<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

Form C-101 August 1, 2011

Permit 301640

	APPLICATION FOR PERMIT TO DRILL	. RE-ENTER. DEEPEN	. PLUGBACK	OR ADD A ZONE
--	---------------------------------	--------------------	------------	---------------

7 1 1 2 3 1 1 3 1 1 3 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2 1 1 2									
Operator Name and Address	2. OGRID Number								
TAP ROCK OPERATING, LLC	372043								
523 Park Point Drive	3. API Number								
Golden, CO 80401		30-025-49424							
4. Property Code	5. Property Name	6. Well No.							
325171	ZEUS STATE	153H							

7. Surface Location

ı	JL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	Р	9	24S	33E	Р	777	S	137	E	Lea

8. Proposed Bottom Hole Location

ſ	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	В	9	24S	33E	В	5	N	1650	E	Lea

9. Pool Information

TRIPLE X;BONE SPRING, WEST	96674

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
New Well	OIL		State	3615
16. Multiple	17. Proposed Depth	18. Formation	19. Contractor	20. Spud Date
N	16673	3rd Bone Spring Carbonate		10/6/2021
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

■ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1290	1115	0
Int1	12.25	9.625	40	5330	1350	0
Prod	6.75	5.5	20	16670	860	11260
Prod	8.75	5.5	20	11260	1400	5130

Casing/Cement Program: Additional Comments

22. Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer					
Annular	Annular 5000							
Pipe	10000	5000						
Double Ram	10000	5000						

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.				OIL CONSERVATION	ON DIVISION	
Signature:						
Printed Name: Electronically filed by Christian Combs			Approved By:	Paul F Kautz		
Title:	Regulatory Manager	Title:	Geologist			
Email Address:	ccombs@taprk.com	Approved Date:	10/1/2021 Expiration Date: 10/1/2023			
Date:	ate: 9/30/2021 Phone: 720-360-4028			Conditions of Approval Attached		

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

AMENDED REPORT

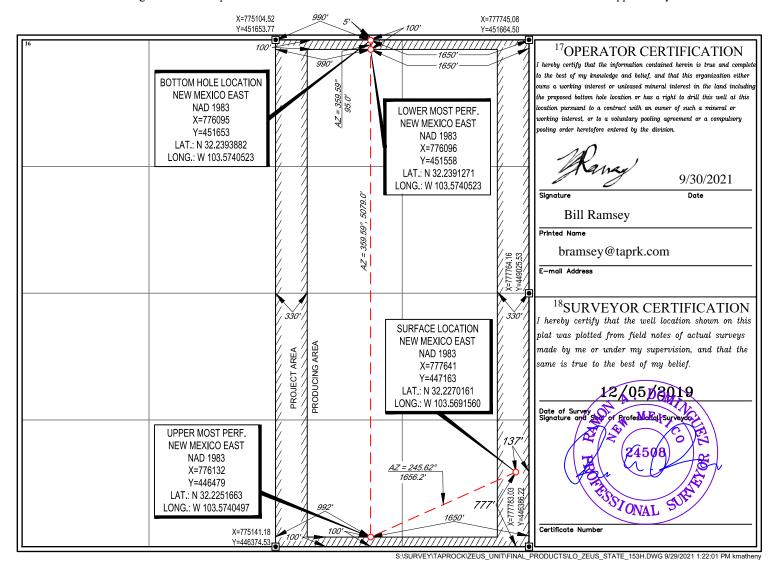
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-49424		² Pool Code 96674	-	
			operty Name	⁶ Well Number
325171		ZEU	JS STATE	153H
⁷ OGRID No.		⁸ O _I	perator Name	⁹ Elevation
#372043		TAP ROCK	OPERATING, LLC.	3615'

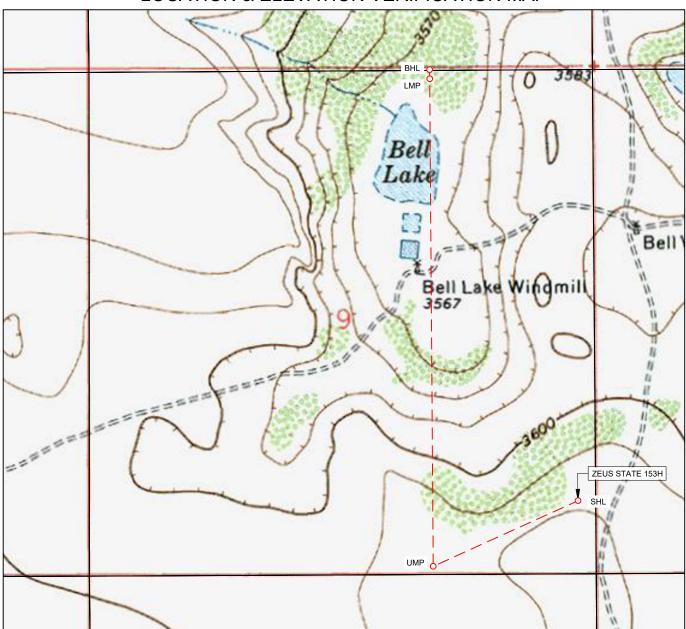
¹⁰Surface Location

P UL or lot no.	Section 9	Township 24-S	33-E	Lot Idn —	Feet from the 777'	SOUTH	137'	EAST	LEA	
	¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
В	9	24-S	33-E	_	5'	NORTH	1650'	EAST	LEA	
12Dedicated Acres	¹³ Joint or l	Infill 14Co	onsolidation Co	de ¹⁵ Ord	er No.					
320										

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



LOCATION & ELEVATION VERIFICATION MAP





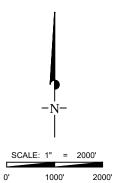
LEASE NAME & WELL NO.: ZEUS STATE 153H

 SECTION
 9
 TWP
 24-S
 RGE
 33-E
 SURVEY
 N.M.P.M.

