

TAP ROCK RESOURCES, LLC

523 PARK POINT DRIVE, SUITE 200 - GOLDEN, COLORADO 80401



March 22, 2023

Engineering Bureau
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Re: Application of Tap Rock Operating, LLC for Administrative Approval of Off-Lease Measurement of Oil and Gas Production.

Cold Snack Federal Com #213H, 214H, 233H, 234H

Tap Rock Operating, LLC ("Tap Rock") (OGRID No. 372043) submits this application requesting administrative approval for off-lease measurement of oil and gas for the following wells located in the S/2 of Sections 13 and 14, Township 25 South, Range 25 East, Eddy County, New Mexico (the "Wells") and producing from the Purple Sage; Wolfcamp pool (Pool Code 98220). Tap Rock also requests approval for off-lease measurement of oil and gas for any additional infill wells that produce from the same pool underlying this acreage.

API	Well Name	Well Number	OCD Unit Letter	Section	Township	Range
30-015-53320	COLD SNACK FEDERAL COM	#213H	L	14	25S	25E
30-015-53321	COLD SNACK FEDERAL COM	#214H	L	14	25S	25E
30-015-53324	COLD SNACK FEDERAL COM	#233H	L	14	25S	25E
30-015-53325	COLD SNACK FEDERAL COM	#234H	L	14	25S	25E

This application packet contains the following exhibits:

- Exhibit A** Administrative Application Checklist;
- Exhibit B** Application for Surface Commingling (Form C-107-B);
- Exhibit C** The written statement of Jeff Trlica, Regulatory Specialist with Tap Rock, identifying each of the wells and Tap Rock's central tank battery, the facilities and the measurement devices to be utilized, and a copy of the Federal Communitization Agreement associated with the subject lands;
- Exhibit D** Surface facilities schematic; and
- Exhibit E** C102s for the Wells.

Tap Rock provided timely notice of this application by certified mail to all parties entitled to notice of this application.

If you have any questions or need further information, please reach out to me at mdrodriguez@taprk.com or 720-245-2606.

Respectfully submitted,

TAP ROCK OPERATING, LLC

A handwritten signature in black ink, appearing to read "MDR", written over a horizontal line.

Michael Rodriguez
Staff Attorney

Exhibit A

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant:	<u>Tap Rock Operating, LLC</u>	OGRID Number:	<u>372043</u>
Well Name(s):	<u>Cold Snack Federal Com 213, 214, 233, 234</u>	API:	<u>30-015-53320, 53321, 53324, 53325</u>
Pool(s):	<u>Purple Sage; Wolfcamp (Gas)</u>	Pool Code:	<u>98220</u>

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☒ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☐ Offset operators or lease holdersB. ☒ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☐ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete☐ Application
Content
Complete

3) CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Michael Rodriguez

Print or Type Name

Signature

03/20/2023

Date

720-772-5092

Phone Number

mdrodriguez@taprk.com

Email Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit B

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Tap Rock Operating
OPERATOR ADDRESS: 523 Park Point Dr. Suite 200. Golden, CO 80401
APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☒ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☒ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.
(4) Measurement type: ☐ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

- (1) Is all production from same source of supply? ☒ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE:  TITLE: Regulatory Analyst DATE: 3/3/2023

TYPE OR PRINT NAME Jeff Trlica TELEPHONE NO.: 720-772-5910

E-MAIL ADDRESS: jtrlica@taprk.com

TAP ROCK RESOURCES, LLC

523 PARK POINT DRIVE, SUITE 200 - GOLDEN, COLORADO 80401



March 3, 2023

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Application of Tap Rock Operating, LLC for administrative approval for approval for off lease measurement of oil and gas production from the spacing unit comprised of S/2 Section 13 and S/2 Section 14, Township 25S, Range 25E Eddy County, New Mexico (the "Lands")

To Whom This May Concern,

Tap Rock Operating, LLC ("Tap Rock"), OGRID No. 372043, requests off lease measurement for oil and gas production from four (4) wells in addition to any future wells to be added. The off-lease measurement location will be in the SW/4/NW/4 Section 14, Township 25S, Range 25E Eddy County, New Mexico (location plat attached). The wells will be metered through individual liquid coriolis flow meters for oil and orifice meters for gas. Gas exiting each well test flows into one gathering line, as depicted on **Exhibit A**, the gas gathering line. Each well on the Lands will have its own test separator with a coriolis flow meter for oil and orifice meter for gas manufactured and assembled in accordance with the American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third-party measurement company in accordance with industry specifications.

Gas samples are obtained at the time of the meter testing and calibration and the composition and heating value are determined by a laboratory in accordance with the American Petroleum Institute (API) specifications to ensure accurate volume and energy (MMBTU) determinations.

