

Submit Copy To Appropriate District
Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 33-015-47671
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name SCHLITZ FEDERAL COM
8. Well Number 211H
9. OGRID Number 372043
10. Pool name or Wildcat [98220] PURPLE SAGE; WOLFCAMP (GAS)

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator TAP ROCK OPERATING, LLC	
3. Address of Operator 523 PARK POINT DR, SUITE 200, GOLDEN, CO 80401	
4. Well Location Unit Letter <u>M</u> : <u>645'</u> feet from the <u>SOUTH</u> line and <u>1001'</u> feet from the <u>WEST</u> line Section <u>16</u> Township <u>25-S</u> Range <u>26-E</u> NMPM County <u>EDDY</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3429'	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Tap Rock requests the option to run a 3 string casing design that sets 13-3/8 inch surface casing, 9-5/8 inch intermediate casing, and 5-1/2 inch production casing. The 4 string design was updated to include 7-5/8 inch W-441 instead of originally permitted W-513. See attached updated drill plans with updated casing and mud tables.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE Regulatory Analyst DATE 2/4/2022

Type or print name Jeff Trlica E-mail address: jtrlica@taprock.com PHONE: 720-772-5910

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____



Drilling Operations Plan
 Schlitz Fed Com #211H
 Tap Rock Operating, LLC
 SHL 645' FSL & 1001' FWL, Sec. 16
 BHL 200' FNL & 660' FWL, Sec. 9
 T. 25S., R. 26E., Eddy County, NM

Elevation above Sea Level: 3429'

DRILLING PROGRAM

1. Estimated Tops

Formation	TVD	MD	Lithologies	Bearing
Quaternary Deposits	0	0	Surface	None
Rustler Anhydrite	495	495		Salt
Salado	940	940	Salt	Salt
Base Salt	1675	1675	Salt	Salt
Lamar	1880	1880	Sandstone	None
Bell Canyon	1930	1930	Sandstone	Hydrocarbons
Cherry Canyon	2890	2890	Sandstone	Hydrocarbons
Brushy Canyon	3800	3805	Sandstone	Hydrocarbons
Bone Spring Lime	5445	5469	Limestone	Hydrocarbons
Upper Avalon	5565	5591	Sandstone	Hydrocarbons
Midde Avalon	5895	5925	Sandstone	Hydrocarbons
Lower Avalon	6200	6233	Sandstone	Hydrocarbons
1st Bone Spring	6375	6410	Sandstone	Hydrocarbons
2nd Bone Spring	6665	6704	Limestone	Hydrocarbons
3rd Bone Spring	7220	7266	Sandstone	Hydrocarbons
Wolfcamp	8535	8606	Shale	Hydrocarbons
KOP	8222	8274	Shale	Hydrocarbons
TD	8795	18978	Shale	Hydrocarbons

2. Notable Zones

Wolfcamp A is the target formation.

3. Pressure Control

Pressure Control Equipment (See Schematics):

A 15,000', 5,000 psi BOP stack consisting of 3 rams with 2 pipe rams, 1 blind ram, and 1 annular preventer will be used below surface casing to TD. See attachments for BOP and choke manifold diagrams. Also present will be an accumulator that meets the requirements of Onshore Order #2 for the pressure rating of the BOP stack. A rotating head will also be installed as needed. BOP will be inspected and operated as recommended in Onshore Order #2. A top drive check valve and sub equipped with a full opening valve sized to fit the drill pipe and collars will be available on the rig floor in the open position. The wellhead will be a multi-bowl speed head.

BOP Test procedure will be as follows:



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After surface casing is set and the BOP is nipped up, the BOP pressure tests will be made with a third party tester to 250 psi low, 5000 psi high, and the annular preventer will be tested to 2,500 psi. The BOP will be tested in this manner after nipple-up if any break of the stack occurs.