 COUNTY
 LEA
 STATE
 NM
 ELEVATION
 3615'

 DESCRIPTION
 777' FSL & 137' FEL

LATITUDE N 32.2270161 LONGITUDE W 103.5691560



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

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



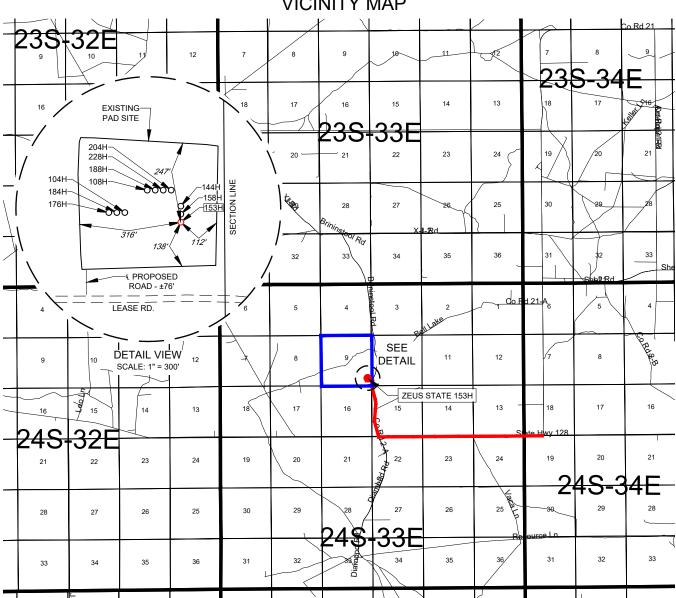
1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140

TELEPHONE: (817) 744-7512 • FAX (817) 744-7554

2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705

TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743

WWW.TOPOGRAPHIC.COM





LEASE NAME & WELL NO.: ZEUS STATE 153H

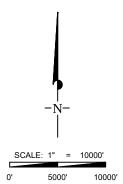
 SECTION
 9
 TWP
 24-S
 RGE
 33-E
 SURVEY
 N.M.P.M.

 COUNTY
 LEA
 STATE
 NM

 DESCRIPTION
 7777' FSL & 137' FEL

DISTANCE & DIRECTION

FROM INT. OF NM-128 W & DELAWARE BASIN RD., GO WEST ON NM-128 W ±3.3 MILES, THENCE NORTH (RIGHT) ON BRININSTOOL RD. ±1.1 MILES, THENCE WEST (LEFT) ON LEASE RD. ±0.1 MILES, THENCE NORTH (RIGHT) ON A PROPOSED RD. ±76 FEET TO A POINT ±301 FEET SOUTHWEST OF THE LOCATION.





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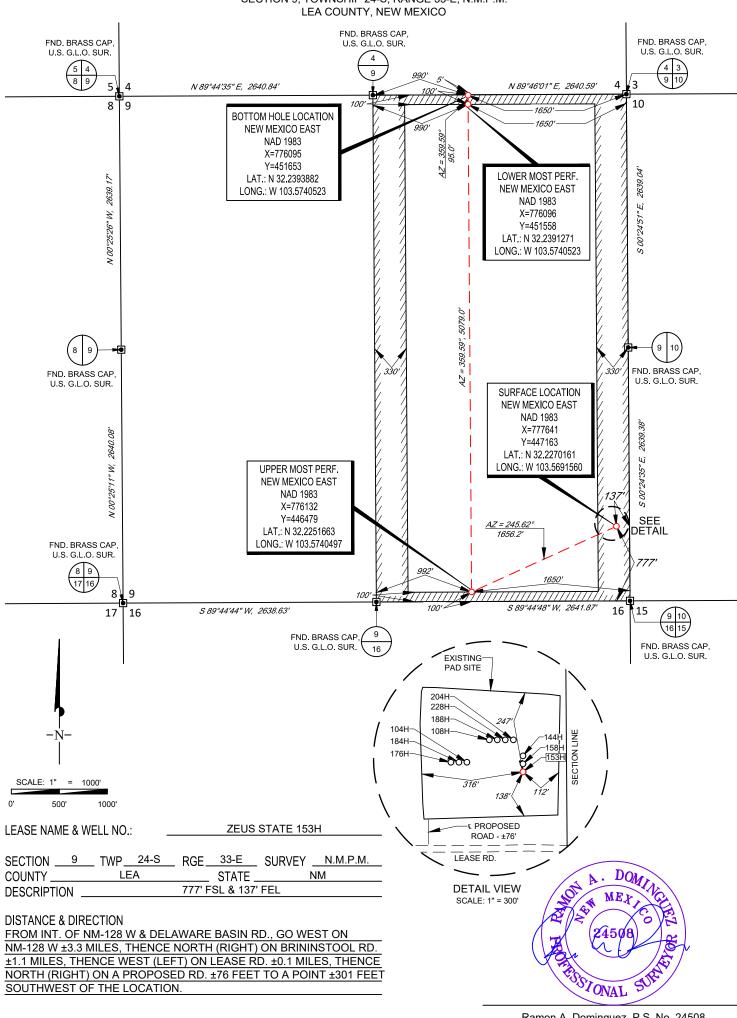
WWW.TOPOGRAPHIC.COM

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



SECTION 9, TOWNSHIP 24-S, RANGE 33-E, N.M.P.M. LEA COUNTY, NEW MEXICO



Ramon A. Dominguez, P.S. No. 24508 September 28, 2021

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

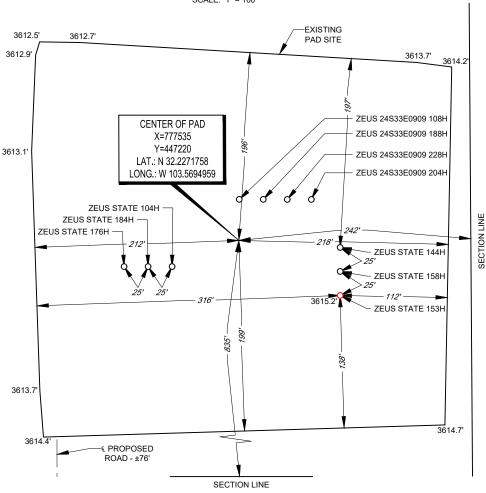
THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY TAP ROCK OPERATING, LLC THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF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



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

SECTION 9, TOWNSHIP 24-S, RANGE 33-E, N.M.P.M. LEA COUNTY, NEW MEXICO

DETAIL VIEW SCALE: 1" = 100'



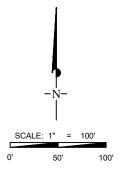
CENTER OF PAD IS 835' FSL & 242' FEL



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

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET. ELEVATIONS USED ARE NAVD88, OBTAINED THROUGH AN OPUS SOLUTION.

