federal lands.

7. **Tap Rock Exhibit C-2** contains the Form C-102 reflecting the proposed Cottonwood Draw; Bone Spring Pool Well to be drilled and completed in the HSU. The location of the well is orthodox and meets the Division's offset requirements.

8. A review of the Cottonwood Draw; Bone Spring 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.

10. **Tap Rock Exhibit C-4** sets forth the ownership of the parties being pooled in the Cottonwood Draw; Bone Spring 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-4** also includes detail regarding the notice provided to uncommitted owners, as required by OCD's November 1, 2025 Public Note: Clarification of Evidentiary Requirements for Compulsory Pooling Applications. The exhibit provides the owner name, ownership status, commitment type, and the method and date of notice provided.

12. **Tap Rock Exhibit C-5** contains a sample well proposal letter sent in September of 2025 to each working interest owner, which included AFEs for the proposed well. The estimated costs of the well 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.

13. Tap Rock requests overhead and administrative rates of \$10,000/month for drilling the well and \$1,000/month for producing the 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.

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

15. **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 well.

In compiling the working interest parties' addresses, I conducted a diligent search of the public records in Eddy County, New Mexico, where the well is located and did computer searches to locate the contact information for parties entitled to notification. All working interest owners were locatable and noticed, and there are no unleased mineral interest owners. 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.

16. Tap Rock requests that it be designated operator of the HSU and well.

17. **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.

18. 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.

19. 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 December, 2025.

Erica Shewmaker
Erica Shewmaker
Tap Rock Operating, LLC

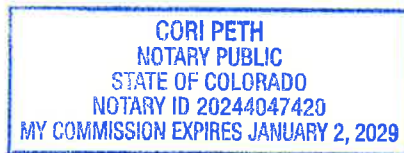
STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was subscribed and sworn to before me this 29th day of December, 2025, by Erica Shewmaker, Senior Landman for Tap Rock Operating, LLC.

Witness my hand and official seal.

My commission expires: January 2, 2029

Cori Peth





C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised July 9, 2024	
			Submittal Type:	☒ Initial Submittal
				☐ Amended Report
		☐ As Drilled		

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-	Pool Code 97494	Pool Name Cottonwood Draw; Bone Spring
Property Code 335064	Property Name UPSLOPE FED COM	Well Number 154H
OGRID No. 372043	Operator Name TAPROCK OPERATING, LLC.	Ground Level Elevation 3490'
Surface Owner: ☐ State ☐ Fee ☐ Tribal ☒ 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
L	11	25-S	25-E	-	1592' S	300' W	N 32.1414696	W 104.3742000	EDDY

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
M	9	25-S	25-E	-	900' S	5' W	N 32.1394569	W 104.4097442	EDDY

Dedicated Acres 320	Infill or Defining Well Defining	Defining Well API 30-015-xxxxx (154H)	Overlapping Spacing Unit (Y/N) N	Consolidated Code C
Order Numbers N/A			Well Setbacks are under Common Ownership: ☒ Yes ☐ No	

Kick Off Point (KOP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
P	10	25-S	25-E	-	900' S	50' E	N 32.1395857	W 104.3753079	EDDY

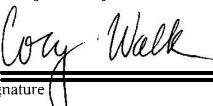
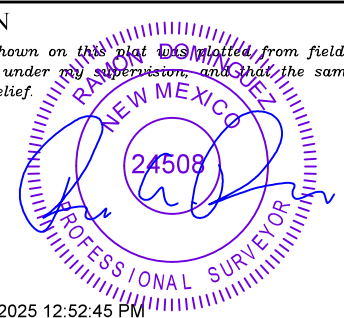
First Take Point (FTP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
P	10	25-S	25-E	-	900' S	100' E	N 32.1395958	W 104.3754695	EDDY

Last Take Point (LTP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
M	9	25-S	25-E	-	900' S	100' W	N 32.1394669	W 104.4094374	EDDY

Unitized Area or Area of Uniform Interest Y	Spacing Unity Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation 3490'
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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.  Signature: Cory Walk Date: 10/21/2025		SURVEYORS CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  Signature and Seal of Professional Surveyor: Rayon E. Sanchez Date: 9/8/2025 12:52:45 PM	
Print Name cory@permitswest.com		Certificate Number Date of Survey 08/15/2025	
E-mail Address cory@permitswest.com			

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION		Revised July 9, 2024
	Submittal Type:	☒ Initial Submittal ☐ Amended Report ☐ As Drilled	
		Property Name and Well Number UPSLOPE FED COM 154H	

SURFACE LOCATION (SHL)

NEW MEXICO EAST
 NAD 1983
 X=528689 Y=415205
 LAT.: N 32.1414696
 LONG.: W 104.3742000

NAD 1927

X=487507 Y=415148
 LAT.: N 32.1413518
 LONG.: W 104.3736962
 1592' FSL 300' FWL

KICK OFF POINT (KOP)

NEW MEXICO EAST
 NAD 1983
 X=528346 Y=414519
 LAT.: N 32.1395857
 LONG.: W 104.3753079

NAD 1927

X=487164 Y=414463
 LAT.: N 32.1394679
 LONG.: W 104.3748041
 900' FSL 50' FEL

FIRST TAKE POINT (FTP)

NEW MEXICO EAST
 NAD 1983
 X=528296 Y=414523
 LAT.: N 32.1395958
 LONG.: W 104.3754695

NAD 1927

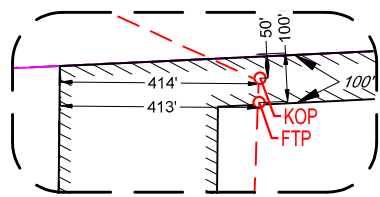
X=487114 Y=414466
 LAT.: N 32.1394780
 LONG.: W 104.3749657
 900' FSL 100' FEL

POINT OF INTERSECTION (PI1)