Variance Requests:

Tap Rock requests a variance to run a multi-bowl speed head for setting the Intermediate 1, Intermediate 2, and Production Strings. Tap Rock requests a variance to drill this well using a co-flex line between the BOP and choke manifold. Certification for proposed co-flex hose is attached. The hose is not required by the manufacturer to be anchored. In the event the specific hose is not available, one of equal or higher rating will be used. Tap Rock requests a variance to have the option of batch drilling this well with other wells on the same pad. In the event that this well is batch drilled, after drilling surface, 1st intermediate, and 2nd intermediate hole sections and cementing 2nd intermediate casing, a 10M dry hole cap with bleed off valve will be installed. The rig will then walk to another well on the pad. When the rig returns to this well and BOPs are installed, the operator will perform a full BOP test. Tap Rock requests a variance to run 7-5/8" BTC casing inside 9-5/8" BTC casing will be less than the 0.422" stand off regulation. Through conversations with BLM representatives, Tap Rock has received approval for this design as long as the 7-5/8" flush casing was run throughout the entire 300' cement tie back section between 9-5/8" and 7-5/8" casing.

Tap Rock requests approval to possibly utilize a spudder rig to drill and set casing for the surface interval on this well. The spudder rig will be possibly utilized in order to reduce cost and save time. The wellhead will be installed and tested as soon as the surface casing is cut off per the existing COAs. A blind flange with the same pressure rating as the wellhead will be installed on the well. Once the spudder rig is removed, Tap Rock will secure the wellhead area by placing a guard rail around the cellar. Pressure will be monitored and a means for intervention will be maintained while the drilling rig is not over the well. Spudder rig operations are expected to take 2-3 days per well. Three wells on the pad will have surface casing set by the spudder rig as a part of this operation. The BLM will be notified 24 hours prior to commencing spudder rig operations. Within 90 days of the departure of the spudder rig, drilling operations will recommence on these wells. This rig will have a BOP stack equal or greater to the pressure rating required in the COAs. The BLM will be notified 24 hours before the larger rig moves on the pre-set wells. Tap Rock will have supervision on the spudder rig to ensure compliance with all BLM and NMOCD regulations.



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4. Casing & Cement

All Casing will be new.

Name	Hole Size	Casing Size	Standard	Tapered	Top MD	Bottom MD	Top TVD	BTM TVD	Grade	Weight	Thread	Collapse	Burst	Tension
Surface	17 1/2	13 3/8	API	No	0	570	0	570	J-55	54.5	BUTT	1.13	1.15	1.6
1st Intermediate	12 1/4	9 5/8	API	No	0	1900	0	1900	J-55	40	BUTT	1.13	1.15	1.6
2nd Intermediate	8 3/4	7 5/8	API	No	0	1600	0	1600	P-110	29.7	BUTT	1.13	1.15	1.6
2nd Intermediate	8 3/4	7 5/8	NON API	Yes	1600	8174	1600	8122	P-110	29.7	W-441	1.13	1.15	1.6
Production	6 3/4	5 1/2	NON API	No	0	7974	0	7922	P-110	20	TXP	1.13	1.15	1.6
Production	6 3/4	5 1/2	NON API	Yes	7974	18978	7922	8795	P-110	20	W-441	1.13	1.15	1.6

Section	Drilled Interval			Casing Size	Standard	Tapered	Casing Set Depths				Casing Details					
	Hole Size	Top	Btm				Top MD	Bottom MD	Top TVD	BTM TVD	Grade	Weight	Thread	Collapse	Burst	Tension
Surface	17 1/2	0	520	13 3/8	API	No	0	520	0	520	J-55	54.5	BUTT	1.13	1.15	1.6
Intermediate	12 1/4	520	1930	9 5/8	API	No	0	1930	0	1930	J-55	40	BUTT	1.13	1.15	1.6
Production	8 3/4	1930	8274	5 1/2	NON API	No	0	7974	0	7922	P-110	20	TXP	1.13	1.15	1.6
	6 3/4	8274	18978	5 1/2	NON API	No	7974	18978	7922	8795	P-110	20	W441	1.13	1.15	1.6

