

Approved

NSL

Order

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne E. Sandoval, Director
Oil Conservation Division



October 6th, 2021

Ms. Kaitlyn A. Luck
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NON-STANDARD LOCATION

Administrative Order NSL-8215

Tap Rock Operating, LLC [372043]
Apollo State Com Well No. 212H
API No. 30-025-48635

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	881 FSL & 2135 FWL	O	21	24S	33E	Lea
First Take Point	100 FSL & 2289 FEL	N	21	24S	33E	Lea
Last Take Point	100 FNL & 2330 FEL	B	16	24S	33E	Lea
Terminus	40 FNL & 2335 FEL	B	16	24S	33E	Lea

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 of Section 21	640	Wildcat; Upper Wolfcamp	98135
E/2 of Section 16			

Reference is made to your application received on September 15th, 2021.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal oil well's completed interval penetrates, each of which consists of a governmental quarter-quarter section or equivalent.

This well's completed interval is as close as 310 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 16, encroachment to the NE/4 NW/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location as your preferred well spacing for wells in this area in order to maximize recovery of reserves within the upper Wolfcamp formation underlying the E/2 of Section 21 and the E/2 of Section 16. Therefore, preventing waste.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, **Division approves this unorthodox location.**

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl

cc: State Land Office – Oil, Gas, and Minerals Division