The oil is measured via the coriolis flow meter in accordance with API Chapter 5.6 on each individual well and is calibrated periodically by a third-party measurement company for accuracy. After the oil is individually metered by coriolis flow meters at each well it can be comingled into a heater treater then into the stock tanks or, each well can be isolated into its own individual tank for testing purposes. The gas is measured on a volume and MMBTU basis by an orifice meter on each individual well and supporting EFM equipment in accordance with API Chapter 21.1. The gathering line is then metered by another orifice meter at the tank battery check meter to show the total volume of gas leaving the tank battery. The tank battery meter is tested and calibrated in accordance with industry specifications and volume and energy and determined on an hourly, daily and monthly basis. Once the gas exits the final tank battery sales check it travels directly into a third-party sales connect meter. The third-party gas gatherer has its own meter that measures the gas for custody transfer and that meter is also calibrated periodically to ensure measurement accuracy.

In conclusion, all the oil and gas produced on the Lands is and will be metered separately at each wellhead and allocated using accurate measurement equipment according to API specifications.

Regards,

TAP ROCK OPERATING, LLC

A handwritten signature in blue ink, appearing to be 'J. Trlica', with a stylized, cursive script.

Jeff Trlica
Regulatory Analyst

APPLICATION OFF LEASE MEASUREMENT, STORAGE AND SALES FOR OIL AND GAS PRODUCTION AT COLD SNACK CTB

API	Well Name	Well Number	OCD Unit Letter	Section	Township	Range
30-015-53320	COLD SNACK FEDERAL COM	#213H	L	14	25S	25E
30-015-53321	COLD SNACK FEDERAL COM	#214H	L	14	25S	25E
30-015-53324	COLD SNACK FEDERAL COM	#233H	L	14	25S	25E
30-015-53325	COLD SNACK FEDERAL COM	#234H	L	14	25S	25E

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the **1st** day of **March, 2023**, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 25 South, Range 25 East, N.M.P.M.

Section 13: S2

Section 14: S2

Eddy County, New Mexico

Containing **640.00** acres, and this agreement shall include only the **Wolfcamp Formation** underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. The Operator of the communitized area shall be **Tap Rock Operating, LLC, 523 Park Point Drive, Suite 200, Golden, CO, 80401**. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of 1/8th or 12 1/2 percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining 7/8th should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue

from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized

area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **March 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Operator:
Tap Rock Operating, LLC

Date: _____

By: 
Name: Clayton Sporich
Title: EVP – Land & Legal

ACKNOWLEDGEMENT

STATE OF COLORADO)
) ss.
COUNTY OF JEFFERSON)

On this _____ day of _____, 2023, before me, a Notary Public for the State of Colorado, personally appeared Clayton Sporich, known to me to be the EVP-Land & Legal of **Tap Rock Operating, LLC**, a Delaware limited liability company, the limited liability company that executed the foregoing instrument and acknowledged to me such company executed the same.

(SEAL)

My Commission Expires:

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

I, the undersigned, hereby certify, on behalf of **Tap Rock Operating, LLC**, Operator of this Communitization Agreement, that all working interest owners (i.e., lessees of record and operating rights owners) shown on Exhibit B attached to this Agreement are, to the best of my knowledge, the working interest owners of the leases subject to this Agreement, and that the written consents of all of the named owners have been obtained and will be made available to the BLM immediately upon request.

Date: _____

By: 
Name: Clayton Sporich
Title: EVP – Land & Legal

ACKNOWLEDGEMENT

STATE OF COLORADO)
) ss.
COUNTY OF JEFFERSON)

On this _____ day of _____, 2023, before me, a Notary Public for the State of Colorado, personally appeared Clayton Sporich, known to me to be the EVP-Land & Legal of **Tap Rock Operating, LLC**, a Delaware limited liability company, the limited liability company that executed the foregoing instrument and acknowledged to me such company executed the same.

(SEAL)

My Commission Expires:

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Tap Rock Resources, LLC

Date: _____

By: CS
Name: Clayton Sporich
Title: EVP – Land & Legal

ACKNOWLEDGEMENT

STATE OF Colorado)
) ss.
COUNTY OF Jefferson)

On this _____ day of _____, 2023, before me, a Notary Public for the State of Colorado, personally appeared Clayton Sporich, known to me to be the EVP – Land & Legal of Tap Rock Resources, LLC, the Delaware Limited Liability Company that executed the foregoing instrument and acknowledged to me such company executed the same.

(SEAL)

My Commission Expires:

Notary Public

Plat of communitized area covering 640 acres in the S2 of Sections 13 and 14, Township 25 South, Range 25 East, N.M.P.M., Eddy County, New Mexico

 Federal Acreage

 Cold Snack S2 Unit

EXHIBIT "B"

To Communitization Agreement dated **March 1, 2023**, embracing the following described land in S2 of Section 13 and S2 of Section 14, Township 25 South, Range 25 East, N.M.P.M., Eddy County, New Mexico

Operator of Communitized Area: **Tap Rock Operating, LLC**

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number: NMNM 028169

Description of Land Committed: Insofar and only insofar as said lease covers:
Township 25 South, Range 25 East, N.M.P.M.
Section 13: SE
Section 14: S2

Number of Acres: 480.00

Current Lessee of Record: Tap Rock Resources, LLC (50%); XTO Holdings, LLC (50%)