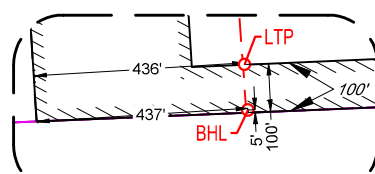
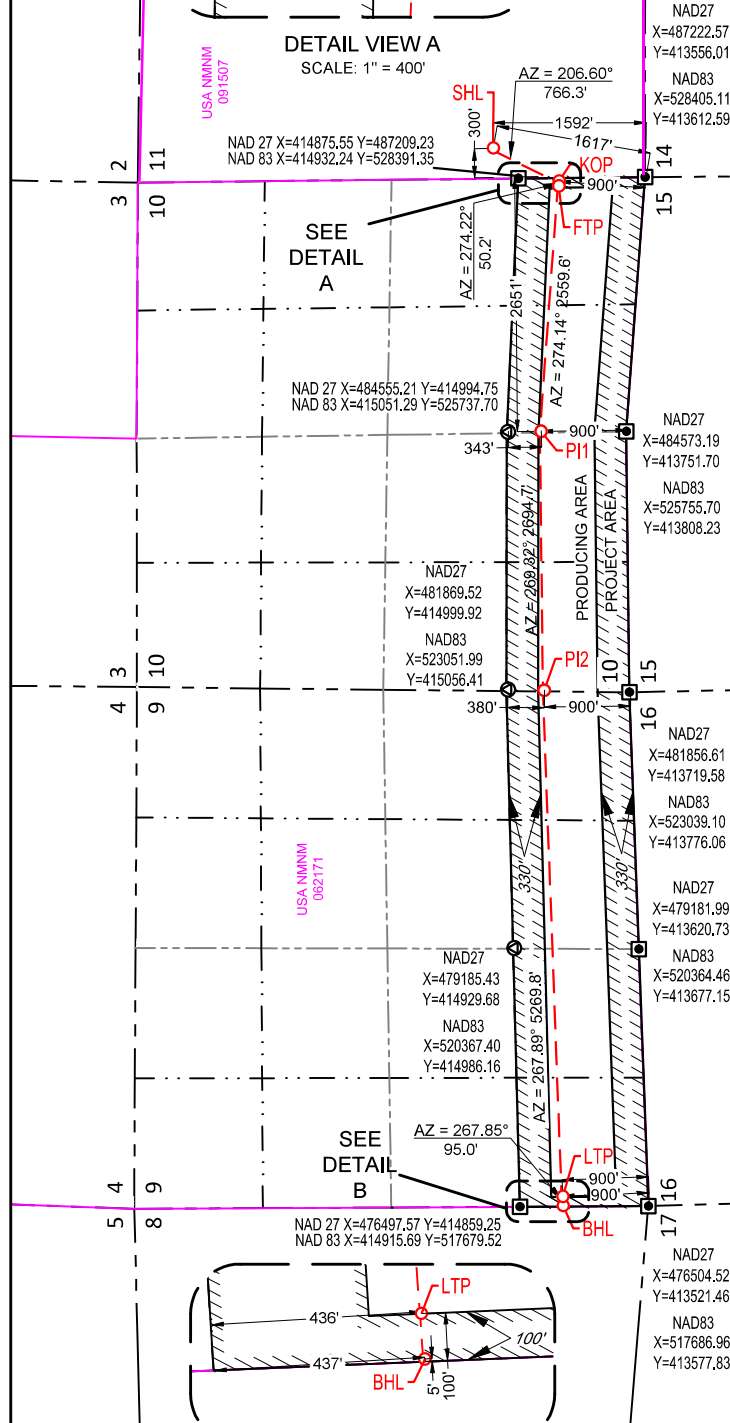
NEW MEXICO EAST
 NAD 1983
 X=525743 Y=414708
 LAT.: N 32.1401013
 LONG.: W 104.3837179

NAD 1927

X=484561 Y=414652
 LAT.: N 32.1399839
 LONG.: W 104.3832137
 900' FSL 2651' FEL



DETAIL VIEW A
 SCALE: 1" = 400'



DETAIL VIEW B
 SCALE: 1" = 400'

POINT OF INTERSECTION (PI2)

NEW MEXICO EAST
 NAD 1983
 X=523048 Y=414676
 LAT.: N 32.1400099
 LONG.: W 104.3924234

NAD 1927

X=481866 Y=414620
 LAT.: N 32.1398926
 LONG.: W 104.3919189
 900' FSL 0' FWL

LAST TAKE POINT (LTP)

NEW MEXICO EAST
 NAD 1983
 X=517782 Y=414482
 LAT.: N 32.1394669
 LONG.: W 104.4094374

NAD 1927

X=476600 Y=414426
 LAT.: N 32.1393500
 LONG.: W 104.4089323
 900' FSL 100' FWL

BOTTOM HOLE LOCATION (BHL)

NEW MEXICO EAST
 NAD 1983
 X=517687 Y=414478
 LAT.: N 32.1394569
 LONG.: W 104.4097442

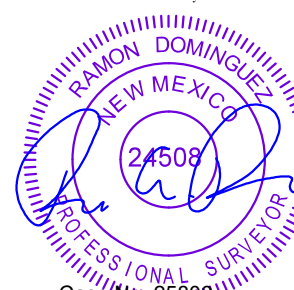
NAD 1927

X=476505 Y=414422
 LAT.: N 32.1393400
 LONG.: W 104.4092392
 900' FSL 5' FWL

SURVEYORS CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
 08/15/2025

Date of Survey
 Signature and Seal of Professional Surveyor:



Township 25S, Range 25E Eddy County New Mexico	
Section 09	Section 10
Tract 1 NMNM-062171	Tract 1

Tract 1 - Sec 09 S2S2, Sec 10 S2S2	WI %
Tap Rock Resources III, LLC	24.375000%
COG Operating, LLC	42.237713%
Concho Oil & Gas, LLC	2.223037%
EOG Resources, Inc.	19.328500%
Oxy Y-1 Company	4.835750%
Sydhan, LP	2.000000%
Vision Energy, Inc.	5.000000%
Total:	100.000000%

Tract No.	Lease Type	Lease No.
1	FED	NMNM-062171

Township 25S, Range 25E Eddy County New Mexico	
Section 09	Section 10
Tract 1	Tract 1
NMNM062171	

WI Owner	WI %	Net Acres	Tract No	Status
Tap Rock Resources III, LLC	24.375000%	78.00	1	Operator
COG Operating, LLC	42.237713%	135.16	1	Voluntary Joinder
Concho Oil & Gas, LLC	2.223037%	7.11	1	Voluntary Joinder
EOG Resources, Inc.	19.328500%	61.85	1	Pooled Party
Oxy Y-1 Company	4.835750%	15.47	1	Pooled Party
Sydhan, LP	2.000000%	6.40	1	Pooled Party
Vision Energy, Inc.	5.000000%	16.00	1	Pooled Party
Total:	100.000000%	320.00		

¹Tap Rock Operating, LLC – Upslope Fed Com 154H

¹ OCD, *Public Notice: Clarification of Evidentiary Requirements for Compulsory Pooling Applications*, (Nov. 1, 2025); <https://www.emnrd.nm.gov/oed/wp-content/uploads/sites/6/public-notice-evidentiary-requirements-gc.pdf>

TAP ROCK OPERATING, LLC

1700 LINCOLN STREET, SUITE 4700 - DENVER, COLORADO 80203



September 17, 2025

Via Certified Mail

EOG RESOURCES INC
LAND DEPARTMENT
5509 CHAMPIONS DR
MIDLAND, TX 79706

Re: Well Proposal
- UPSLOPE FEDERAL COM #154H
S/2S/2 of Sections 9 & 10, Township 25 South, Range 25 East
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 well (the "Well") at the following approximate location:

Well Name	Surface Hole Location (SHL)	Bottom Hole Location (BHL)	Formation	True Vertical Depth	Measured Depth
UPSLOPE FEDERAL COM #154H	NW/4SW/4 of Section 11 T25S R25E	990' FSL of Section 9	3rd Bone Spring	7,200'	17,860'

The proposed location and drilling plan 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 the Well is provided in the enclosed AFE. Tap Rock also estimates an additional \$913,661 per well for a central tank battery. Your election to participate in the drilling and completion of the Well will also be considered an election to participate in the construction of the production facility. Tap Rock is proposing to drill the Well 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 AFE 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 Well. 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 Well to allow Tap Rock to move forward with planning and drilling the Well.

