CASE NO. 21703

APPLICATION OF TAP ROCK RESOURCES, LLC TO AMEND POOLING ORDER NO. R 21304, LEA COUNTY, NEW MEXICO

EXHIBITS

- 1. Application and Proposed Ad
- 2 Landman's Affidavit
- 3. Affidavit of Notice
- 4. Publication Notice

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF TAP ROCK RESOURCES, LLC TO AMEND ORDER NO. R-21304, LEA COUNTY, NEW MEXICO.

Case No. 21703

APPLICATION

Tap Rock Resources, LLC applies for an order amending Order No. R-21304, and in support thereof states:

- 1. Order No. R-21304 pooled all mineral interest owners in the Bone Spring formation underlying a (proximity tract) horizontal spacing unit comprised of the E/2W/2 and the W/2E/2 of Section 11, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico
- 2. Applicant proposes to drill the Mandelbaum Fee Well Nos. 122H, 123H, 142H, 143H, 192H, and 193H to a depth sufficient to test the Bone Spring formation, and dedicate the E/2W/2 and the W/2E/2 of Section 11 to the wells.
- 3. This matter was heard on April 16, 2020, and Order No. R-21304 was entered on May 7, 2020 using the "interim form of order." A newer, amended order template was described in a letter of the Division Director date April 9, 2020 (the "Amended Order Template").
- 4. Applicant requests that Order No. R-21304 be amended to conform to the Amended Order Template.
- 5. Paragraph 19 of Order No. R-21304 requires the operator to commence the well within one year of the date of issuance. Paragraph 20 of Order No. R-21304 provides that the order will terminate if the well is not timely commenced, unless the operator "obtains an extension by an amendment of this Order for good cause shown."

EXHIBIT

- 6. Applicant requests an extension of the drilling deadline due to market conditions which have altered drilling schedules until commodity prices improve. Applicant still intends to drill the subject wells. Thus good cause exists for Applicant's request for an extension.
- 7. Applicant requests an extension of the well commencement deadline to November 7, 2021.

WHEREFORE, Applicant requests that, after notice and hearing, the Division enter its order amending Order No. R-21304 (i) to conform to the Amended Order Template, and (ii) to extend the well commencement deadline to November 7, 2021.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Tap Tock Resources, LLC

PROPOSED ADVERTISEMENT

Case	No.	

Application of Tap Rock Resources, LLC to Amend Order No. R-21304, Lea County, New Mexico. Tap Rock Resources, LLC seeks an order amending Order No. R-21304, issued on May 7, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline six months, to November 7, 2021. Order No. R-21304 pooled all mineral interests in the Bone Spring formation in a (proximity tract) horizontal spacing unit comprised of the E/2W/2 and the W/2E/2 of Section 11, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and requires the commencement of drilling within one year of the date of the order unless the operator obtains an extension by amendment of the order for good cause shown. The unit is centered approximately 17-1/2 miles northwest of Jal, New Mexico.

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

APPLICATION OF TAP ROCK RESOURCES, LLC TO AMEND ORDER NO. R-21304, LEA COUNTY, NEW MEXICO

CASE NO. 21703 (Order R-21304)

SELF-AFFIRMED STATEMENT OF TAYLOR FORD

Taylor Ford, being of lawful age, state as follows:

- 1. My name is Taylor Ford. I work for Tap Rock Resources, LLC ("Tap Rock") as a Landman.
 - 2. I have not previously testified before the New Mexico Oil Conservation Division.
- 3. I graduated from Texas Tech University in 2017 with a Bachelor of Business Administration degree in Energy Commerce. After graduation, I worked for Devon Energy Corporation focusing on this area in the Permian Basin, until October 1st, 2019. I started my current role as a Landman at Tap Rock on February 3rd, 2020.
- 4. In Case No. 21107 the Division entered Order R-21304 on May 7, 2020. This Order created a proximity tract 320-acre horizontal well spacing unit in the Bone Spring formation underlying the E/2W/2 and W/2E/2 of Section 11, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. The Order further dedicated the Mandelbaum Fee Well Nos. 122H, 123H, 142H, 143H, 192H, and 193H to the unit and required drilling to commence within a year.
- 5. I am familiar with the application filed by Tap Rock in this case and the status of the development efforts for the pooled spacing unit.
- 6. The subject order is attached as Attachment 1. The Amended Order Template and the related letter from the Division Director are submitted as Attachment 2.