Name of Working Interest Owners: As to section 14: Tap Rock Resources, LLC (100%)
As to section 13: Tap Rock Resources, LLC (50%);
XTO Holdings, LLC (50%)

Tract No. 2

Lease Serial Number: NMNM 104661

Description of Land Committed: Insofar and only insofar as said lease covers:
Township 25 South, Range 25 East, N.M.P.M.
Section 13: SW

Number of Gross Acres: 160.00

Current Lessee of Record: EOG Resources, Inc.; Oxy Y-1 Company

Name of Working Interest Owners: EOG Resources, Inc. (68%); Oxy Y-1 Company (32%)

RECAPITULATION

<u>No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest Tract in Communitized Area</u>
1	480.00	75.00%
2	160.00	25.00%
Total	640.00	100.00%

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the **1st** day of **March, 2023**, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 25 South, Range 25 East, N.M.P.M.

Section 13: N2

Section 14: N2

Eddy County, New Mexico

Containing **640.00** acres, and this agreement shall include only the **Wolfcamp Formation** underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. The Operator of the communitized area shall be **Tap Rock Operating, LLC, 523 Park Point Drive, Suite 200, Golden, CO, 80401**. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of 1/8th or 12 ½ percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining 7/8th should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue

from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized

area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **March 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

- IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

By: CC
Name: Clayton Sporch
Title: EVP – Land & Legal

[illegible]

(SEAL)

Notary Public

I, the undersigned, hereby certify, on behalf of **Tap Rock Operating, LLC**, Operator of this Communitization Agreement, that all working interest owners (i.e., lessees of record and operating rights owners) shown on Exhibit B attached to this Agreement are, to the best of my knowledge, the working interest owners of the leases subject to this Agreement, and that the written consents of all of the named owners have been obtained and will be made available to the BLM immediately upon request.

By: CS
Name: Clayton Sporich
Title: EVP – Land & Legal

[illegible]

On this _____ day of _____, 2023, before me, a Notary Public for the State of Colorado, personally appeared Clayton Sporich, known to me to be the EVP-Land & Legal of **Tap Rock Operating, LLC**, a Delaware limited liability company, the limited liability company that executed the foregoing instrument and acknowledged to me such company executed the same.

My Commission Expires:

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Tap Rock Resources, LLC

Date: _____

By: 
Name: Clayton Sporich
Title: EVP – Land & Legal

ACKNOWLEDGEMENT

STATE OF Colorado)
) ss.
COUNTY OF Jefferson)

On this _____ day of _____, 2023, before me, a Notary Public for the State of Colorado, personally appeared Clayton Sporich, known to me to be the EVP – Land & Legal of Tap Rock Resources, LLC, the Delaware Limited Liability Company that executed the foregoing instrument and acknowledged to me such company executed the same.

(SEAL)

My Commission Expires:

Notary Public

EXHIBIT "A"

Plat of communitized area covering 640 acres in the N2 of Sections 13 and 14, Township 25 South, Range 25 East, N.M.P.M., Eddy County, New Mexico

Township 25 South, Range 25 East Eddy County New Mexico							
Tract 1 NMNM 028169 520 Acres				Tract 2 Fee 120 Acres			
	Section 14				Section 13		



Federal Acreage



Fee Acreage



Cold Snack N2 Unit

EXHIBIT "B"

To Communitization Agreement dated **March 1, 2023**, embracing the following described land in N2 of Section 13 and N2 of Section 14, Township 25 South, Range 25 East, N.M.P.M., Eddy County, New Mexico

Operator of Communitized Area: **Tap Rock Operating, LLC**

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number: NMNM 028169

Description of Land Committed: Insofar and only insofar as said lease covers:
Township 25 South, Range 25 East, N.M.P.M.
Section 13: S2N2, NWNW
Section 14: N2

Number of Acres: 520.00

Current Lessee of Record: Tap Rock Resources, LLC (50%); XTO Holdings, LLC (50%)

Name of Working Interest Owners: As to section 14: Tap Rock Resources, LLC (100%)
As to section 13: Tap Rock Resources, LLC (50%);
XTO Holdings, LLC (50%)

Tract No. 2

Lease Serial Number: Fee Leases

Description of Land Committed: Insofar and only insofar as said lease covers:
Township 25 South, Range 25 East, N.M.P.M.
Section 13: N2NE, NENW

Number of Gross Acres: 120.00

Current Lessee of Record: Fee Leases

Name of Working Interest Owners: Fee Leases

RECAPITULATION

<u>No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest Tract in Communitized Area</u>
1	520.00	81.25%
2	120.00	18.75%
Total	640.00	100.00%

SECTION 14, TOWNSHIP 25-S, RANGE 25-E, N.M.P.M.
EDDY COUNTY, NEW MEXICOSCALE: 1" = 1000'
0' 500' 1000'COLD SNACK UNIT
W/2 CTB SITE

Mets and Bounds Description of a 5.74 acre CTB site located within Section 14, Township 25 South, Range 25 East, N.M.P.M., in Eddy County, New Mexico.