Thank you for your time and consideration. If you have any questions regarding the above, please feel free to contact me at the undersigned.

TAP ROCK OPERATING, LLC

1700 LINCOLN STREET, SUITE 4700 - DENVER, COLORADO 80203



Sincerely,

TAP ROCK OPERATING, LLC

Erica Shewmaker

Erica Shewmaker

Senior Landman

720-460-3316

eshewmaker@taprk.com

EOG RESOURCES INC hereby elects to:

_____ participate in the drilling, completion and equipping of the UPSLOPE FEDERAL COM #154H

_____ non-consent the UPSLOPE FEDERAL COM #154H

By: _____

Name: _____

Title: _____

Date: _____

TAP ROCK OPERATING, LLC
1700 Lincoln St, Ste 4700, Denver CO 80203
Authorization For Expenditure

Name:	Upslope Fed Com #154H	Date:	September 15, 2025
AFE #:	0	MD/TVD:	17860 / 7200
County:	Eddy	Lateral Length:	10210
State:	NM	Geologic Target:	3rd Bone Spring

Well Description: Drill, complete, and produce a horizontal 3rd Bone Spring well with a 10210 foot lateral.

INTANGIBLE DRILLING COSTS				INTANGIBLE COMPLETION COSTS				INTANGIBLE PRODUCTION COSTS			
COST CODES		DESCRIPTION	AMOUNT	COST CODES		DESCRIPTION	AMOUNT	COST CODES		DESCRIPTION	AMOUNT
1	1	Land - Legal	20,000	2	1	Land - Legal		3	1	Land - Legal	
1	2	Land - Regulatory	14,000	2	2	Land - Regulatory		3	2	Land - Regulatory	
1	3	Land - Surface Damages	25,000	2	3	Land - Surface Damages		3	3	Land - Surface Damages	
1	4	Land - Survey	10,000	2	4	Land - Survey		3	4	Land - Survey	
1	5	Location/Pit Construction	44,000	2	5	Location/Pit Construction		3	5	Location/Pit Construction	0
1	6	Remedial Dirtwork	0	2	6	Remedial Dirtwork		3	6	Remedial Dirtwork	
1	7	Reserve/Frac Pit Closing	0	2	7	Reserve/Frac Pit Closing		3	7	Reserve/Frac Pit Closing	
1	8	Drilling - Contractor	470,675	2	8	Drilling - Contractor		3	8	Drilling - Contractor	
1	9	Mob/Rig Up - Contractor/Trucking	50,000	2	9	Mob/Rig Up - Contractor/Trucking		3	9	Mob/Rig Up - Contractor/Trucking	
1	10	Cementing Services	141,000	2	10	Cementing Services		3	10	Cementing Services	
1	11	Cementing Equipment	30,000	2	11	Cementing Equipment		3	11	Cementing Equipment	
1	12	Bits/Drill Out Assemblies	63,500	2	12	Bits/Drill Out Assemblies	56,127	3	12	Bits/Drill Out Assemblies	
1	13	Fluid Circulation Equipment/Services	54,237	2	13	Fluid Circulation Equipment/Services		3	13	Fluid Circulation Equipment/Services	
1	14	Fluids/Chemicals	102,124	2	14	Fluids/Chemicals	40,028	3	14	Fluids/Chemicals	3,000
1	15	WBM Cuttings/Wastewater Disposal	71,440	2	15	WBM Cuttings/Wastewater Disposal		3	15	WBM Cuttings/Wastewater Disposal	
1	16	OBM Cuttings/Chemical Disposal	0	2	16	OBM Cuttings/Chemical Disposal		3	16	OBM Cuttings/Chemical Disposal	
1	17	Fuel/Power	48,836	2	17	Fuel/Power	427,710	3	17	Fuel/Power	
1	18	Water	35,256	2	18	Water	630,891	3	18	Water	
1	19	Directional Drilling	162,787	2	19	Directional Drilling		3	19	Directional Drilling	
1	20	Mud Logging	24,071	2	20	Mud Logging		3	20	Mud Logging	
1	21	Open/Cased/Production Hole Logs	0	2	21	Open/Cased/Production Hole Logs	8,692	3	21	Open/Cased/Production Hole Logs	
1	22	Coring	0	2	22	Coring		3	22	Coring	
1	23	Geologic Supervision	0	2	23	Geologic Supervision		3	23	Geologic Supervision	
1	24	Engineering Supervision	0	2	24	Engineering Supervision		3	24	Engineering Supervision	
1	25	Consultant Supervision	84,826	2	25	Consultant Supervision	78,440	3	25	Consultant Supervision	11,590
1	26	Freight/Transportation	9,000	2	26	Freight/Transportation	2,000	3	26	Freight/Transportation	0
1	27	Labor	98,500	2	27	Labor	2,532	3	27	Labor	0
1	28	Supplies - Surface	2,500	2	28	Supplies - Surface	2,000	3	28	Supplies - Surface	
1	29	Supplies - Living Quarters	1,000	2	29	Supplies - Living Quarters	2,750	3	29	Supplies - Living Quarters	
1	30	Rentals - Surface	46,618	2	30	Rentals - Surface	14,556	3	30	Rentals - Surface	
1	31	Rentals - Living Quarters	30,490	2	31	Rentals - Living Quarters	14,525	3	31	Rentals - Living Quarters	
1	32	Rentals - Downhole	2,000	2	32	Rentals - Downhole	0	3	32	Rentals - Downhole	
1	33	Rentals - Pipe & Handling Tools	50,464	2	33	Rentals - Pipe & Handling Tools	0	3	33	Rentals - Pipe & Handling Tools	13,750
1	34	Rentals - Frac Stack		2	34	Rentals - Frac Stack	65,858	3	34	Rentals - Frac Stack	0
1	35	Rentals - Frac Tanks	4,884	2	35	Rentals - Frac Tanks	29,180	3	35	Rentals - Frac Tanks	3,750
1	36	Coil Tubing Unit/Workover Rig		2	36	Coil Tubing Unit/Workover Rig	110,325	3	36	Coil Tubing Unit/Workover Rig	34,228
1	37	Wireline/Slickline/Perforating		2	37	Wireline/Slickline/Perforating	281,218	3	37	Wireline/Slickline/Perforating	15,000
1	38	Temporary Packers/Plugs		2	38	Temporary Packers/Plugs	35,828	3	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck		2	39	High Pressure Pump Truck	56,710	3	39	High Pressure Pump Truck	
1	40	Stimulation		2	40	Stimulation	1,594,922	3	40	Stimulation	
1	41	Rentals - Pressure Control		2	41	Rentals - Pressure Control		3	41	Rentals - Pressure Control	
1	42	Flowback Services		2	42	Flowback Services	44,706	3	42	Flowback Services	80,000
1	43	Water Transfer Services		2	43	Water Transfer Services	63,600	3	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal		2	44	Flowback Water Trucking & Disposal	10,649	3	44	Flowback Water Trucking & Disposal	164,321
1	45	Permanent Equipment Installation		2	45	Permanent Equipment Installation		3	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services		2	46	Pipeline Tapping Services		3	46	Pipeline Tapping Services	
1	47	Plugging & Abandonment	0	2	47	Plugging & Abandonment		3	47	Plugging & Abandonment	
1	53	Overhead	0	2	53	Overhead	13,188	3	53	Overhead	0
1	54	Insurance	20,000	2	54	Insurance		3	54	Insurance	
1	55	Contingency	343,442	2	55	Contingency	418,347	3	55	Contingency	61,528
TOTAL INTANGIBLE DRILLING COSTS:			\$2,060,649	TOTAL INTANGIBLE COMPLETION COSTS:			\$4,004,782	TOTAL INTANGIBLE PRODUCTION COSTS:			\$387,167