ехнівіт 2

- 7. Good cause exists for Tap Rock's request to extend its time to commence drilling. Specifically, the decline in commodity prices in 2020 caused by the global COVID pandemic and other economic factors led Tap Rock to reduce its rig count, thereby causing a delay to its intended plans to develop the acreage subject to pooling Order R-21304.
- 8. Tap Rock anticipates being able to commence drilling the wells under Order R-21304 late this year. Accordingly, Tap Rock asks that the deadline to commence drilling under the pooling order be extended for six months, to November 7, 2021.
- 9. Tap Rock has reviewed the Amended Order Template and agrees to its terms.
 Tap Rock requests that the above order be amended to conform to the Amended Order Template.
- 10. None of the working interest owners that remain subject to these pooling orders have been asked at this time to make an election on a well, or to pay their estimated share of the costs to drill, complete, and equip the wells.
 - 11. The granting of this application will prevent waste and protect correlative rights.
- 12. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 10 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature

3/16/2021

Taylor Ford

2

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY TAP ROCK RESOURCES, LLC

CASE NO. 21107 ORDER NO. R-21304

<u>ORDER</u>

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on April 16, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Tap Rock Resources, LLC ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.



- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

<u>ORDER</u>

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who

- elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/tgw

Date: 5/07/2020

Exhibit A

ALL INFORMATION IN THE APPLICA	TION MUST BE SUPPORTED BY SIGNED AFFIDAVITS
Case:	21107
Date	April 16, 2020
Applicant	Tap Rock Resources, LLC
Designated Operator & OGRID	Tap Rock Operating, LLC/OGRID No. 372043
(affiliation if applicable)	The operator is the operating entity for applicant
Applicant's Counsel:	James Bruce
Case Title:	Application of Tap Rock Resources, LLC To Allow It To Drill Infill Wells Under Division Order No. R-20538, Lea County, New Mexico
Entries of Appearance/Intervenors:	COG Operating LLC/Ocean Munds-Dry et al.
Well Family	Mandelbaum Fee Wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring formation
Pool Name and Pool Code:	Red Hills; Bone Spring, North/96434
Well Location Setback Rules:	Statewide rules and current horizontal well rules
Spacing Unit Size:	Quarter-quarter Section/40 acre
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	South-North
Description: TRS/County	E/2W/2 and W/2E/2 §11-24S-34E, NMPM, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes
Proximity Defining Well: if yes, description	Van Gogh Fee Well No. 101H (first well drilled under pooling order) SHL: 210 FNL & 2630 FEL §11 BHL: 50 FSL & 2630 FEL §11
Applicant's Ownership in Each Tract	Exhibit D-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or nonstandard)	Mandelbaum Fee Well No. 122H API No. 30-025-PENDING SHL: 623 FSL & 1978 FWL §11 BHL: 5 FNL & 2310 FWL §11 FTP: 100 FSL & 2310 FWL §11 LTP: 100 FNL & 2310 FWL §11 Formation: 2 nd Bone Spring/TVD 11000 feet/MD 16410 feet Completion location expected to be standard