BEGINNING at a 1/2" iron rod with cap stamped "Topographic" set for the Southwest corner of this site, from whence a brass cap found for the West Quarter corner of said Section 14, bears: S 80°40'45" W, a distance of 618.05 feet;

Thence N 00°00'00" W, a distance of 500.00 feet to a 1/2" iron rod with cap stamped "Topographic" set for the Northwest of this site;

Thence N 90°00'00" E, a distance of 500.00 feet to a 1/2" iron rod with cap stamped "Topographic" set for the Northeast of this site;

Thence S 00°00'00" E, a distance of 500.00 feet to a 1/2" iron rod with cap stamped "Topographic" set for the Southeast of this site;

Thence N 90°00'00" W, a distance of 500.00 feet to the Point of Beginning.

LINE TABLE

LINE	BEARING	DISTANCE
1	N 00°00'00" W	500.00'
2	N 90°00'00" E	500.00'
3	S 00°00'00" E	500.00'
4	N 90°00'00" W	500.00'

LEGEND

---	SECTION LINE
----	QUARTER SECTION LINE
-----	SIXTEENTH SECTION LINE
---	PROPOSED SITE
---	TRACT BORDER
==	ROAD WAY
X	FENCE LINE
	EXISTING PIPELINE
W	EXISTING WATER LINE
■	MONUMENT
●	IRON ROD SET
⊙	CALCULATED CORNER

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



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

COLD SNACK UNIT W/2 CTB SITE	REVISION:		NOTES:
	INT	DATE	
DATE: 04/14/2022			1. ORIGINAL DOCUMENT SIZE: 8.5" X 11"
FILE:BO_COLD_SNACK_UNIT_W2_CTB_SITE			2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.
DRAWN BY: GJU			3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY TAP ROCK OPERATING, LLC. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
SHEET: 1 OF 1			4. B.O.L./P.O.B. = BEGINNING OF LINE/ POINT OF BEGINNING
			5. E.O.L./P.O.E. = END OF LINE/ POINT OF EXIT
			6. ADJOINER INFORMATION SHOWN FOR INFORMATIONAL PURPOSES ONLY.

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 30-015-	² Pool Code 98220	³ Pool Name PURPLE SAGE; WOLFCAMP (GAS)
⁴ Property Code	⁵ Property Name COLD SNACK FED COM	⁶ Well Number 213H
⁷ OGRID No. 372043	⁸ Operator Name TAP ROCK OPERATING, LLC.	⁹ Elevation 3451'

¹⁰Surface Location

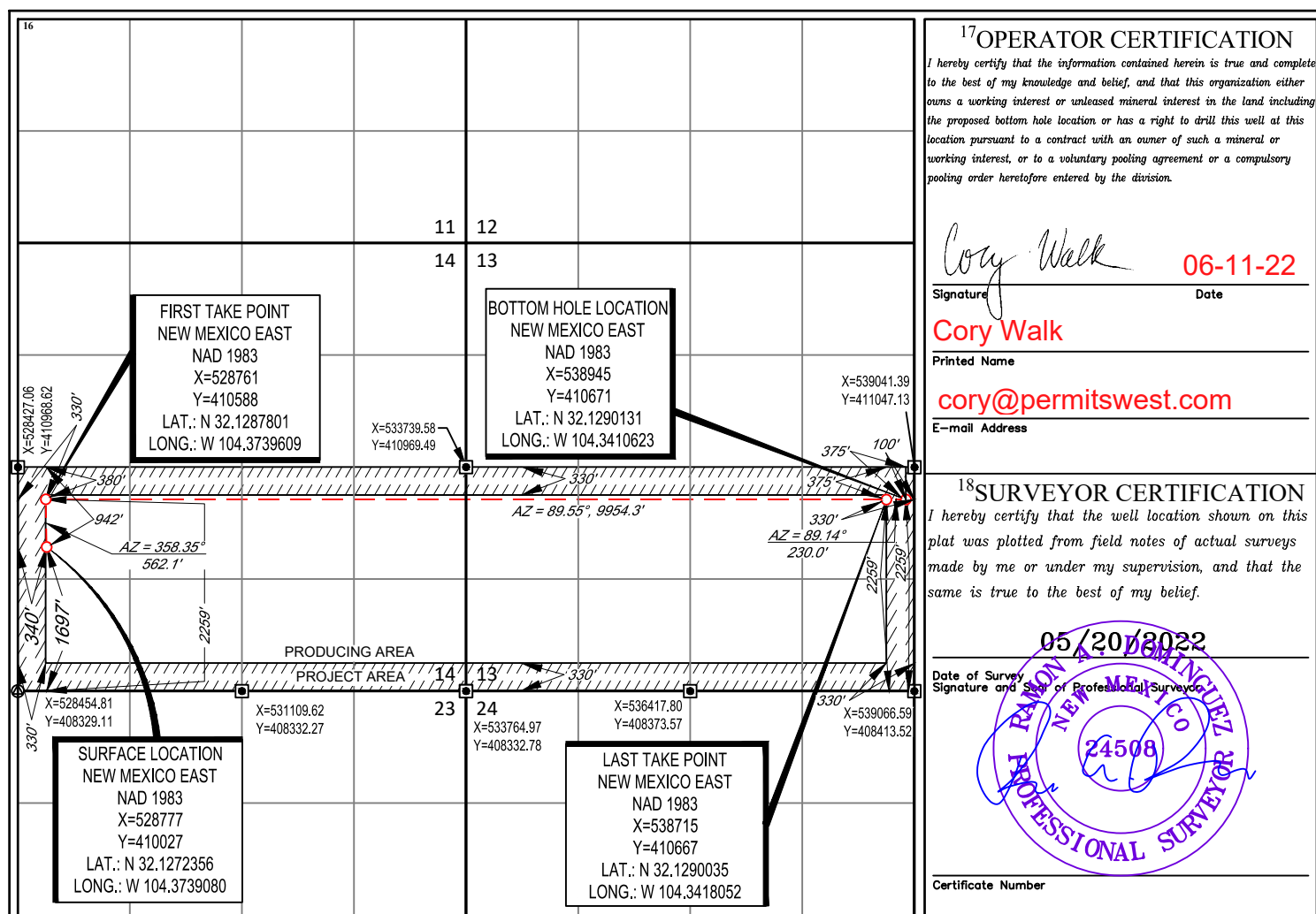
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	14	25-S	25-E	-	1697'	SOUTH	340'	WEST	EDDY