*OPTION TO RUN 3 STRING OR 4 STRING DESIGN

Name	Type	Top MD	Sacks	Yield	Cu. Ft	Weight	Excess	Cement	Additives
Surface	Tail	0	587	1.35	792	14.8	100%	C	5% NCI + LCM
1st Intermediate	Lead	0	451	1.74	785	13.5	65%	C	Bentonite + 1% CaCL2 + 8% NaCl + LCM
	Tail	1520	148	1.33	196	14.8	65%	C	5% NaCl + LCM
2nd Intermediate	Lead	1600	341	2.22	756	11.5	35%	TXI	Fluid Loss + Dispersant + Retarder + LCM
	Tail	7174	99	1.37	136	13.2	35%	H	Fluid Loss + Dispersant + Retarder + LCM
Production	Tail	7474	1053	1.14	1201	14.5	25%	H	Fluid Loss + Dispersant + Retarder + LCM

Name	Type	Top MD	Sacks	Yield	Cu. Ft	Weight	Excess	Cement	Additives
Surface	Lead	0	178	1.72	306	13.5	100%	C	5% NCI + LCM
	Tail	220	313	1.33	417	14.8	100%	C	5% NCI + LCM
Intermediate	Lead	0	189	2.12	401	11.0	65%	C	Bentonite + 1% CaCL2 + 8% NaCl + LCM
	Tail	930	389	1.33	517	14.8	65%	C	5% NaCl + LCM
Production	Lead	1730	590	3.35	1976	10.5	20%	H	Fluid Loss + Dispersant + Retarder + LCM
	Tail	8274	1050	1.63	1712	13.5	20%	H	Fluid Loss + Dispersant + Retarder + LCM

5. Mud Program

Name	Top	Bottom	Type	Mud Weight	Visc	Fluid Loss
Surface	0	570	FW Spud Mud	8.30	28	NC
Intermediate	570	1900	Brine Water	10.00	30-32	NC
Intermediate 2	1900	8174	FW/Cut Brine	9.00	30-32	NC
Production	8174	18978	Oil Base Mud	10.50	50-70	<10

Name	Top	Bottom	Type	Mud Weight	Visc	Fluid Loss
Surface	0	520	FW Spud Mud	8.30	28	NC
Intermediate	520	1930	Brine Water	10.00	30-32	NC
Production	1930	18978	FW/Cut Brine	9.00	30-32	NC



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Electronic Pason mud monitor system complying with Onshore Order 1 will be used. All necessary mud products (e. g., barite, cedar bark) for weight addition and fluid loss control will always be on site. Mud program is subject to change due to hole conditions. A closed loop system will be used.

6. Cores, Tests, & Logs

- Electric Logging Program: No open-hole logs are planned at this time for the pilot hole.
- GR will be collected while drilling through the MWD tools from 9.625" casing shoe to TD.
- A 2-person mud logging program will be used from 9.625" casing shoe to TD.
- No DSTs or cores are planned at this time.
- CBL w/ CCL from as far as gravity will let it fall to TOC.

7. Down Hole Conditions

No abnormal pressure or temperature is expected. Maximum expected bottom hole pressure is $\approx 4,805$ psi. Expected bottom hole temperature is $\approx 160^{\circ}$ F.

Tap Rock does not anticipate that there will be enough H₂S from the surface to the Wolfcamp formations to meet the BLM's Onshore Order 6 requirements for the submission of an "H₂S Drilling Operation Plan" or "Public Protection Plan" for drilling and completing this well. Tap Rock has an H₂S safety package on all wells and an "H₂S Drilling Operations Plan" is attached. Adequate flare lines will be installed off the mud/gas separator where gas may be safely flared. All personnel will be familiar with all aspects of safe operation of equipment being used.