Mandelbaum Fee Well No. 123H API No. 30-025-PENDING SHL: 611 FSL & 1990 FEL §11

BHL: 5 FNL & 1650 FEL §11 FTP: 100 FSL & 1650 FEL §11 LTP: 100 FNL & 1650 FEL §11

Formation: 2nd Bone Spring/TVD 11000 feet/MD 16410 feet

Completion location expected to be standard

Mandelbaum Fee Well No. 142H

API No. 30-025-PENDING SHL: 623 FSL & 1953 FWL §11 BHL: 5 FNL & 2310 FWL §11 FTP: 100 FSL & 2310 FWL §11 LTP: 100 FNL & 2310 FWL §11

Formation: 2nd Bone Spring/TVD 10370 feet/MD 15780 feet

Completion location expected to be standard

Mandelbaum Fee Well No. 143H

API No. 30-025-PENDING SHL: 611 FSL & 2015 FEL §11 BHL: 5 FNL & 1650 FEL §11 FTP: 100 FSL & 1650 FEL §11 LTP: 100 FNL & 1650 FEL §11

Formation: 2nd Bone Spring/TVD 10370 feet/MD 15780 feet

Completion location expected to be standard

Mandelbaum Fee Well No. 192H

API No. 30-025-PENDING SHL: 648 FSL & 1953 FWL §11 BHL: 5 FNL & 1657 FWL §11 FTP: 100 FSL & 1657 FWL §11 LTP: 100 FNL & 1657 FWL §11

Formation: 2nd Bone Spring/TVD 10600 feet/MD 16010 feet

Completion location expected to be standard

Mandelbaum Fee Well No. 193H

SHL: 636 FSL & 2015 FEL §11 BHL: 5 FNL & 2308 FEL §11 FTP: 100 FSL & 2308 FEL §11 LTP: 100 FNL & 2308 FEL §11

API No. 30-025-PENDING

Formation: 2nd Bone Spring/TVD 10600 feet/MD 16010 feet

Completion location expected to be standard

Horizontal Well First and Last Take
Points

Completion Target (Formation, TVD and MD)

AFE Capex and Operating Costs

Drilling Supervision/Month \$ \$7000

\$700

Production Supervision/Month \$

Justification for Supervision Costs	Estático D
Requested Risk Charge	Exhibit D, page 3
Notice of Hearing	Cost + 200%/Exhibit D, page 3
Proposed Notice of Hearing	
Proof of Mailed Notice of Hearing (20	Exhibit C
days before hearing)	
Proof of Published Notice of Hearing (10	Exhibit F
days before hearing)	
Ownership Determination	Not Applicable
Land Ownership Schematic of the	
Spacing Unit	5.13.50
Tract List (including lease numbers and	Exhibit D-2
owners)	E teller p.a. i.e.
Pooled Parties (including ownership	Exhibits D-3 and D-4
type)	E-HI N D O
Unlocatable Parties to be Pooled	Exhibit D-3
Ownership Depth Severance (including	
percentage above & below)	News
Joinder	None
Sample Copy of Proposal Letter	Exhibit D-5
List of Interest Owners (i.e. Exhibit A of	Exhibit U-5
JOA)	Exhibits O. a
	Exhibit D-4
Chronology of Contact with Non-Joined	
Working Interests	Exhibit D-6
Overhead Rates In Proposal Letter	
Cost Estimate to Drill and Complete	Exhibit D-5
Cost Estimate to Equip Well	Exhibit D-5
Cost Estimate for Production Facilities	Exhibit D-5
Geology	
Summary (including special	
considerations)	Exhibit E
Spacing Unit Schematic	Exhibit E-8
Gunbarrel/Lateral Trajectory Schematic	Exhibit E-9
Well Orientation (with rationale)	Standup/Exhibit E
Target Formation	Bone Spring
HSU Cross Section	Exhibit D-11
Depth Severance Discussion	Not Applicable
Forms, Figures and Tables	
C-102	Exhibit D-1
Tracts	Exhibit D-2
Summary of Interests, Unit	
Recapitulation (Tracts)	Exhibit D-4
General Location Map (including basin)	Exhibit E-8
Well Bore Location Map	Exhibit E-9
Structure Contour Map - Subsea Depth	Exhibit E-10
Cross Section Location Map (including	
wells)	Exhibit E-11
Cross Section (including Landing Zone)	Exhibit CE11
Additional Information	

CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	
Date:	April 14, 2020

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, Oll Conservation Division



BY ELECTRONIC MAIL ONLY

April 9, 2020

James Bruce P.O. Box 1056 Santa Fe, NM 87504 jamesbruc a aol.com

Michael A. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Holland & Hart
P.O. Box 2208
Santa Fe, NM 87504
MFeldewert@hollandhart.com

MFeldewert@hollandhart.com AGRankin@hollandhart.com JBroggi@hollandhart.com KALuck@hollandhart.com

Deanna M. Bennett
Earl E. DeBrine, Jr.
Lance D. Hough
Nicole T. Russell
P.O. Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, NM 87103-2168
dmb@modrall.com
earl.debrine@modrall.com
lance.hough@modrall.com
nicole.russell@modrall.com

Dana S. Hardy Hinkle Shanor P.O. Box 2068 Santa Fe, NM 87504-2068 dhardy@hinklelawfirm.com



Ocean Munds-Dry
William R. Carr
Elizabeth A. Ryan
Michael Rodriguez
COG Operating LLC
1048 Paseo de Peralta
Santa Fe, NM 87508
omundsdry@concho.com
wcarr@concho.com
eryan@concho.com
rrodriguez@concho.com

Sharon T. Shaheen
John F. McIntyre
Montgomery & Andrews
P.O. Box 2307
Santa Fe, NM 87504-2307
sshaheen@montand.com
imcintyre@montand.com

Ernest L. Padilla
Padilla Law Firm
P.O. Box 2523
Santa Fe, NM 87504
padillalaw@qwestoffice.net

Darin C. Savage Abadie & Schill 214 McKenzie Street Santa Fe, NM 87501 darin@abadieschill.com

Dalva L. Moellenberg Gallagher & Kennedy 1239 Paseo de Peralta Santa Fe, NM 87501 dlm@gknet.com

RE: Amendments to Compulsory Pooling Order Template

Dear Counsel:

The Oil Conservation Division ("OCD") has amended the compulsory pooling order template effective on April 1, 2020. The amended template is attached as Exhibit 1.

Prior to April 1, 2020, OCD issued compulsory pooling orders for the cases identified in Exhibit 2. To conform an order with the amended template, please file an application for a hearing.

If you have any questions about this letter, please call Eric Ames, Office of General Counsel, at (505) 476-3463.

Respectfully,

Adriente Sandoval

Director

cc: Gabriel Wade, Deputy Director

Eric Ames, OGC-EMNRD

Scott Cox, OCD Engineering Bureau

EXHIBIT 1

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

IN THE MATTE	R OF APPI	LICATION FO	R
COMPULSORY	POOLING	SUBMITTED	BY
[OPERATOR]			

CASE N	0.		
ORDER	NO.	R-	

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on [DATE], and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. [NAME] ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- Operator is the owner of an oil and gas working interest within the Unit.

- Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- OCD satisfied the notice requirements for the hearing as required by 19.15.4.9
 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the described depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- If the Surface Location or Bottom Hole Location of a well is changed from the location described in Exhibit A. Operator shall submit an amended Exhibit A; which the Division shall append to this Order.
- If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location before commencing production of the wellin accordance with 19.15.16.15(C) NMAC.
- The Operator shall commence drilling the Winttal well(s) within one year one (1) year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well; and (b) for an infill well, no later than thirty (30) days after completion of the well.
- This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.