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





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2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705

TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743

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Permit 301640

Form APD Conditions

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

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District III
1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
TAP ROCK OPERATING, LLC [372043]	30-025-49424
523 Park Point Drive	Well:
Golden, CO 80401	ZEUS STATE #153H

OCD	Condition
Reviewer	
pkautz	Notify OCD 24 hours prior to casing & cement
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system
pkautz	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface 2) PRODUCTION CASING - Cement must tie back into intermediate casing
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 45 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD. If an APD expires and if site construction has occurred, site remediation is required.
pkautz	Stage Tool 1) Must notify OCD Hobbs Office prior to running Stage Tool 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.



Tap Rock Resources, LLC

Lea County, NM (NAD 83 NME) (Zeus State) Sec-9_T24-S_R-33-E Zeus State #153H

OWB

Plan: Plan #1

Standard Planning Report

30 September, 2021





Well:

Intrepid Planning Report



EDM 5000.15 Single User Db Database: Company: Tap Rock Resources, LLC Project: Lea County, NM (NAD 83 NME) (Zeus State) Sec-9_T24-S_R-33-E Site:

OWB Wellbore: Design: Plan #1 Local Co-ordinate Reference: TVD Reference: MD Reference:

North Reference: **Survey Calculation Method:** Well Zeus State #153H KB @ 3641.0usft (H&P 425) KB @ 3641.0usft (H&P 425)

359.59

Minimum Curvature

Project Lea County, NM (NAD 83 NME)

US State Plane 1983 Map System: Geo Datum: Map Zone:

North American Datum 1983 New Mexico Eastern Zone

Zeus State #153H

System Datum:

Mean Sea Level

Site (Zeus State) Sec-9_T24-S_R-33-E

447,193.00 usft Site Position: Northing: Latitude: 32° 13' 37.575 N 103° 34' 11.577 W 777,416.00 usft From: Мар Easting: Longitude: **Position Uncertainty:** 0.0 usft Slot Radius: 13-3/16 " **Grid Convergence:** 0.41°

Well Zeus State #153H

-30.0 usft 32° 13' 37.262 N **Well Position** +N/-S 447,163.00 usft Latitude: Northing: 225.0 usft 777,641.00 usft 103° 34' 8.960 W

+E/-W Longitude: Easting:

Position Uncertainty 0.0 usft Wellhead Elevation: **Ground Level:** 3,615.0 usft

Wellbore **OWB**

Declination **Magnetics** Sample Date **Dip Angle** Field Strength **Model Name** (°) (°) (nT) 09/29/21 60.01 47.498.29713405 **IGRF2015** 6.49

0.0

Design Plan #1

Audit Notes:

Tie On Depth: Version: Phase: **PLAN** 0.0

Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (usft) (usft) (usft) (°)

Date 09/30/21 **Plan Survey Tool Program**

Depth From Depth To

(usft) (usft) Survey (Wellbore) **Tool Name** Remarks

0.0

0.0 MWD 1 16,672.5 Plan #1 (OWB)

OWSG MWD - Standard

0.0





Database: Company: Project: Site:

EDM 5000.15 Single User Db Tap Rock Resources, LLC Lea County, NM (NAD 83 NME) (Zeus State) Sec-9_T24-S_R-33-E

Well: Zeus State #153H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Zeus State #153H KB @ 3641.0usft (H&P 425) KB @ 3641.0usft (H&P 425)

Grid

Plan Section	s									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,500.0	2.00	180.00	1,500.0	-3.5	0.0	1.00	1.00	0.00	180.00	
2,000.0	2.00	180.00	1,999.7	-20.9	0.0	0.00	0.00	0.00	0.00	
3,356.1	14.08	251.07	3,341.2	-98.5	-156.8	1.00	0.89	5.24	78.93	
8,876.9	14.08	251.07	8,696.2	-534.2	-1,427.2	0.00	0.00	0.00	0.00	
10,284.8	0.00	0.00	10,090.0	-590.0	-1,590.0	1.00	-1.00	0.00	180.00	
11,261.8	0.00	0.00	11,067.0	-590.0	-1,590.0	0.00	0.00	0.00	0.00	
12,165.8	90.40	5.85	11,639.9	-16.0	-1,531.2	10.00	10.00	0.00	5.85	
12,478.6	90.40	359.59	11,637.8	296.2	-1,516.3	2.00	0.00	-2.00	-89.99	
16,672.6	90.40	359.59	11,608.6	4,490.0	-1,546.0	0.00	0.00	0.00	0.00	PBHL (Zeus State #





EDM 5000.15 Single User Db Database: Company: Project: Site: Well:

Tap Rock Resources, LLC Lea County, NM (NAD 83 NME) (Zeus State) Sec-9_T24-S_R-33-E

Zeus State #153H

OWB Wellbore: Design: Plan #1 **Local Co-ordinate Reference:**

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Zeus State #153H KB @ 3641.0usft (H&P 425) KB @ 3641.0usft (H&P 425)