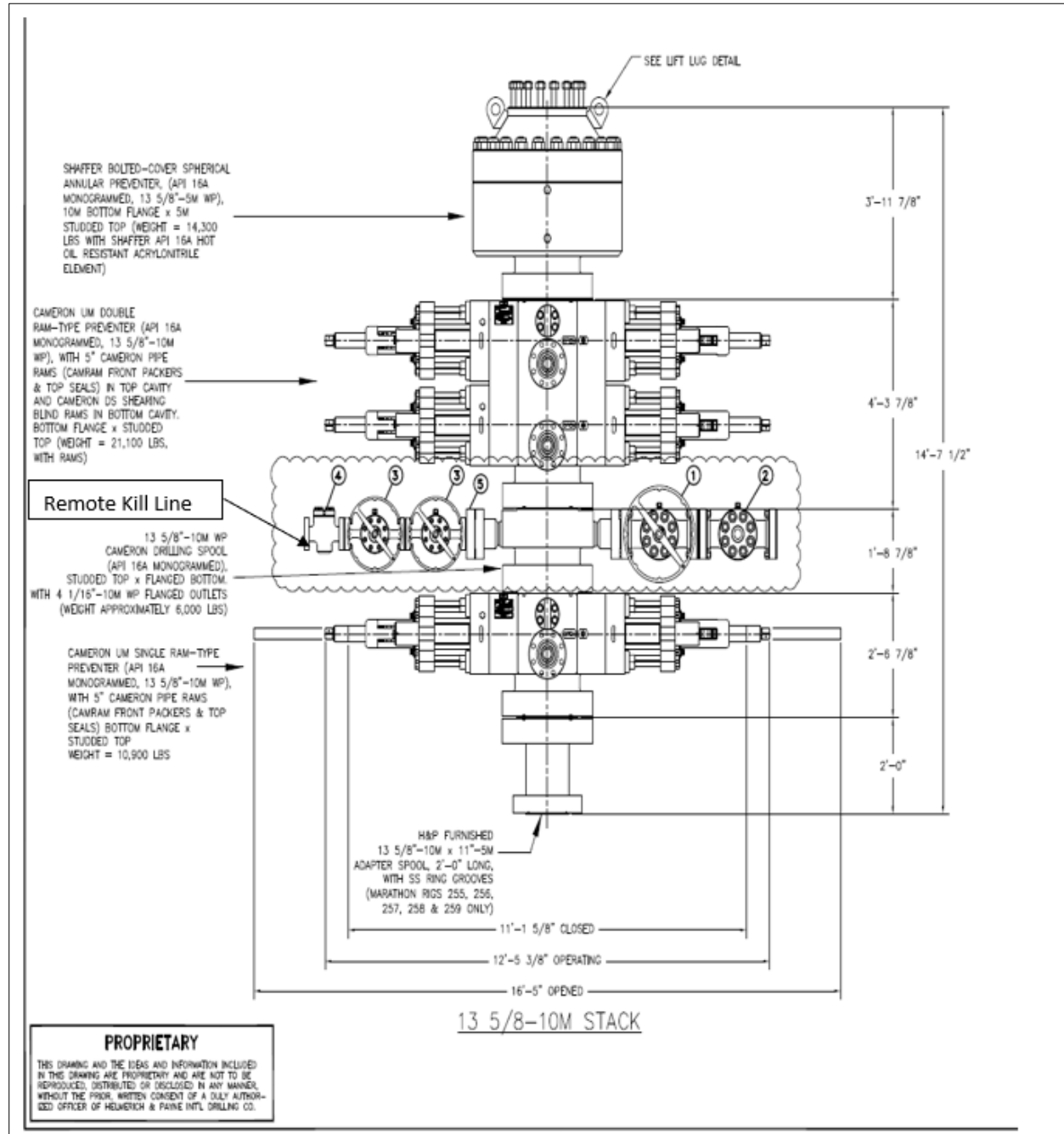
8. Other Information

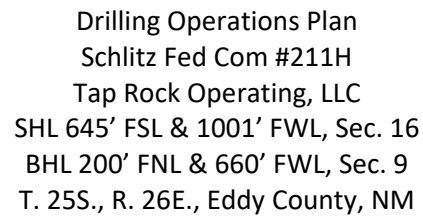
Road and location construction will begin after BLM approval of APD. Anticipated spud date as soon as approved. Drilling expected to take 30 days. If production casing is run an additional 60 days will be required to complete and construct surface facilities.