CASE NO.	
ORDER NO.	R-

- Operator shall comply with the infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. This Order shall terminate automatically if Operator fails to comply with Paragraphs 20 or 21.
- Operator shall submit to OCD and each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs") an later than: (a) for an initial well, no later than thirty (30) days after the date of this Order; (b) for an initial well proposed by Operator, to later than (43) days after the later of the initial notice period pursuant to 19.15.13.10(B) NMAC or the extension granted by the (X3) Director pursuant 19.15.13.10(B) NMAC or the extension granted by an aware of the last action required by 19.15.13.11 NMAC.
- No later than thirty (30) days after Operator submits the Estimate I Well Costs, the owner of a Pooled Working Interest shall elect whether to par its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to par its share of the Estimated Well Costs or who elects to pay its share of the Actual Vell Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- No later than within one hundred eighty (180) days after Operato submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless (ICD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- No later than sixty (60) days after the later of the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share

of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.

- The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 289. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- Operator shall distribute a proportionate share of the costs and charges withheld
 pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the
 Estimated Well Costs.
- Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 323. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.

CASE N	O.	
ORDER	NO.	R-

- Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 et seq., and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 et seq.
- The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Date:

ADRIENNE SANDOVAL DIRECTOR AES/xxx

EXHIBIT 2

ORDER	CASE	APPLICANT
R-21168	21002	MEWBOURNE
R-21167	21001	MEWBOURNE
R-21166	21000	MEWBOURNE
R-21165	20869	MARATHON
R-21164	20811	MEWBOURNE
R-21162	21036	DEVON
R-21161	21035	DEVON
R-21160	21021	CIMAREX
R-21159	20997	DEVON
R-21158	20996	DEVON
R-21157	20995	DEVON
R-21156	20994	DEVON
R-21155	20990	DEVON
R-21154	20987	DEVON
R-21153	20986	DEVON
R-21152	20968	KAISER-FRANCIS
R-21151	20966	KAISER-FRANCIS
R-21150	20960	BTA
R-21149	20959	BTA
R-21148	20872	DEVON
R-21141	21030	MARATHON
R-21140	21028	APACHE
R-21139	21027	APACHE
R-21138	21026	APACHE
R-21137	20981	COG
R-21136	20980	COG
R-21135	20979	COG
R-21134	20597	TAP ROCK
R-21133	20596	TAP ROCK
R-21132	20468	MARATHON
R-21131	20993	CIMAREX
R-21130	20915	BTA
R-21129	20914	BTA
R-21128	20938	CHISHOLM
R-21127	20871	MARATHON
R-21136	20870	MARATHON
R-20924-A	20809	MEWBOURNE
R-21125	20946	MARATHON
R-21124	20936	MATADOR
R-21123	20858	SPC RESOURCES
R-21122	20708	MARATHON
R-21113	20864	MARATHON
R-21112	20822	MARATHON
R-21111	16210	MATADOR

R-21110 R-21107	16209 20903	MATADOR
R-21107	20903	
14-21101		COG
R-21106	20868	MARATHON
R-21105	20867	MARATHON
R-21104	20860	SPC RESOURCES
R-21103	20823	MARATHON
R-21102	20935	COG
R-21101	20934	COG
R-21100	20859	SPC RESOURCES
R-21099	20820	MARATHON
R-21098	20819	SEP PERMIAN
R-21097	20818	SEP PERMIAN
R-21096	20762	SPC RESOURCES
R-21095	20889	NOVO
R-21094	20888	NOVO
R-21093	20887	NOVO
R-21092	20886	NOVO
R-21091	20855	COG
R-21090	20854	COG
R-21089	20836	COG
R-21088	20826	XTO
R-21087	20813	OXY
R-21086	20789	OXY
R-21085	20788	OXY
R-21084	20786	OXY
R-21083	20863	COG
R-21082	20794	DEVON
R-21081	20793	DEVON
R-21080	20791	IMPETRO
R-21079	20790	IMPETRO
R-21078	20767	MATADOR
R-21077	20999	COG
R-21076	20998	COG
R-21075	20950	MARATHON
R-21074 R-21073	20948	MARATHON
R-21073	20932	COG
R-21072 R-21071	20931	COG
R-21071	20839	B.C. OPERATING
R-21070	20838	B.C. OPERATING
R-21069	20837	B.C. OPERATING
N-21000	20943	CENTENNIAL

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

APPLICATIONS OF TAP ROCK RESOURCES, LLC TO AMEND POOLING ORDER NO. R-21304, LEA COUNTY, NEW MEXICO.