TANGIBLE DRILLING COSTS				TANGIBLE COMPLETION COSTS				TANGIBLE PRODUCTION COSTS			
COST CODES		DESCRIPTION	AMOUNT	COST 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	434,891	5	64	Production Casing	0	6	64	Production Casing	
4	65	Tubing		5	65	Tubing		6	65	Tubing	60,740
4	66	Wellhead	78,000	5	66	Wellhead	0	6	66	Wellhead	76,426
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	0
4	70	Compressors		5	70	Compressors		6	70	Compressors	
4	71	Surface Flowlines		5	71	Surface Flowlines		6	71	Surface Flowlines	168,905
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	46,000
4	75	Instrumentation & Measurement		5	75	Instrumentation & Measurement		6	75	Instrumentation & Measurement	0
4	76	Electrical Grounding/Safety Equipment		5	76	Electrical Grounding/Safety Equipment		6	76	Electrical Grounding/Safety Equipment	0
4	77	Permanent Equipment Installation		5	77	Permanent Equipment Installation		6	77	Permanent Equipment Installation	351,726
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:			\$620,163	TOTAL TANGIBLE COMPLETION COSTS:			\$0	TOTAL TANGIBLE PRODUCTION COSTS:			\$703,797
TOTAL DRILLING COSTS:			\$2,680,812	TOTAL COMPLETION COSTS:			\$4,004,782	TOTAL PRODUCTION COSTS:			\$1,090,963

TOTAL WELL COST: \$7,776,558

TAP ROCK RESOURCES COMPANY APPROVAL:				NON OPERATING PARTNER APPROVAL:			
CEO _____ VP - EXPLORATION _____				COMPANY NAME: _____			
CFO _____ VP - OPERATIONS _____				SIGNED BY: _____ TITLE: _____			
VP - LAND & LEGAL _____ SENIOR GEOLOGIST _____				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.

Exhibit C-6 Chronology of Contact

<u>Pooled Party</u>	<u>Address</u>	<u>USPS Tracking Information</u>	<u>Proposal, AFE, and JOA Certified Mail Sent Date</u>	<u>Proposal, AFE, and JOA Certified Mail Received Date</u>	<u>Correspondence</u>
EOG RESOURCES INC	5509 CHAMPIONS DR MIDLAND, TX 79706	9402611898765477343266	9/17/2025	9/22/2025	10/14: EOG Emails requesting ownership information 12/8: Tap Rock sends all requested information.
OXY Y 1 COMPANY	5 GREENWAY PLAZA STE 110 HOUSTON, TX 77046	9402611898765477343259	9/17/2025	9/19/2025	9/24: Oxy Emails requesting development timing. 12/16: Tap Rock sends update on development timing and also reminds of pooling 1/8.
SYDHAN LP	PO BOX 92349 AUSTIN, TX 78709	9402611898765477349534	9/17/2025	9/20/2025	9/30: Sydhan does not sign JOA, returns our proposal letters indicating they do wish to be non-consent in these wells (consistent with our other wells in the area).
VISION ENERGY INC	PO BOX 9 NOGAL, NM 88341	9402611898765477343211	9/17/2025	9/25/2025	Vision did not respond to our well proposals and will likely go non-consent under the proposals we send under pooling order (consistent with our other wells in the area).

**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. 25800

AFFIDAVIT OF MATT JONES

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

1. My name is Matt Jones, and I am employed by Tap Rock Operating, LLC ("Tap Rock") as Vice President of Geoscience.
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 application 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 above-referenced 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. 25800 are incorporated herein by reference.
5. **Tap Rock Exhibit D-1** includes a base map of the lands showing the proposed Bone Spring 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 Bone Spring 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 formation. 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 Bone Spring formation in the vicinity of the proposed unit.

10. **Tap Rock Exhibit D-5** includes the gross isopach map. The Bone Spring well is 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. This 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 December, 2025.

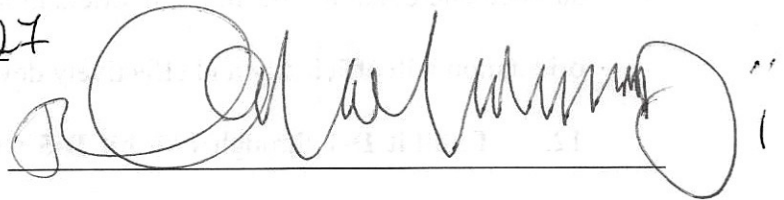

Matt Jones
Tap Rock Operating, LLC

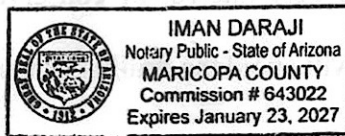
STATE OF Arizona)
COUNTY OF Maricopa) ss.

The foregoing instrument was subscribed and sworn to before me this 29 day of December, 2025, by Matt Jones, Vice President of Geoscience for Tap Rock Operating, LLC.

Witness my hand and official seal.