Design:	Plan #1								
Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	1.00	180.00	1,400.0	-0.9	0.0	-0.9	1.00	1.00	0.00
1,500.0	2.00	180.00	1,500.0	-3.5	0.0	-3.5	1.00	1.00	0.00
1,600.0	2.00	180.00	1,599.9	-7.0	0.0	-7.0	0.00	0.00	0.00
1,700.0	2.00	180.00	1,699.8	-10.5	0.0	-10.5	0.00	0.00	0.00
1,800.0	2.00	180.00	1,799.8	-14.0	0.0	-14.0	0.00	0.00	0.00
1,900.0	2.00	180.00	1,899.7	-17.5	0.0	-17.4	0.00	0.00	0.00
2,000.0	2.00	180.00	1,999.7	-20.9	0.0	-20.9	0.00	0.00	0.00
2,100.0	2.40	204.13	2,099.6	-24.6	-0.9	-24.6	1.00	0.40	24.13
2,200.0	3.09	219.48	2,199.5	-28.6	-3.4	-28.6	1.00	0.69	15.36
2,300.0	3.91	228.84	2,299.3	-32.9	-7.7	-32.9	1.00	0.82	9.36
2,400.0	4.80	234.85	2,399.0	-37.6	-13.7	-37.5	1.00	0.89	6.01
2,500.0	5.73	238.95	2,498.6	-42.6	-21.4	-42.4	1.00	0.93	4.10
2,600.0	6.68	241.90	2,598.0	-47.9	-30.8	-47.6	1.00	0.95	2.95
2,700.0	7.64	244.12	2,697.2	-53.5	-41.9	-53.2	1.00	0.96	2.22
2,800.0	8.61	245.84	2,796.2	-59.5	-54.7	-59.1	1.00	0.97	1.72
2,900.0	9.59	247.22	2,894.9	-65.8	-69.2	-65.3	1.00	0.98	1.37
3,000.0	10.57	248.34	2,993.4	-72.4	-85.4	-71.8	1.00	0.98	1.12
3,100.0	11.55	249.27	3,091.5	-79.3	-103.3	-78.6	1.00	0.98	0.93
3,200.0	12.54	250.06	3,189.3	-86.5	-122.9	-85.7	1.00	0.99	0.79
3,300.0	13.52	250.73	3,286.8	-94.1	-144.1	-93.1	1.00	0.99	0.67
3,356.1	14.08	251.07	3,341.2	-98.5	-156.8	-97.4	1.00	0.99	0.60
3,400.0	14.08	251.07	3,383.8	-101.9	-166.9	-100.7	0.00	0.00	0.00
3,500.0	14.08	251.07	3,480.8	-109.8	-189.9	-108.5	0.00	0.00	0.00
3,600.0	14.08	251.07	3,577.8	-117.7	-212.9	-116.2	0.00	0.00	0.00
3,700.0	14.08	251.07	3,674.8	-125.6	-235.9	-123.9	0.00	0.00	0.00
3,800.0	14.08	251.07	3,771.8	-133.5	-258.9	-131.7	0.00	0.00	0.00
3,900.0	14.08	251.07	3,868.8	-141.4	-281.9	-139.4	0.00	0.00	0.00
4,000.0	14.08	251.07	3,965.8	-149.3	-304.9	-147.1	0.00	0.00	0.00
4,100.0	14.08	251.07	4,062.8	-157.2	-327.9	-154.8	0.00	0.00	0.00
4,200.0	14.08	251.07	4,159.8	-165.1	-351.0	-162.6	0.00	0.00	0.00
4,300.0	14.08	251.07	4,256.8	-173.0	-374.0	-170.3	0.00	0.00	0.00
4,400.0	14.08	251.07	4,353.8	-180.9	-397.0	-178.0	0.00	0.00	0.00
4,500.0	14.08	251.07	4,450.8	-188.8	-420.0	-185.7	0.00	0.00	0.00
4,600.0	14.08	251.07	4,547.8	-196.6	-443.0	-193.5	0.00	0.00	0.00
4,700.0	14.08	251.07	4,644.8	-204.5	-466.0	-201.2	0.00	0.00	0.00
4,800.0	14.08	251.07	4,741.8	-212.4	-489.0	-208.9	0.00	0.00	0.00
4,900.0	14.08	251.07	4,838.8	-220.3	-512.0	-216.6	0.00	0.00	0.00
5,000.0	14.08	251.07	4,935.8	-228.2	-535.1	-224.4	0.00	0.00	0.00
5,100.0	14.08	251.07	5,032.7	-236.1	-558.1	-232.1	0.00	0.00	0.00
5,200.0	14.08	251.07	5,129.7	-244.0	-581.1	-239.8	0.00	0.00	0.00





Database: ED Company: Ta Project: Le Site: (Ze Well: Ze

EDM 5000.15 Single User Db Tap Rock Resources, LLC Lea County, NM (NAD 83 NME) (Zeus State) Sec-9_T24-S_R-33-E

Zeus State #153H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Zeus State #153H KB @ 3641.0usft (H&P 425) KB @ 3641.0usft (H&P 425)