¹¹Bottom 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
I	13	25-S	25-E	-	2259'	SOUTH	100'	EAST	EDDY

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.



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FORM C-102

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-		² Pool Code 98220	³ Pool Name PURPLE SAGE; WOLFCAMP (GAS)
⁴ Property Code	⁵ Property Name COLD SNACK FED COM		⁶ Well Number 214H
⁷ OGRID No. 372043	⁸ Operator Name TAP ROCK OPERATING, LLC.		⁹ Elevation 3451'

¹⁰Surface Location

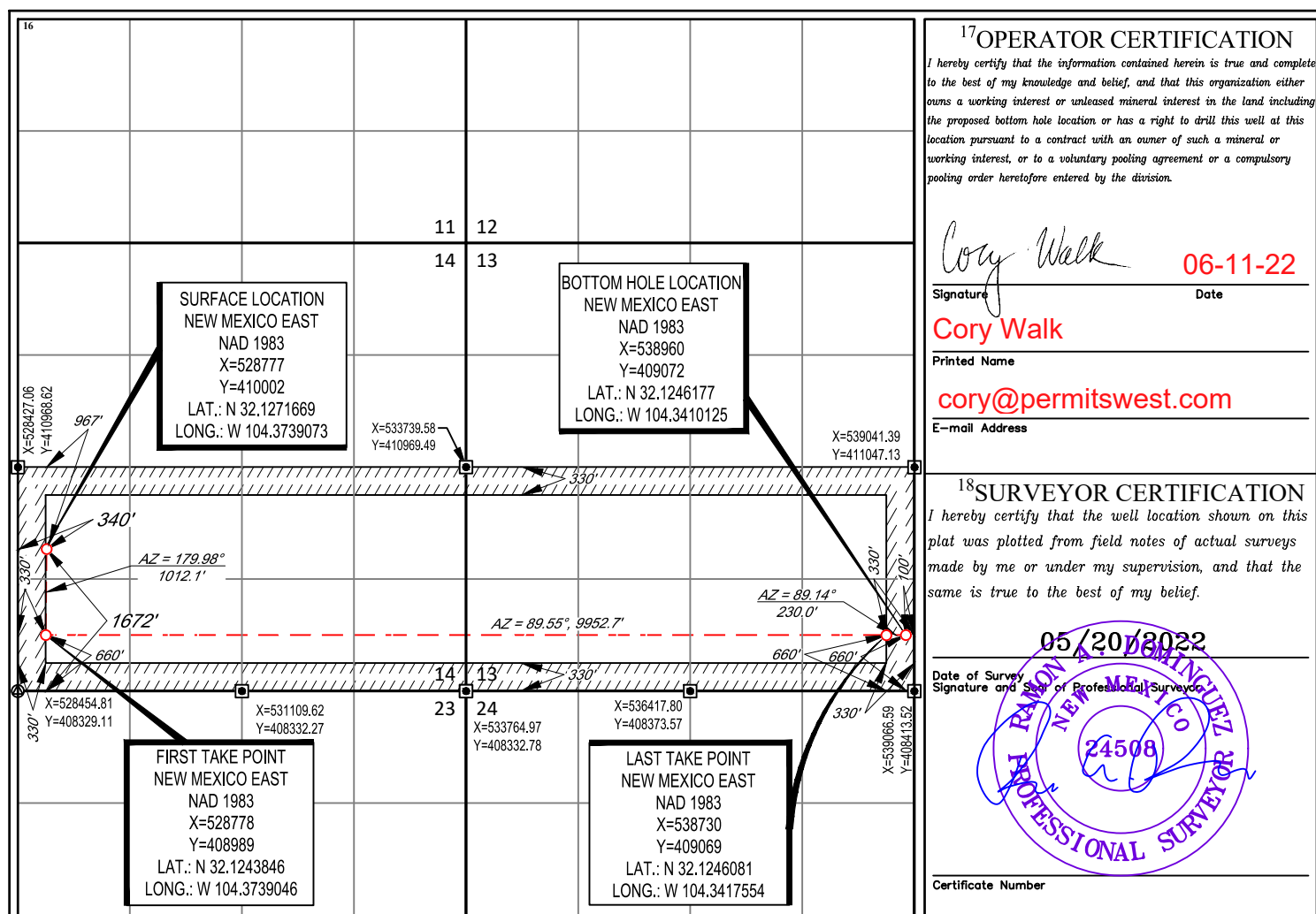
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	14	25-S	25-E	-	1672'	SOUTH	340'	WEST	EDDY