My commission expires: 01/23/2027





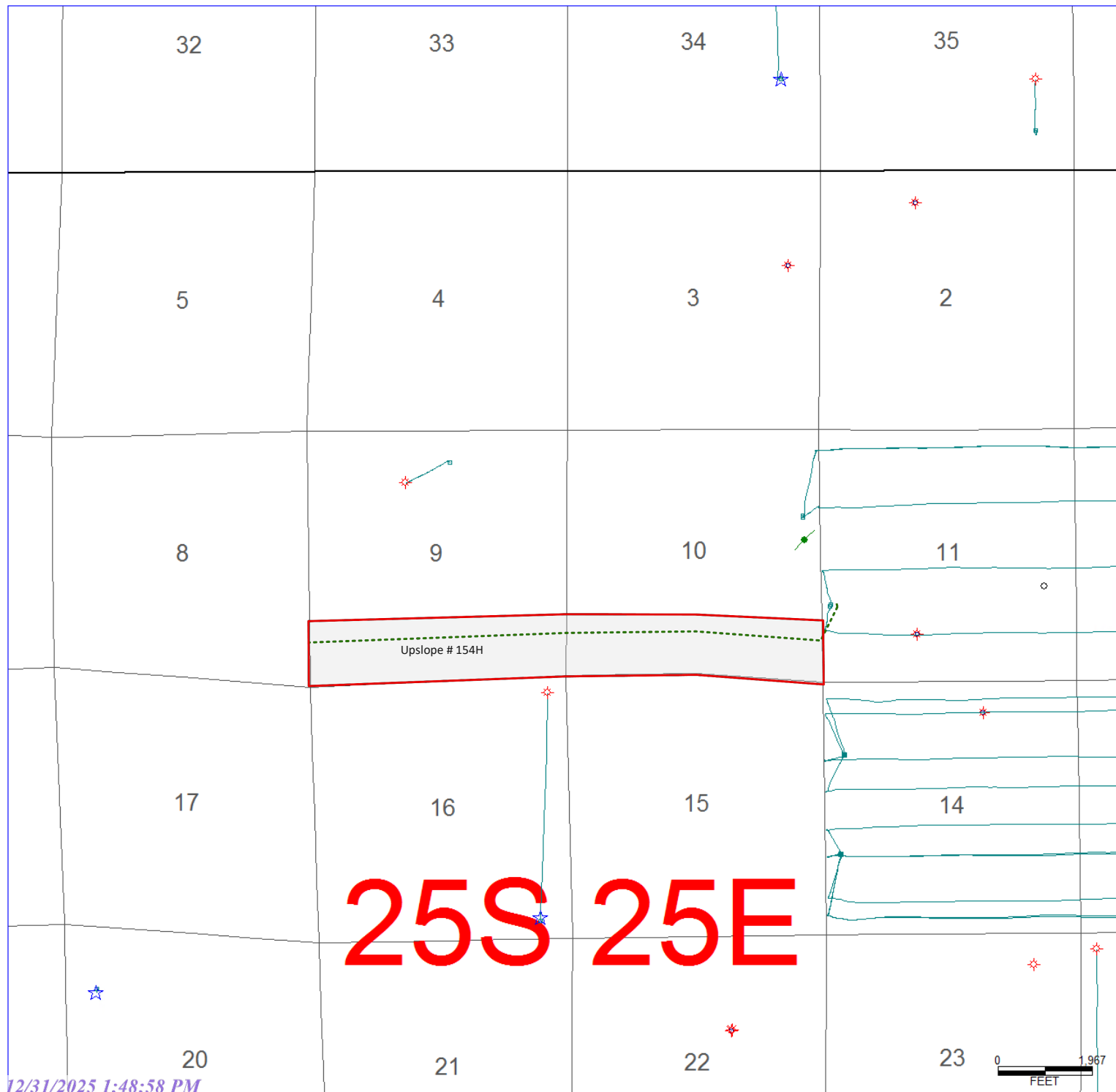