Case No. 21703

SELF-AFFIRMED STATEMENT OF NOTICE

COUNTY OF SANTA FE)
) ss
STATE OF NEW MEXICO)

James Bruce deposes and states:

- 1. I am over the age of 18, and have personal knowledge of the matters stated herein.
- 2. I am an attorney for Tap Rock Resources, LLC.
- 3. Tap Rock Resources, LLC has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the applications filed herein.
- 4. Notice of the applications was provided to the interest owners, at their last known addresses, by certified mail. Copies of the notice letters and certified return receipts are attached hereto as Attachment A.
 - 5. Matador Production has complied with the notice provisions of Division Rules.
- 6. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 5 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: 3/16/21

James Bruce

EXHIBIT 3

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax)

jamesbruc@aol.com

February 11, 2020

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is an application, filed with the New Mexico Oil Conservation Division by Tap Rock Resources, LLC (Case No. 21703), seeking to amend pooling Order No. R-21304, pertaining to Bone Spring wells in the E/2W/2 and the W/2E/2 of Section 11, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, March 4, 2021. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emnrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, http://emnrd.state.nm.us/OCD/announcements.html.

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

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, February 25, 2021. This statement may be filed online with the Division at <u>ocd.hearings@state.nm.us</u>, and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

James Bruce

Attorney for Tap Rock Resources, LLC

ATTACHMENT

EXHIBIT A

Franklin Mountain Energy II, LLC Suite 300 2401 East 2nd Avenue Denver, Colorado 80206

Marathon Oil Permian LLC 5555 San Felipe Street Houston, TX 77056

Energen Resources Corporation 605 Richard Arrington, Jr. Boulevard North Birmingham, AL 35203

Devon Energy Production Company, L.P. 333 West Sheridan Oklahoma City, Oklahoma 73102

Crown Oil Partners VI, LLC Crump Energy Partners III, LLC P.O. Box 50820 Midland, TX 79710

COG Operating LLC 600 W. Illinois Ave Midland, Texas 79701



Ш

U)

Postmark Here

See Reverse for Instructions

NOIL THE SECTION	COMPLETE THIS SECTION ON DELIVERY	/ERY
SENDER: COMPLETE THIS CECTOR	A. Signature	□ Agent
■ Complete items 1, 2, and 3.	*	□ Addressee
Print your name and address on the so that we can return the card to you.	B. Received by (Printed Name)	C. Date of Delivery
 Attach this card to the back of the mailplece, 	COVID 19	n 12 Yes
Or On the Horit in Space personal 1. Article Addressed to:	D. Is delivery address different from them. If YES, enter delivery address below:	
Energen Resources Corporation 605 Richard Arrington, Jr. Boulevard North Richard Arrington, Jr. Boulevard North Richard A. (5203	energy and	
9590 9402 5941 0062 9905 79		□ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricte Delivery Delivery □ Return Rescipt for □ Return Rescipt for □ Return Rescipt for □ Signature Confirmation™
2. Ar 2n20 0640 0000 1385	6927 restricted Delivery	Signature Confirmation Restricted Delivery
	(over \$500) A A	Domestic Return Receip
PS Form 3811, July 2015 PSN 7530-02-000-9053		

Postmark Here

Stra Services & Fees (check box, add fee as appropri

ertified Mail Fee

SBET

Return Receipt (electronic)

Adult Signature Restricted Delivery \$ Certified Mail Restricted Delivery

☐ Adult Signature Required

0000

Total Postage and Fees

0490

For delivery information, visit our website at www.usps.com®

CERTIFIED MAIL® RECEIPT

Domestic Mail Only

HEB9

U.S. Postal Service"