¹¹Bottom 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
P	13	25-S	25-E	-	660'	SOUTH	100'	EAST	EDDY

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

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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 30-015- 53324		² Pool Code 98220	³ Pool Name PURPLE SAGE; WOLFCAMP (GAS)
⁴ Property Code 333731	⁵ Property Name COLD SNACK FED COM		⁶ Well Number 233H
⁷ OGRID No. 372043	⁸ Operator Name TAP ROCK OPERATING, LLC.		⁹ Elevation 3451'

¹⁰Surface Location

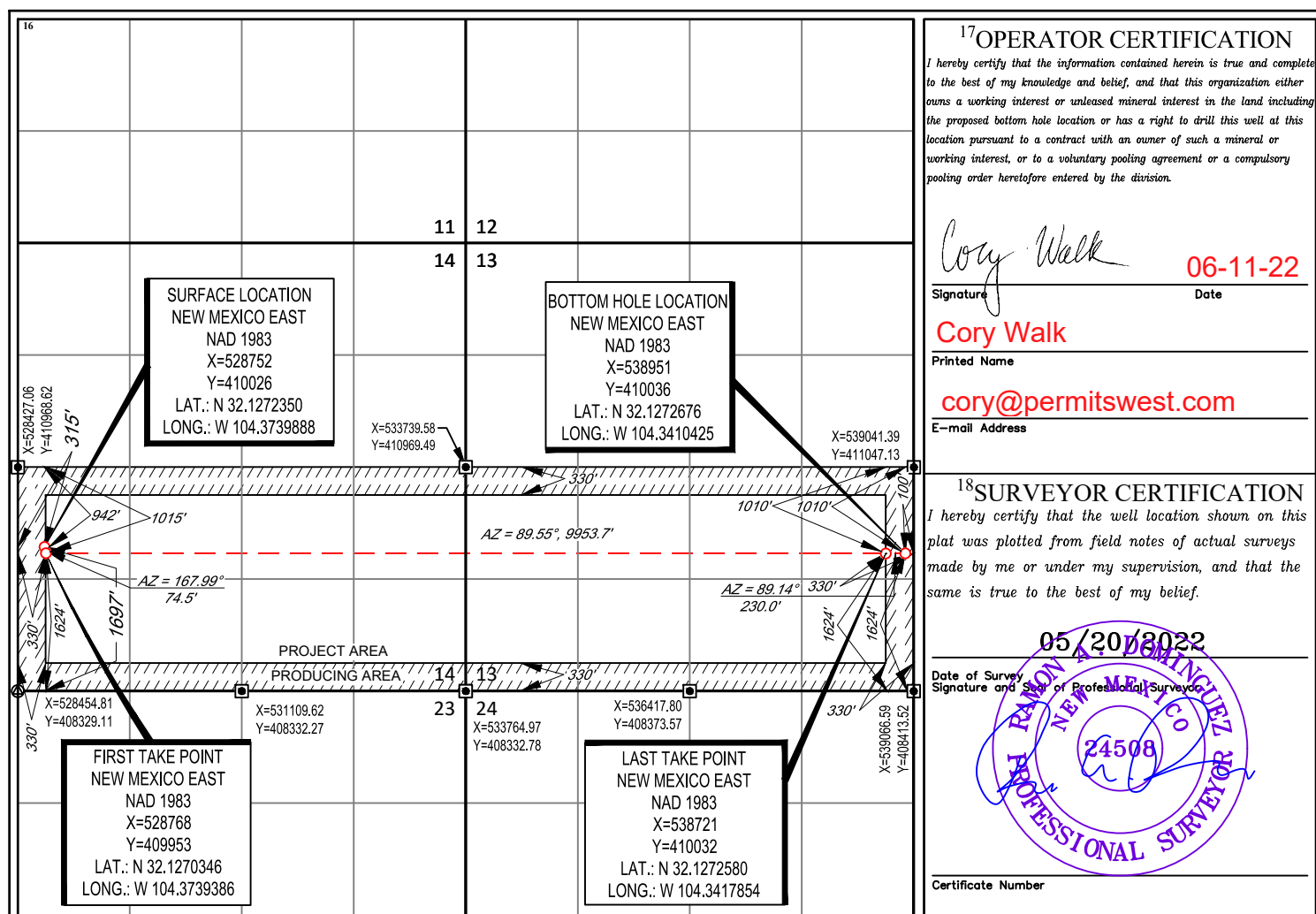
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	14	25-S	25-E	—	1697'	SOUTH	315'	WEST	EDDY

¹¹Bottom 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
I	13	25-S	25-E	-	1624'	SOUTH	100'	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
640			

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.