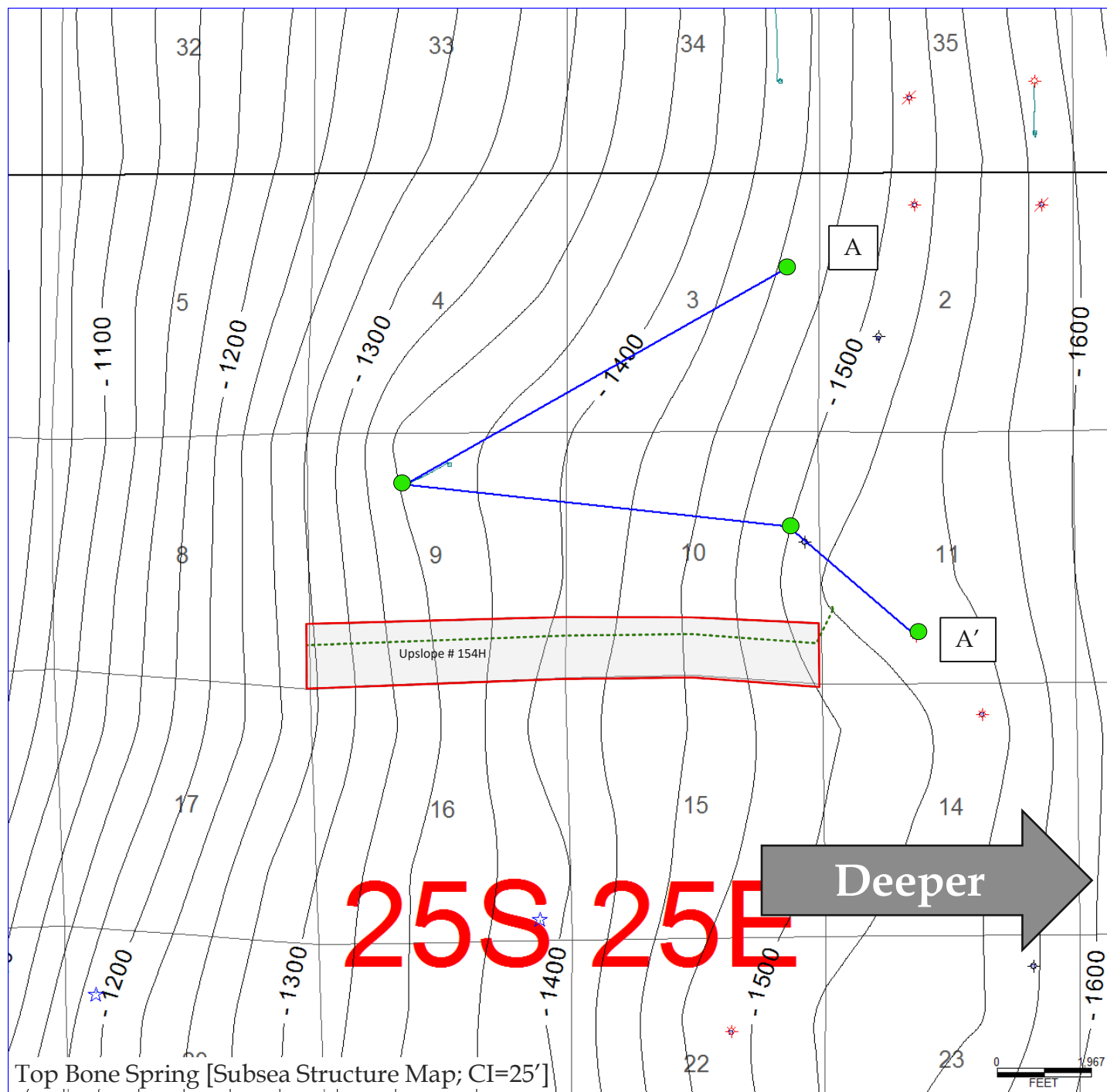
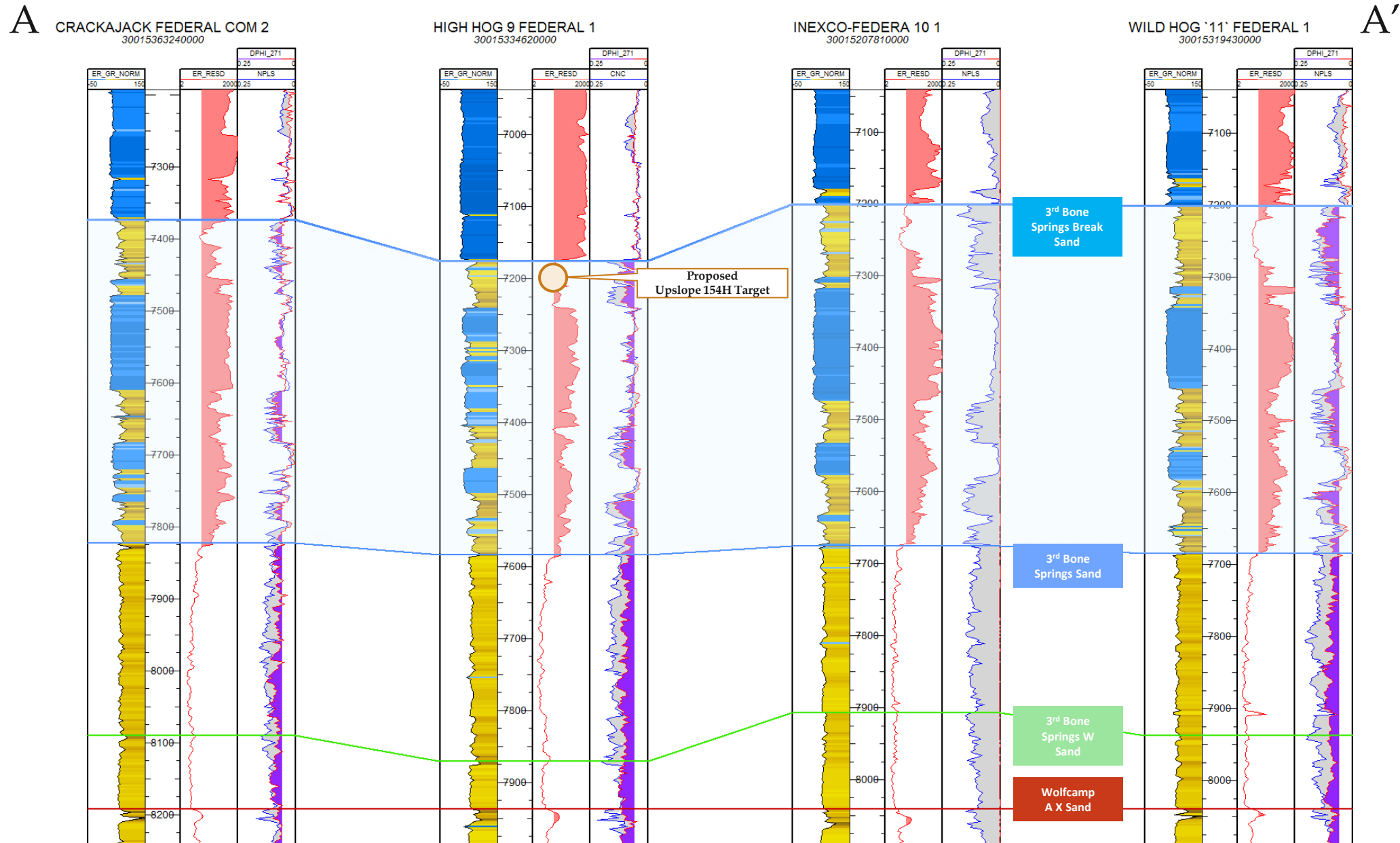