Grid

Design.	riaii # i								
Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,300.0	14.08	251.07	5,226.7	-251.9	-604.1	-247.6	0.00	0.00	0.00
5,400.0	14.08	251.07	5,323.7	-259.8	-627.1	-255.3	0.00	0.00	0.00
5,500.0	14.08	251.07	5,420.7	-267.7	-650.1	-263.0	0.00	0.00	0.00
5,600.0	14.08	251.07	5,517.7	-275.6	-673.1	-270.7	0.00	0.00	0.00
5,700.0	14.08	251.07	5,614.7	-283.5	-696.1	-278.5	0.00	0.00	0.00
5,800.0	14.08	251.07	5,711.7	-291.3	-719.1	-286.2	0.00	0.00	0.00
5,900.0	14.08	251.07	5,808.7	-299.2	-742.2	-293.9	0.00	0.00	0.00
6,000.0	14.08	251.07	5,905.7	-307.1	-765.2	-301.6	0.00	0.00	0.00
6,100.0	14.08	251.07	6,002.7	-315.0	-788.2	-309.4	0.00	0.00	0.00
6,200.0	14.08	251.07	6,099.7	-322.9	-811.2	-317.1	0.00	0.00	0.00
6,300.0	14.08	251.07	6,196.7	-330.8	-834.2	-324.8	0.00	0.00	0.00
6,400.0	14.08	251.07	6,293.7	-338.7	-857.2	-332.6	0.00	0.00	0.00
6,500.0	14.08	251.07	6,390.7	-346.6	-880.2	-340.3	0.00	0.00	0.00
6,600.0	14.08	251.07	6,487.7	-354.5	-903.2	-348.0	0.00	0.00	0.00
6,700.0	14.08	251.07	6,584.7	-362.4	-926.2	-355.7	0.00	0.00	0.00
6,800.0	14.08	251.07	6,681.7	-370.3	-949.3	-363.5	0.00	0.00	0.00
6,900.0	14.08	251.07	6,778.7	-378.2	-972.3	-371.2	0.00	0.00	0.00
7,000.0	14.08	251.07	6,875.7	-386.0	-995.3	-378.9	0.00	0.00	0.00
7,100.0	14.08	251.07	6,972.7	-393.9	-1,018.3	-386.6	0.00	0.00	0.00
7,200.0	14.08	251.07	7,069.7	-401.8	-1,041.3	-394.4	0.00	0.00	0.00
7,300.0	14.08	251.07	7,166.7	-409.7	-1,064.3	-402.1	0.00	0.00	0.00
7,400.0	14.08	251.07	7,263.7	-417.6	-1,087.3	-409.8	0.00	0.00	0.00
7,500.0	14.08	251.07	7,360.6	-425.5	-1,110.3	-417.5	0.00	0.00	0.00
7,600.0	14.08	251.07	7,457.6	-433.4	-1,133.4	-425.3	0.00	0.00	0.00
7,700.0	14.08	251.07	7,554.6	-441.3	-1,156.4	-433.0	0.00	0.00	0.00
7,800.0	14.08	251.07	7,651.6	-449.2	-1,179.4	-440.7	0.00	0.00	0.00
7,900.0	14.08	251.07	7,748.6	-457.1	-1,202.4	-448.5	0.00	0.00	0.00
8,000.0	14.08	251.07	7,845.6	-465.0	-1,225.4	-456.2	0.00	0.00	0.00
8,100.0	14.08	251.07	7,942.6	-472.9	-1,248.4	-463.9	0.00	0.00	0.00
8,200.0	14.08	251.07	8,039.6	-480.7	-1,271.4	-471.6	0.00	0.00	0.00
8,300.0	14.08	251.07	8,136.6	-488.6	-1,294.4	-479.4	0.00	0.00	0.00
8,400.0	14.08	251.07	8,233.6	-496.5	-1,317.4	-487.1	0.00	0.00	0.00
8,500.0	14.08	251.07	8,330.6	-504.4	-1,340.5	-494.8	0.00	0.00	0.00
8,600.0	14.08	251.07	8,427.6	-512.3	-1,363.5	-502.5	0.00	0.00	0.00
8,700.0	14.08	251.07	8,524.6	-520.2	-1,386.5	-510.3	0.00	0.00	0.00
8,800.0	14.08	251.07	8,621.6	-528.1	-1,409.5	-518.0	0.00	0.00	0.00
8,876.9	14.08	251.07	8,696.2	-534.2	-1,427.2	-523.9	0.00	0.00	0.00
8,900.0	13.85	251.07	8,718.6	-536.0	-1,432.5	-525.7	1.00	-1.00	0.00
9,000.0	12.85	251.07	8,815.9	-543.5	-1,454.3	-533.0	1.00	-1.00	0.00
9,100.0	11.85	251.07	8,913.6	-550.4	-1,474.5	-539.8	1.00	-1.00	0.00
9,200.0	10.85	251.07	9,011.6	-556.8	-1,493.1	-546.1	1.00	-1.00	0.00
9,300.0	9.85	251.07	9,110.0	-562.6	-1,510.1	-551.8	1.00	-1.00	0.00
9,400.0	8.85	251.07	9,208.7	-567.9	-1,525.5	-556.9	1.00	-1.00	0.00
9,500.0	7.85	251.07	9,307.6	-572.6	-1,539.2	-561.6	1.00	-1.00	0.00
9,600.0	6.85	251.07	9,406.8	-576.7	-1,551.3	-565.6	1.00	-1.00	0.00
9,700.0	5.85	251.07	9,506.2	-580.3	-1,561.8	-569.1	1.00	-1.00	0.00
9,800.0	4.85	251.07	9,605.7	-583.3	-1,570.6	-572.1	1.00	-1.00	0.00
9,900.0	3.85	251.07	9,705.4	-585.8	-1,577.8	-574.5	1.00	-1.00	0.00
10,000.0	2.85	251.07	9,805.3	-587.7	-1,583.3	-576.4	1.00	-1.00	0.00
10,100.0	1.85	251.07	9,905.2	-589.0	-1,587.2	-577.7	1.00	-1.00	0.00
10,200.0	0.85	251.07	10,005.2	-589.8	-1,589.4	-578.4	1.00	-1.00	0.00
10,284.8	0.00	0.00	10,090.0	-590.0	-1,590.0	-578.6	1.00	-1.00	0.00
10,300.0	0.00	0.00	10,105.2	-590.0	-1,590.0	-578.6	0.00	0.00	0.00
10,400.0	0.00	0.00	10,205.2	-590.0	-1,590.0	-578.6	0.00	0.00	0.00





Database: Company: Project: Site: Well:

EDM 5000.15 Single User Db Tap Rock Resources, LLC Lea County, NM (NAD 83 NME) (Zeus State) Sec-9_T24-S_R-33-E

Zeus State #153H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Zeus State #153H KB @ 3641.0usft (H&P 425) KB @ 3641.0usft (H&P 425)