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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 30-015- 53325	² Pool Code 98220	³ Pool Name PURPLE SAGE; WOLFCAMP (GAS)
⁴ Property Code 333731	⁵ Property Name COLD SNACK FED COM	
⁷ OGRID No. 372043	⁸ Operator Name TAP ROCK OPERATING, LLC.	⁶ Well Number 234H
		⁹ Elevation 3451'

¹⁰Surface Location

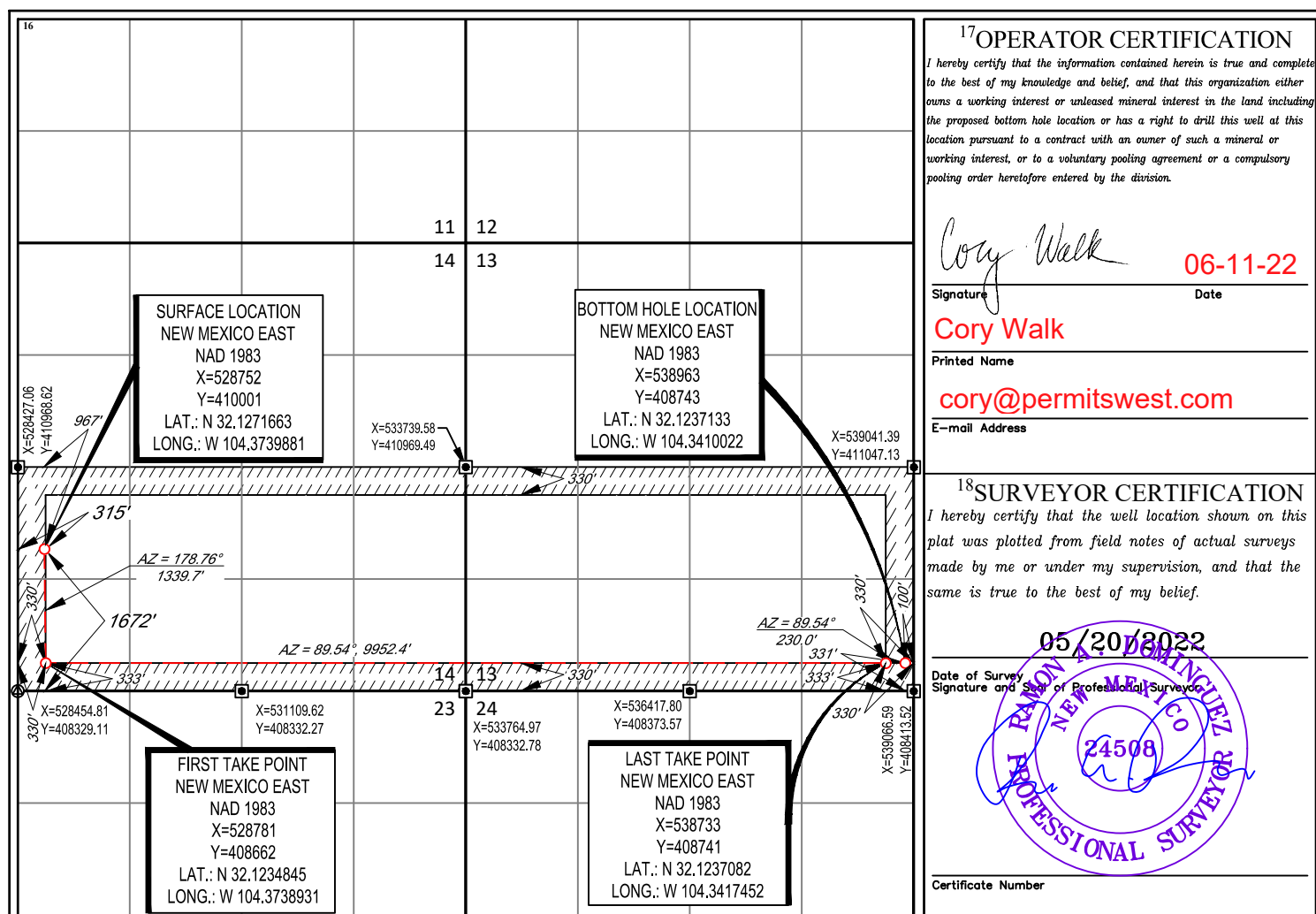
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	14	25-S	25-E	-	1672'	SOUTH	315'	WEST	EDDY

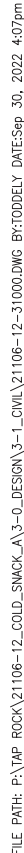
¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	13	25-S	25-E	-	331'	SOUTH	100'	EAST	EDDY