11 0

See Reverse for Instructions

PS Form 3800, April 2015 PSN 7530-02-000-9047

City, State, ZIP+4®

0507

Sent To

Devon Energy Production Company, L.P.
333 West Sheridan
Street and Apt. No., or F
Oklahoma City, Oklahoma 73102

U.S. Postal Service" CERTIFIED MAIL® RECEIPTE M		Certified Mail Fee The stra Services & Fees (check box, add fee as appropriate) Extra Services & Fees (check box, add fee as appropriate) Extra Services & Fees (check box, add fee as appropriate) Here	Conflict Main Restricted Leavery \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	\$ COG Operating LLC Sent To Sireet and Apt. No., or PO Box No. Midland, Texas 79701 City, State, 21P4.4*	PS Form 3800, April 2015 PSN 7530-02-000-8047 See Reverse for Instruction	
COMPLETE THIS SECTION ON DELIVERY	A. Signature X	B. Received by (<i>Printed Name</i>) C. Date of Delivery P. M. C. Date of Delivery D. Is delivery address different from item 1? '\(\text{T} \) Yes If YES, enter delivery address below: \(\text{D} \) No		0000	□ Collect on Delivery Restricted Delivery Signature Confirmation™ □ Collect on Delivery Restricted Delivery Signature Confirmation □ Signature Confirmation □ Restricted Delivery Restricted Delivery	TR Mary Domestic Return Receipt
SENDER: COMPLETE THIS SECTION	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. Article Addressed to: 	Marathon Oil Permian LLC 5555 San Felipe Street Houston, TX 77056	9590 9402 5941 0062 9905 86	191	S Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY	A. Signature	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		Service Type Adult Signature Adult Signature Adult Signature Designature Designature Designature Designature Designature Designature Designature Designature Designature	The Conference of the Confer	3estricted Delivery	TR Man Domestic Return Receipt
SENDED: COMPLETIES SECTION	■ Complete items 1, 2, and 3.	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:	COG Operating LLC 600 W. Illinois Ave Midland, Texas 79701		9590 9402 5941 0062 9905 48	7020	PS Form 3811, July 2015 PSN 7530-02-000-9053
MT .	U.S. Postal Service CERTIFIED MAIL® RECENPTO	For delivery information, visit our website at www.usps.com°.	Certified Mail Fee	Cartra Services & Fees (check box, add fee as appropriate) Cartra Services & Fees (check box, add fee as appropriate) Cartra Services (check box, add fee as appropriate) Cartrided Mail Restricted Delivery \$ Cartrided Delivery \$ Cartrided Delivery \$ Cartrided Delivery \$ Cartra Signature Restricted Delivery \$ Cartra Services Delivery \$ Cartra S	\$ Total Postage and Fees	Sent To Sirvest and Apr. No., or PO Box No. Houston, TX 77056		PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for instructions

OT69 SBET 0000 0490 0502

	COMPLETE THIS SECTION ON DELIVERY	X Milwin AHVOMO Addressee	B, Received by (Printed Name)	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No		3. Service Type Adult Signature Registered Mall Prestricted Restricted Mall Restricted		L ☐ 4 1. Signature Confirmation Signature Confirmation Signature Confirmation Property of Signature Confirmation Property of Signature Confirmation Property	(over \$500)
800g	SENDER: COMPLET FHIS 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:	Crown Oil Partners VI, LLC Cump Energy Partners III, LLC P.O. Box 50820 Midland, TX 79710		9590 9402 5941 0062 9905 55	2. 7020 0640 0000 1385 6941	