Grid

Design.	riaii#i								
Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
10,500.0	0.00	0.00	10,305.2	-590.0	-1,590.0	-578.6	0.00	0.00	0.00
10,600.0	0.00	0.00	10,405.2	-590.0	-1,590.0	-578.6	0.00	0.00	0.00
10,700.0	0.00	0.00	10,505.2	-590.0	-1,590.0	-578.6	0.00	0.00	0.00
10,800.0	0.00	0.00	10,605.2	-590.0	-1,590.0	-578.6	0.00	0.00	0.00
10,900.0	0.00	0.00	10,705.2	-590.0	-1,590.0	-578.6	0.00	0.00	0.00
11,000.0	0.00	0.00	10,805.2	-590.0	-1,590.0	-578.6	0.00	0.00	0.00
11,100.0 11,200.0 11,261.8 11,300.0 11,350.0	0.00 0.00 0.00 3.82 8.82	0.00 0.00 0.00 5.85 5.85	10,905.2 11,005.2 11,067.0 11,105.1 11,154.8	-590.0 -590.0 -590.0 -588.7 -583.3	-1,590.0 -1,590.0 -1,590.0 -1,589.9 -1,589.3	-578.6 -578.6 -578.6 -577.3 -571.9	0.00 0.00 0.00 10.00 10.00	0.00 0.00 0.00 10.00	0.00 0.00 0.00 0.00 0.00
11,400.0	13.82	5.85	11,203.8	-573.5	-1,588.3	-562.1	10.00	10.00	0.00
11,450.0	18.82	5.85	11,251.8	-559.5	-1,586.9	-548.2	10.00	10.00	0.00
11,500.0	23.82	5.85	11,298.4	-541.5	-1,585.0	-530.1	10.00	10.00	0.00
11,550.0	28.82	5.85	11,343.2	-519.4	-1,582.8	-508.1	10.00	10.00	0.00
11,600.0	33.82	5.85	11,385.9	-493.6	-1,580.1	-482.3	10.00	10.00	0.00
11,650.0	38.82	5.85	11,426.1	-464.1	-1,577.1	-452.8	10.00	10.00	0.00
11,700.0	43.82	5.85	11,463.7	-431.3	-1,573.7	-420.0	10.00	10.00	0.00
11,750.0	48.82	5.85	11,498.2	-395.3	-1,570.1	-384.1	10.00	10.00	0.00
11,800.0	53.82	5.85	11,529.4	-356.5	-1,566.1	-345.3	10.00	10.00	0.00
11,850.0	58.82	5.85	11,557.2	-315.2	-1,561.8	-304.0	10.00	10.00	0.00
11,900.0	63.82	5.85	11,581.2	-271.5	-1,557.4	-260.4	10.00	10.00	0.00
11,950.0	68.82	5.85	11,601.2	-226.0	-1,552.7	-214.9	10.00	10.00	0.00
12,000.0	73.82	5.85	11,617.3	-178.9	-1,547.9	-167.8	10.00	10.00	0.00
12,050.0	78.82	5.85	11,629.1	-130.6	-1,542.9	-119.5	10.00	10.00	0.00
12,100.0	83.82	5.85	11,636.6	-81.4	-1,537.9	-70.4	10.00	10.00	0.00
12,150.0	88.82	5.85	11,639.8	-31.8	-1,532.8	-20.8	10.00	10.00	0.00
12,165.8	90.40	5.85	11,639.9	-16.0	-1,531.2	-5.1	10.00	10.00	0.00
12,200.0	90.40	5.17	11,639.7	18.0	-1,527.9	28.9	2.00	0.00	-2.00
12,300.0	90.40	3.17	11,639.0	117.7	-1,520.6	128.6	2.00	0.00	-2.00
12,400.0	90.40	1.17	11,638.3	217.6	-1,516.9	228.4	2.00	0.00	-2.00
12,478.6	90.40	359.59	11,637.8	296.2	-1,516.3	307.0	2.00	0.00	-2.00
12,500.0	90.40	359.59	11,637.6	317.6	-1,516.5	328.4	0.00	0.00	0.00
12,600.0	90.40	359.59	11,636.9	417.6	-1,517.2	428.4	0.00	0.00	0.00
12,700.0	90.40	359.59	11,636.2	517.6	-1,517.9	528.4	0.00	0.00	0.00
12,800.0	90.40	359.59	11,635.5	617.6	-1,518.6	628.4	0.00	0.00	0.00
12,900.0	90.40	359.59	11,634.8	717.6	-1,519.3	728.4	0.00	0.00	0.00
13,000.0	90.40	359.59	11,634.1	817.6	-1,520.0	828.4	0.00	0.00	0.00
13,100.0	90.40	359.59	11,633.4	917.6	-1,520.7	928.4	0.00	0.00	0.00
13,200.0	90.40	359.59	11,632.7	1,017.6	-1,521.4	1,028.4	0.00	0.00	0.00
13,300.0	90.40	359.59	11,632.0	1,117.6	-1,522.2	1,128.4	0.00	0.00	0.00
13,400.0	90.40	359.59	11,631.3	1,217.5	-1,522.9	1,228.4	0.00	0.00	0.00
13,500.0	90.40	359.59	11,630.7	1,317.5	-1,523.6	1,328.4	0.00	0.00	0.00
13,600.0	90.40	359.59	11,630.0	1,417.5	-1,524.3	1,428.4	0.00	0.00	0.00
13,700.0	90.40	359.59	11,629.3	1,517.5	-1,525.0	1,528.4	0.00	0.00	0.00
13,800.0	90.40	359.59	11,628.6	1,617.5	-1,525.7	1,628.4	0.00	0.00	0.00
13,900.0	90.40	359.59	11,627.9	1,717.5	-1,526.4	1,728.4	0.00	0.00	0.00
14,000.0	90.40	359.59	11,627.2	1,817.5	-1,527.1	1,828.4	0.00	0.00	0.00
14,100.0	90.40	359.59	11,626.5	1,917.5	-1,527.8	1,928.4	0.00	0.00	0.00
14,200.0	90.40	359.59	11,625.8	2,017.5	-1,528.5	2,028.4	0.00	0.00	0.00
14,300.0	90.40	359.59	11,625.1	2,117.5	-1,529.2	2,128.4	0.00	0.00	0.00
14,400.0	90.40	359.59	11,624.4	2,217.5	-1,529.9	2,228.4	0.00	0.00	0.00
14,500.0	90.40	359.59	11,623.7	2,317.5	-1,530.6	2,328.4	0.00	0.00	0.00
14,600.0	90.40	359.59	11,623.0	2,417.5	-1,531.3	2,428.4	0.00	0.00	0.00





Database: Company: Project: Site:

EDM 5000.15 Single User Db Tap Rock Resources, LLC Lea County, NM (NAD 83 NME) (Zeus State) Sec-9_T24-S_R-33-E

Well: Zeus State #153H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Zeus State #153H KB @ 3641.0usft (H&P 425) KB @ 3641.0usft (H&P 425)