Exhibit D-2 Subsea Structure Map



Top Bone Spring [Subsea Structure Map; CI=25']



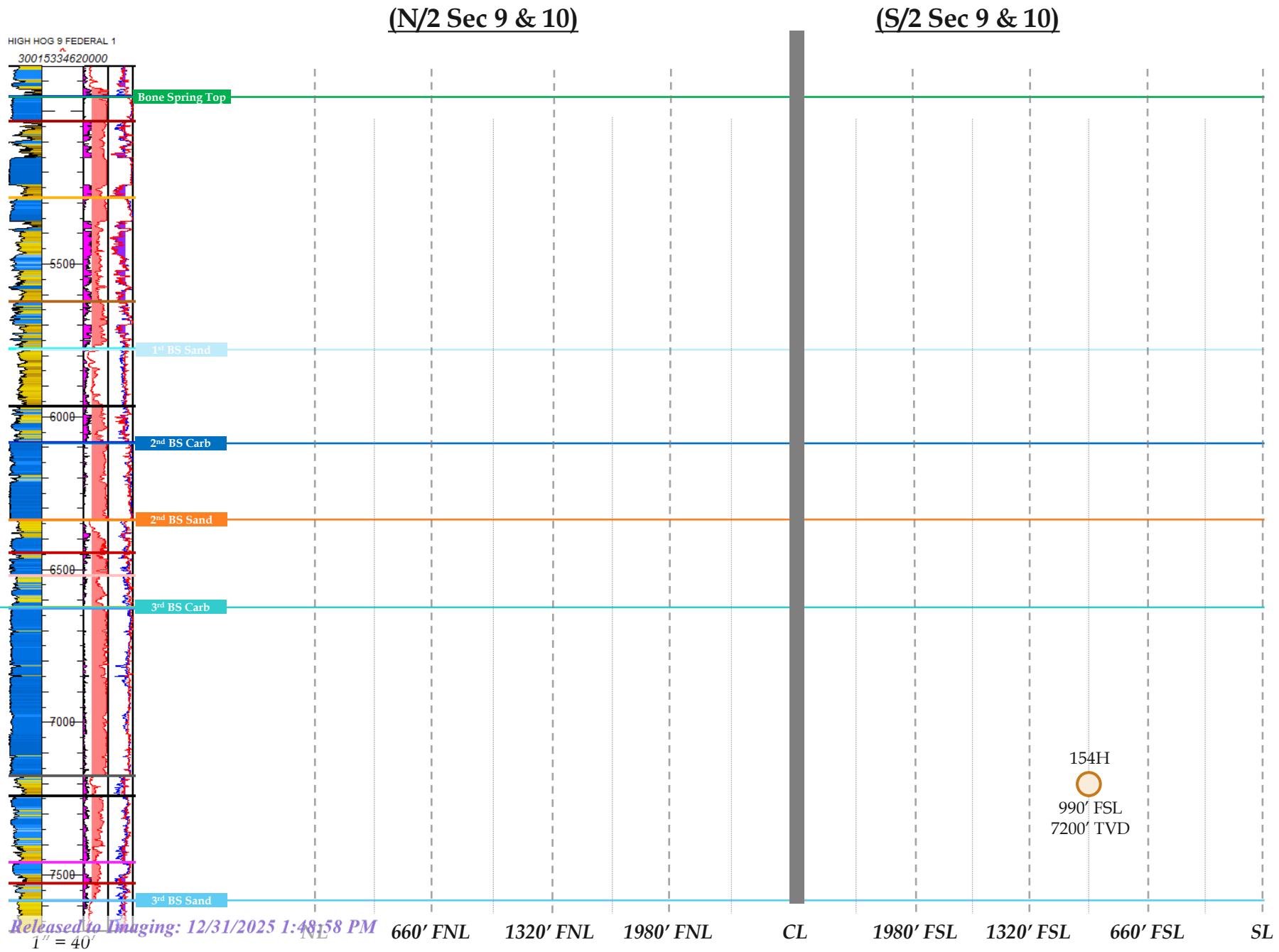
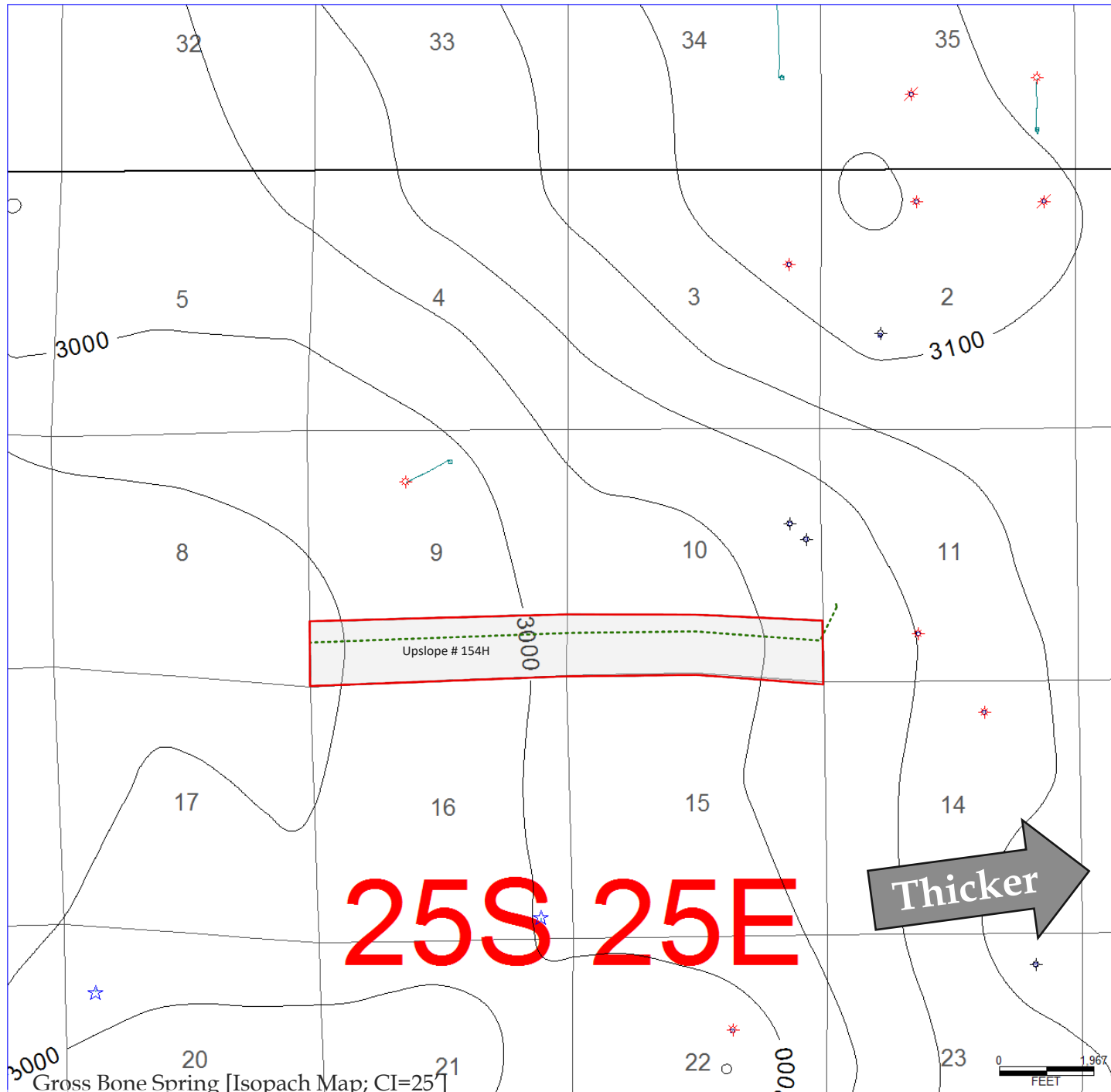


Exhibit D-5 Gross Isopach Map



Page 34 of 39

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. 25800

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 above-referenced Application has been provided under Notice Letters dated December 11, 2025, which the Applicant mailed via U.S. Postal Service Certified Mail. Notice was delivered to the interested parties on or about December 17, 2025, as shown on certified mail receipts attached as Exhibit E-3.

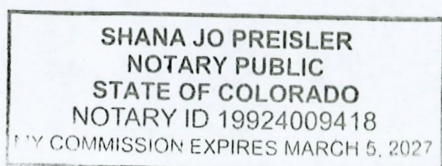
Applicant also published notice of the Application in the Carlsbad Current-Argus on December 16, 2025. Proof of receipt is shown on Exhibit E-4.

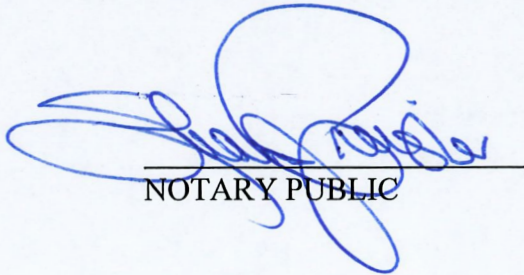


Rachael Ketchledge

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

My commission expires:





NOTARY PUBLIC

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

December 11, 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. 25800).

Dear Interest Owners:

This letter is to advise you that Tap Rock Operating, LLC ("Tap Rock") has filed the enclosed application, Case No. 25800, with the New Mexico Oil Conservation Division for Approval of a Standard Spacing Unit and Compulsory Pooling in Eddy County, New Mexico.

In Case No. 25800, Tap Rock seeks an Order from the Division to: (1) approve a 320-acre, more or less, standard horizontal spacing and proration unit composed of the S/2 S/2 of Sections 9 and 10, Township 25 South, Range 25 East, N.M.P.M., Eddy County, New Mexico; and (2) to pool all uncommitted mineral interests in Cottonwood Draw; Bone Spring Pool, designated as an oil pool, underlying said unit.