<u></u>	sps.com?	Postmark Here		See Reverse for Instructions
U.S. Postal Service" CERTIFIED MAIL® RECERT	For delivery information, visit our website at www.usps.com OFFCALLO A L. USE Certified Mail Fee	vices & Fees (check box, add fee as appropriate) 1 Receipt (hardcopy) \$ ** A Mail Rescrit (electronic) \$ ** A Mail Restricted Delivery \$ ** Signature Required \$ ** Signature Restricted Delivery \$ **	Second Common C	nd Apt. No., or PO Box No. ite, ZIP44® m 3800, April 2015 PSN 7530-02-000-9047
Т	h69 58	0000 T39	0490	1505

Democtic Mail Only	CELLIA IED III.	3
For delivery information, visit our website at www.usps.com?	, visit our website	at www.usps.com®.
	40	(A)
Certified Mail Fee		
Extra Services & Fees (check box, add fee as appropriate) [Return Receipt (hardcopy)]	, add fee as appropriate)	
Return Receipt (electronic)	49	Postmark
Certified Mail Restricted Delivery	49	Here
Adult Signature Required	69	
Adult Signature Restricted Delivery \$	ry \$	
Postage		
Total Postage and Fees		
Sent To Franklin Moun	Franklin Mountain Energy II, LLC	
Street and Apt. 2401 East 2nd Avenue Denver. Colorado 80206	Avenue ado 80206	
City, State, ZIP+4		
PS Form 3800, April 2015 PSN 7530-02-000-9047	SN 7530-02-000-9047	See Reverse for Instructions

U.S. Postal Service™



Santa Fe, New Mexico 87504

P.O. Box 1056 James Bruce

S892

\$7.16 °
US POSTAGE
FIRST-CLASS
062S13292292
87501

Franklin Mountain Energy II, LLC

2401 East 2nd Avenue Suite 300

10/00/0000 RETURN TO SENDER DELIVERABLE AS ADDRESSED UNABLE TO FORWARD HON NTXTF

897227624056 1 =

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated February 21, 2021 and ending with the issue dated February 21, 2021.

Sworn and subscribed to before me this 21st day of February 2021.

Business Manager

My commission expires

January 29, 2023

OFFICIAL SEAL GUSSIE BLACK Notary Public State of New Mexico

My Commission Expires 1-d

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL

LEGAL

LEGAL NOTICE February 21, 2021

NOTICE

To: Franklin Mountain Energy II LLC, Marathon Oil Permian LLC, Energen Resources Corporation, Devon Energy Production Company, L.P., Crown Oil Partners VI, LLC, Crump Energy Partners III, LLC, and COG Operating LLC, or your successors or assigns: Tap Rock Resources, LLC has filed an application with the New Mexico Oil Conservation Division Case No. 21703) seeking an order amending Order No. R-21304, issued on May 7, 2020, to conform to the Amended Order Template currently in use by the Division, and to extend the well commencement deadline six months, to November 7, 2021. Order No. R-21304 pooled all mineral interests in the Bone Spring formation in a (proximity tract) horizontal spacing unit comprised of the E/2W/2 and the W/2E/2 of Section 11, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and requires the commencement of drilling within one year of the date of the order unless the operator obtains an extension by amendment of the order for good cause shown. The unit is centered the operator obtains an extension by amendment of the order for good cause shown. The unit is centered approximately 17-1/2 miles northwest of Jal, New Mexico.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, March 4, 2021. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emnrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, http://emnrd.state.nm.us/OCD/announcements.html http://emnrd.state.nm.us/OCD/announcements.html. You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, February 25, 2021. This statement must be filed with the Division's Santa Fe statement must be filed with the Division's Santa Fe office at <u>ocd.hearings@state.nm.us.</u> It should include: The names of the party and its attorney; a concise statement of the case; the name(s) of the witnesses(es) 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 need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned. The attorney for applicant is James Bruce, P.O. Bix 1056, Santa Fe, New Mexico 87504, james! #36227

01101711

EXHIBIT



JAMES BRUCE JAMES BRUCE, ATTORNEY AT LAW P.O. BOX 1056 SANTA FE, NM 87504