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5,000 psi BOP Stack

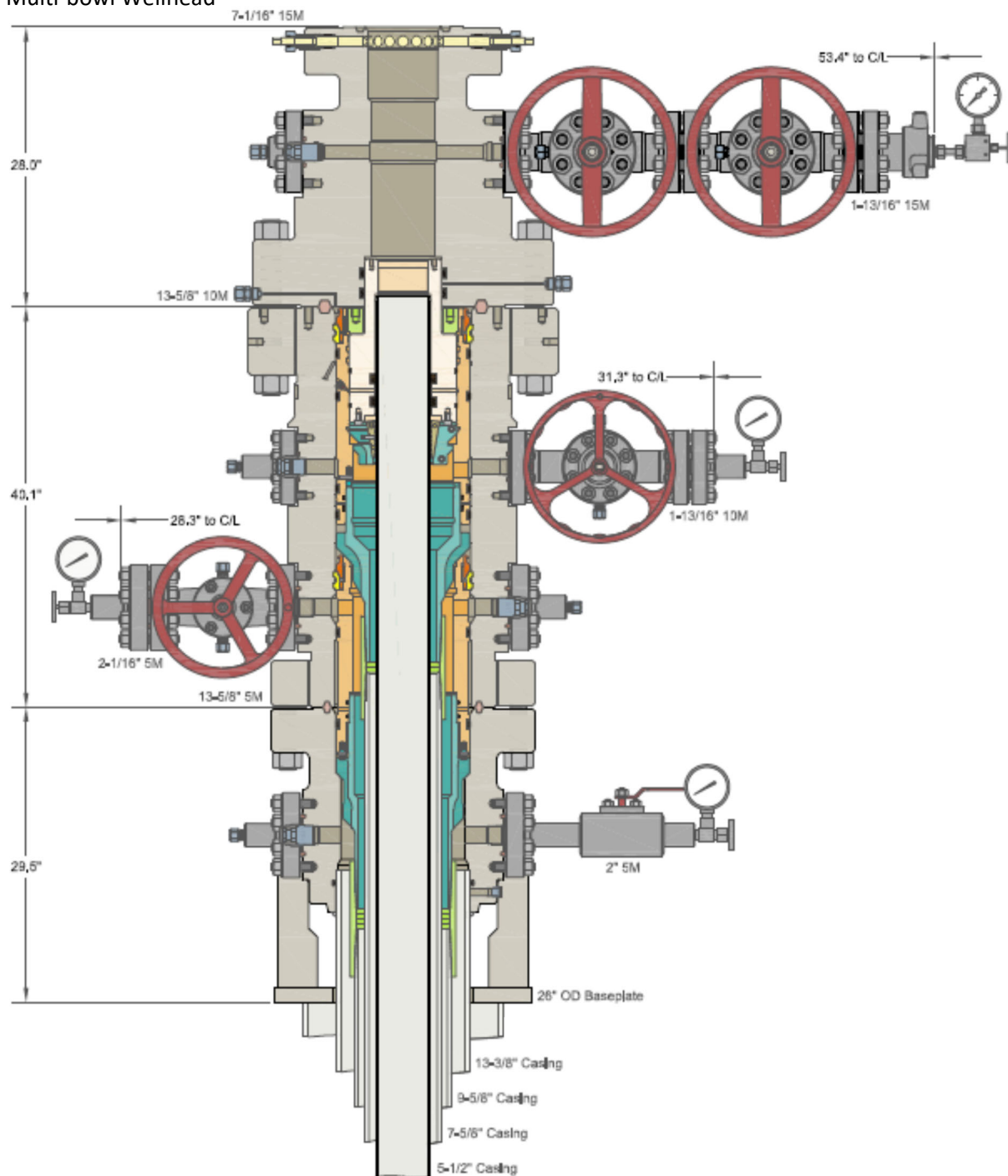






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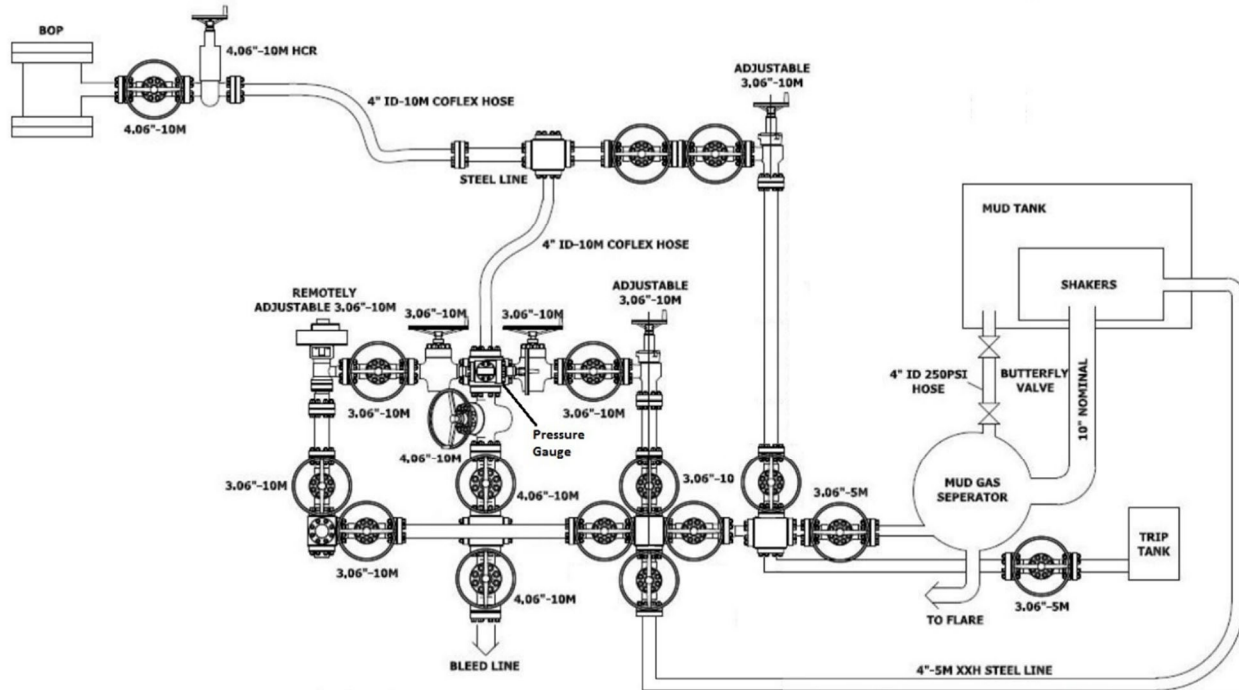
Multi-bowl Wellhead





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10M Choke Layout



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CONDITIONS

Action 78557

CONDITIONS

Operator: TAP ROCK OPERATING, LLC 523 Park Point Drive Golden, CO 80401	OGRID: 372043
	Action Number: 78557
	Action Type: [C-103] NOI Change of Plans (C-103A)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Adhere to previous NMOCD conditions of approval.	3/15/2022