A hearing has been requested before a Division Examiner on January 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: <https://www.emnrd.nm.gov/ocd/hearing-info/> 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 scheduled hearing, but in no event later than 5 p.m. mountain time on the Thursday preceding the

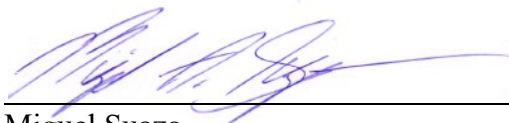
BEATTY & WOZNIAK, P.C.

December 11, 2025
Case No. 25800
Page 2

scheduled hearing date. This statement must be submitted through the OCD E-Permitting system (<https://wwwapps.emnrd.nm.gov/oed/oedpermitting/>) or via e-mail to oed.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 eshewmaker@tprk.com.

Sincerely,



Miguel Suazo

Attorney for Tap Rock Operating, LLC

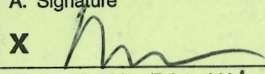
Case No. 25800 Certified Mailing Status

MAIL DATE	OWNER	ADDRESS	TYPE_INT	MAIL CLASS	TRACKING NUMBER
December 11, 2025	SYDHAN LP	PO BOX 92349 AUSTIN TX, 78709	WI	Certified w/ Return Receipt (Signature)	9589 0710 5270 0916 2418 77
December 11, 2025	VISION ENERGY INC	PO BOX 9 NOGAL, NM 88341	WI	Certified w/ Return Receipt (Signature)	9589 0710 5270 0916 2418 60
December 11, 2025	OXY Y 1 COMPANY	5 GREENWAY PLAZA STE 110 HOUSTIN, TX 77046	WI	Certified w/ Return Receipt (Signature)	9589 0710 5270 0916 2418 53
December 11, 2025	EOG RESOURCES INC	5509 CHAMPIONS DR MIDLAND, TX 79706	WI	Certified w/ Return Receipt (Signature)	9589 0710 5270 2981 1339 27
December 11, 2025	BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE	620 EAST GREEN STREET CARLSBAD, NM 88220-6292	MINERAL OWNER/ROYALTY	Certified w/ Return Receipt (Signature)	9589 0710 5270 2981 1339 34

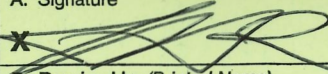
Relayed to Imaging: 12/31/2025 1:48:58 PM

Received by OGD: 12/31/2025 1:13:56 PM

SENDER: COMPLETE THIS SECTION	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.	
1. Article Addressed to:	1814.11
VISION ENERGY INC PO BOX 9 NOGAL, NM 88341	
 9590 9402 8916 4064 1518 03	
2. Article Number (Transfer from service label) 9589 0710 5270 0916 2418 60	

COMPLETE THIS SECTION ON DELIVERY	
A. Signature 	☐ Agent ☐ Addressee
B. Received by (Printed Name) D. Maly	C. Date of Delivery 12-17-25
D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☒ No	
3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery	

SENDER: COMPLETE THIS SECTION	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.	
1. Article Addressed to:	1814.11
BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE 620 EAST GREEN STREET CARLSBAD, NM 88220	
 9590 9402 8916 4064 1455 36	
2. Article Number (Transfer from service label) 9589 0710 5270 2981 1339 34	

COMPLETE THIS SECTION ON DELIVERY	
A. Signature 	☐ Agent ☐ Addressee
B. Received by (Printed Name)	C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery	

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
For delivery information, visit our website at www.usps.com ®.	
OFFICIAL USE	
Certified Mail Fee	1814.11
Extra Services ☐ Return Receipt ☐ Return Receipt ☐ Certified Mail ☐ Adult Signature ☐ Adult Signature	EOG RESOURCES INC 5509 CHAMPIONS DR MIDLAND, TX 79706
Postage	
Total Postage and Fees	
Sent To	
Street and Apt. No., or PO Box No.	
City, State, ZIP+4®	
PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions	

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
For delivery information, visit our website at www.usps.com ®.	
OFFICIAL USE	
Certified Mail Fee	1814.11
Extra Services ☐ Return Receipt ☐ Return Receipt ☐ Certified Mail ☐ Adult Signature ☐ Adult Signature	OXY Y 1 COMPANY 5 GREENWAY PLAZA STE 110 HOUSTON, TX 77046
Postage	
Total	
Sent To	
Street and Apt. No., or PO Box No.	
City, State, ZIP+4®	
PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions	

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
For delivery information, visit our website at www.usps.com ®.	
OFFICIAL USE	
Certified Mail Fee	1814.11
Extra Services ☐ Return Receipt ☐ Return Receipt ☐ Certified Mail ☐ Adult Signature ☐ Adult Signature	SYDHAN LP PO BOX 92349 AUSTIN, TX 78709
Postage	
Total Postage	
Sent To	
Street and Apt. No., or PO Box No.	
City, State, ZIP+4®	
PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions	

22 6621 1962 0225 0120 6956

65 9142 9160 0225 0120 6956

22 9142 9160 0225 0120 6956

Affidavit of PublicationNo. 76650

State of New Mexico

County of Eddy:

Adrian Hedden

being duly sworn, says that he is the

Publisher

of the Carlsbad Current Argus, a weekly newspaper of

general circulation, published in English at Carlsbad,

said county and state, and that the hereto attached

Legal Ad

was published in a regular and entire issue of the said

Carlsbad Current Argus, a weekly newspaper duly qualified

for that purpose within the meaning of Chapter 167 of

the 1937 Session Laws of the state of New Mexico for

1 Consecutive weeks/day on the same

day as follows:

First Publication December 16, 2025

Second Publication _____

Third Publication _____

Fourth Publication _____

Fifth Publication _____

Sixth Publication _____

Seventh Publication _____

Eighth Publication _____

Subscribed and sworn before me this

16th day of December 2025

LATISHA ROMINE

Notary Public, State of New Mexico

Commission No. 1076338

My Commission Expires

05-12-2027

Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:**LEGAL NOTICE**
DECEMBER 16, 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, January 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 participate in the electronic hearing, visit the Divisions website at: <https://www.emnrd.nm.gov/ocd/hearing-info/> or contact Sheila Apodaca at Sheila.Apodaca@emnrd.nm.gov. Documents filed in the case may also be viewed at <https://ocdimage.emnrd.nm.gov/imaging/CaseFileView.aspx?CaseNo=25800>. 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 **January 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: Sydhan LP; Vision Energy Inc.; OXY Y 1 Company; EOG Resources, Inc.; Bureau of Land Management.**CASE NO. 25800: 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 320-acre, more or less, standard horizontal spacing and proration unit composed of the S/2 S/2 of Sections 9 and 10, Township 25 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Cottonwood Draw; Bone Spring Pool, designated as an oil pool, underlying said unit. The proposed well to be dedicated to the horizontal spacing unit is the: Upslope Fed Com 154H (API No. Pending), which is an oil well that will be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 11, Township 25 South, Range 25 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 9, Township 25 South, Range 25 East. The well is orthodox in location, and the take points and lateral comply with Statewide Rules for setbacks. The well and lands are located approximately 2.32 miles south of Whites City, New Mexico.

76650-Published in Carlsbad Current Argus Dec. 16, 2025.