Grid

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
14,700.0	90.40	359.59	11,622.3	2,517.5	-1,532.1	2,528.4	0.00	0.00	0.00
14,800.0	90.40	359.59	11,621.6	2,617.5	-1,532.8	2,628.4	0.00	0.00	0.00
14,900.0	90.40	359.59	11,620.9	2,717.5	-1,533.5	2,728.4	0.00	0.00	0.00
15,000.0	90.40	359.59	11,620.2	2,817.5	-1,534.2	2,828.4	0.00	0.00	0.00
15,100.0	90.40	359.59	11,619.5	2,917.5	-1,534.9	2,928.4	0.00	0.00	0.00
15,200.0	90.40	359.59	11,618.8	3,017.5	-1,535.6	3,028.4	0.00	0.00	0.00
15,300.0	90.40	359.59	11,618.1	3,117.5	-1,536.3	3,128.4	0.00	0.00	0.00
15,400.0	90.40	359.59	11,617.4	3,217.5	-1,537.0	3,228.4	0.00	0.00	0.00
15,500.0	90.40	359.59	11,616.7	3,317.4	-1,537.7	3,328.4	0.00	0.00	0.00
15,600.0	90.40	359.59	11,616.0	3,417.4	-1,538.4	3,428.4	0.00	0.00	0.00
15,700.0	90.40	359.59	11,615.3	3,517.4	-1,539.1	3,528.4	0.00	0.00	0.00
15,800.0	90.40	359.59	11,614.6	3,617.4	-1,539.8	3,628.4	0.00	0.00	0.00
15,900.0	90.40	359.59	11,614.0	3,717.4	-1,540.5	3,728.4	0.00	0.00	0.00
16,000.0	90.40	359.59	11,613.3	3,817.4	-1,541.2	3,828.4	0.00	0.00	0.00
16,100.0	90.40	359.59	11,612.6	3,917.4	-1,542.0	3,928.4	0.00	0.00	0.00
16,200.0	90.40	359.59	11,611.9	4,017.4	-1,542.7	4,028.3	0.00	0.00	0.00
16,300.0	90.40	359.59	11,611.2	4,117.4	-1,543.4	4,128.3	0.00	0.00	0.00
16,400.0	90.40	359.59	11,610.5	4,217.4	-1,544.1	4,228.3	0.00	0.00	0.00
16,500.0	90.40	359.59	11,609.8	4,317.4	-1,544.8	4,328.3	0.00	0.00	0.00
16,600.0	90.40	359.59	11,609.1	4,417.4	-1,545.5	4,428.3	0.00	0.00	0.00
16,672.6	90.40	359.59	11,608.6	4,490.0	-1,546.0	4,500.9	0.00	0.00	0.00

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
FTP (Zeus State #19 - plan misses tar - Point			11,269.0 t 11434.0us	-684.0 sft MD (1123	-1,509.0 6.5 TVD, -56	446,479.00 64.5 N, -1587.4 E)	776,132.00	32° 13′ 30.599 N	103° 34' 26.583 W
PBHL (Zeus State # - plan hits target - Rectangle (side	center		11,608.6 .0)	4,490.0	-1,546.0	451,653.00	776,095.00	32° 14′ 21.800 N	103° 34' 26.588 W
LTP (Zeus State #15 - plan misses tar - Point			11,608.6 6577.6usft	4,395.0 MD (11609.2	-1,545.0 2 TVD, 4395.	451,558.00 .0 N, -1545.3 E)	776,096.00	32° 14' 20.860 N	103° 34' 26.584 W





Database: EDM 5000.15 Single User Db
Company: Tap Rock Resources, LLC
Project: Lea County, NM (NAD 83 NME)
Site: (Zeus State) Sec-9_T24-S_R-33-E
Well: Zeus State #153H

Wellbore: OWB

Design: Plan #1

Local Co-ordinate Reference: TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Well Zeus State #153H KB @ 3641.0usft (H&P 425) KB @ 3641.0usft (H&P 425)

Formations						
	Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
	1,265.0	1,265.0	Rustler Anhydrite			
	1,795.2	1,795.0	Top Salt			
	5,009.5	4,945.0	Base Salt			
	5,277.6	5,205.0	Delaware Mountain Gp			
	5,277.6	5,205.0	Lamar			
	5,308.5	5,235.0	Bell Canyon			
	5,324.0	5,250.0	Ramsey Sand			
	6,282.8	6,180.0	Cherry Canyon			
	7,849.9	7,700.0	Brushy Canyon			
	9,294.9	9,105.0	Bone Spring Lime			
	9,421.6	9,230.0	Upper Avalon			
	9,703.8	9,510.0	Middle Avalon			
	10,099.8	9,905.0	Lower Avalon			
	10,359.8	10,165.0	1st Bone Spring Sand			
	10,819.8	10,625.0	2nd Bone Spring Carb			
	10,999.8	10,805.0	2nd Bone Spring Sand			
	11,442.8	11,245.0	3rd Bone Spring Flood Surface			
	11,581.1	11,370.0	3rd Bone Spring Carb			
	11,875.7	11,570.0	Break Sand			
	12,030.6	11,625.0	3rd Bone Spring Top Target			

Plan Annotations				
Measured Depth (usft)	Vertical Depth (usft)	Local Coord +N/-S (usft)	dinates +E/-W (usft)	Comment
1,300.0	1,300.0	0.0	0.0	DRIFT SOUTH - Build 1.00
1,500.0	1,500.0	-3.5	0.0	HOLD - 500.0 at 1500.0 MD
2,000.0	1,999.7	-20.9	0.0	BLD - DLS 1.00 TFO 78.93
3,356.1	3,341.2	-98.5	-156.8	HOLD - 5520.8 at 3356.1 MD
8,876.9	8,696.2	-534.2	-1,427.2	DROP1.00
10,284.8	10,090.0	-590.0	-1,590.0	HOLD - 977.0 at 10284.8 MD
11,261.8	11,067.0	-590.0	-1,590.0	KOP - Build 10.00
12,165.8	11,639.9	-16.0	-1,531.2	EOC/TRN - DLS 2.00 TFO -89.99
12,478.6	11,637.8	296.2	-1,516.3	Start 4194.0 hold at 12478.6 MD
16,672.6	11,608.6	4,490.0	-1,546.0	TD at 16672.6

State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description Effective May 25, 2021

I. Operator: _____Tap Rock Operating LLC______**OGRID:** _____372043______**Date:** _09_/_27_/2021_

, F	Amenamen	t due to □ 19.15.27	.9.D(6)(a) NMA	.C □ 19.15.27.	.9.D(6)(b) N	NMAC	☐ Other.		
If Other, please describe: _									
III. Well(s): Provide the f be recompleted from a sing					t of wells p	roposed	to be drill	led or pr	oposed to
Well Name	API	ULSTR	F	Footages		pated BL/D	Anticipat Gas MCF/D	Pı	ticipated roduced Water
Zeus State #153H		Sec 9, T24S R 33E	777' FSL	137 FEL	843		1069	884	4
	W. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled corposed to be recompleted from a single well pad or connected to a central delivery point. Well Name API Spud Date TD Reached Completion Date Commencement Date Back Date Date								
Zeus State #153H		10/17/21	11/1/21	11/17/21		12/26	/21	12/26//2	21
VI. Separation Equipment VII. Operational Practic Subsection A through F of VIII. Best Management during active and planned	es: ⊠ Atta £ 19.15.27.8 Practices:	ach a complete described by the second secon	ription of the ac	tions Operator	will take t	o comp	oly with th	e require	ements of

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

🗵 Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering	Available Maximum Daily Capacity
			Start Date	of System Segment Tie-in

XI. Map. Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the
production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of
the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system [\square will \square will not have	capacity to gather 100%	of the anticipated natural ga	as
production volume from the well prior to the date of first	t production.			

XIII. Line Pressure. Operator \square does \square does not anticipate that its existing well(s) connected to the same segment	, or portion,	of the
natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by	the new wo	ell(s).

	Attach Operate	or's plan to	monogan	roduction i	in rocnonco t	o the incress	ed line pressure
- 1	Alfach Uperate	or's bian to) manage n	roduction i	in response i	o the increas	ed line pressiire

XIV. Confidentiality: U Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information pi	rovided in
Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific in	ıformation
for which confidentiality is asserted and the basis for such assertion.	

(i)

Section 3 - Certifications Effective May 25, 2021

	<u>Effective May 25, 2021</u>
Operator certifies that, a	after reasonable inquiry and based on the available information at the time of submittal:
one hundred percent of	e to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering
hundred percent of the a into account the current	able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. box, Operator will select one of the following:
Well Shut-In. ☐ Opera D of 19.15.27.9 NMAC	tor will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection; or
Venting and Flaring P	Plan. □ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential
alternative beneficial us	es for the natural gas until a natural gas gathering system is available, including:
(a)	power generation on lease;
(b)	power generation for grid;
(c)	compression on lease;
(d)	liquids removal on lease;
(e)	reinjection for underground storage;
(f)	reinjection for temporary storage;
(g)	reinjection for enhanced oil recovery;
(h)	fuel cell production; and

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

other alternative beneficial uses approved by the division.

- (a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or
- (b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.
- 2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: Kanay
Printed Name: Bill Ramsey
Title: Regulatory Analyst
E-mail Address: <u>bramsey@taprk.com</u>
Date: 9/30/2021
Phone: 720-238-2787
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

VI. **Separation Equipment:** Attach a complete description of how Operator will size separation equipment to optimize gas capture:

Each surface facility design includes the following process equipment: 3-phase separators (1 separator per well), a sales gas scrubber, one or two 3-phase heater treaters, a vapor recovery tower (VRT), a VRU compressor, multiple water and oil tanks, as well as flare knockouts (HP & LP), and flares (HP & LP). All process vessels will be sized to separate oil, water, gas based upon typical/historical & predicted well performance. Each process vessel will be fitted with an appropriately sized PSV as per ASME code requirements to mitigate vessel rupture and loss of containment. Additionally, the process vessels will be fitted with pressure transmitters tied to the facility control system which will allow operations to monitor pressures and when necessary, shut-in the facility to avoid vessel over-pressure and the potential vent of natural gas. Natural gas will preferentially be sold to pipeline, and only during upset/emergency conditions will gas be directed to the HP flare system. Flash gas from both the 3-phase heater treater and the VRT will be recompressed using a VRU compressor and this gas will also preferentially be directed to the gas sales pipeline. Oil tanks & water tanks will be fitted with 16 oz thief hatches as well as PVRVs to protect the tanks from rupture/collapse. Additionally, the tank vapor outlets and tank vapor capture system will be sized to keep tank pressures below 12 oz. The tank vapor capture system will include a tank vapor blower & knockout as well as a lowpressure flare and knockout. Tank vapors will preferentially be directed to the VRU and the sales gas pipeline. Only during process upsets/emergency conditions will tank vapors be directed to the LP flare system.

VII. **Operational Practices:** Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC. ← See attached reg for requirements.

- During drilling operations- Gas meters will be installed at the shakers and Volume
 Totalizers will be installed on the pits. In the event that elevated gas levels, or a pit
 gain are observed, returns will be diverted to a gas buster. Gas coming off the gas
 buster will be combusted at the flare stack. A 10' or taller flare will be located at
 least 100' from the SHL.
- During completions operations, including stimulation and frac plug drill out operations, hydrocarbon production to surface is minimized. When gas production does occur, gas will be combusted at a flare stack. A 10' or taller flare will be located at least 100' from the SHL.
- During production operations, all process vessels (separators, heater treaters, VRTs, Tanks) will recompress (where necessary) and route gas outlets into the natural gas gathering pipeline. Gas will preferentially be routed to natural gas gathering pipeline and the flare system will be used only during emergency, malfunction, or if the gas does not meet pipeline specifications. In the event of flaring off-specification gas, operations will pull gas samples twice a week and will also route gas back to pipeline as soon as the gas meets specification. Exceptions to this will include only those qualified exceptions per the regulation 19.15.27.8 Subsection D.

To comply with state performance standards, separation and storage equipment will be designed to handle the maximum anticipated throughput and pressure to minimize waste and reduce the likelihood of venting gas to atmosphere. Additionally, each storage atmospheric tank (Oil & Water) will be fitted with a level transmitter to facilitate gauging of the tank without opening of the thief hatch. Any gas collected through the tank vent system is expected to be recompressed and routed to sales. However, in the event of an emergency, the tank vapor capture system will be designed to combust the gas using a flare stack fitted with a continuous or automatic ignitor. The flare stack will be properly anchored and will be located a minimum of 100 feet from the well and storage tanks. Operators will conduct weekly AVO inspections. These AVO inspection records will be stored for the required 5-year period and will be made available upon Division request.

VIII. **Best Management Practices:** Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

• When performing routine or preventive maintenance on a vessel or tank, initially all inlet valves are closed, and the vessel or tank is allowed to depressurize through the normal outlet connections to gas sales and/or liquid tanks. Once the vessel or tank is depressurized to lowest acceptable sales outlet pressure, usually around 20 psig, a temporary low-pressure flowline is connected from the vessel or tank to the Vapor Recovery Unit (VRU) for further pressure reduction. Once depressurized to less than 1-2 psig, the remaining natural gas in the vessel or tank is vented to atmosphere through a controlled pressure relief valve. Once the vessel or tank is depressurized to atmospheric pressure, the vessel or tank can be safely opened, and maintenance performed.