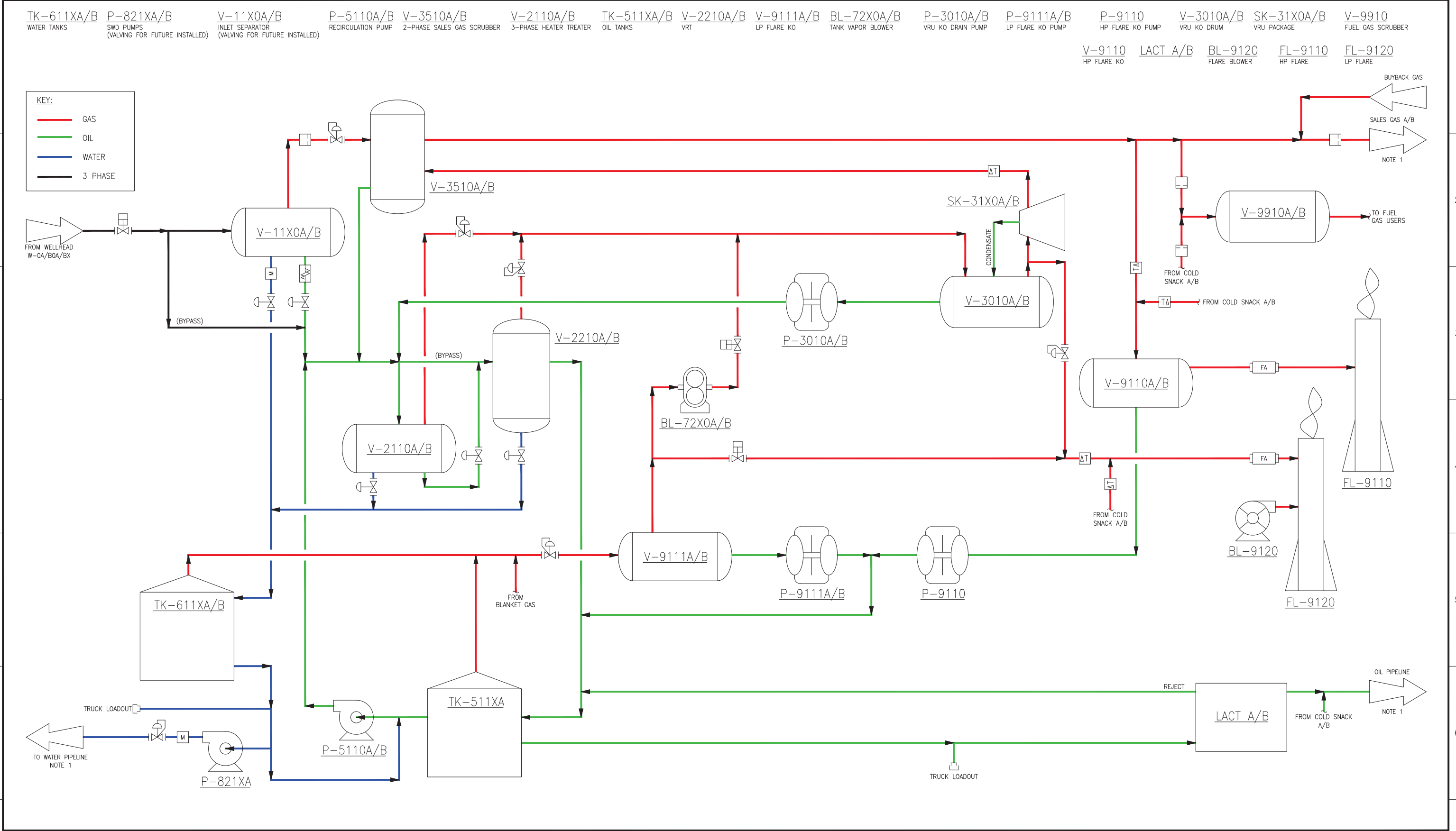
¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
640			

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.





FILE PATH: P:\TAP ROCK\21106-12_COLD_SNACK_A\3-0_DESIGN\3-2-0_PROCESS\3-2-1_PFD\21106-12-03000.DWG BY:LOGAN SCHAEFER DATE:Oct 03, 2022 11:54am



NOTES: 1. EQUIPMENT FOR TRAIN A AND B ARE IDENTICAL. PRODUCTION FLUIDS FROM TRAIN A AND B ARE NON-COMMINGLED THROUGH THE FINAL SALES POINT. FLARE GAS AND FUEL GAS FROM EACH TRAIN ARE METERED ON-SITE PRIOR TO COMMINGLING.	REFERENCE DRAWINGS		REVISIONS						<div><div>HALKER</div><div>ENGINEERED SOLUTIONS</div></div> <div><div>TAP</div><div>ROCK</div></div> <div>TAP ROCK RESOURCES COLD SNACK A+B PROCESS FLOW DIAGRAM WELL PAD FACILITY</div>		
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From: [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)
To: [Michael Rodriguez](#)
Cc: [McClure, Dean, EMNRD](#); [Rikala, Ward, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [Paradis, Kyle O; Walls, Christopher](#)
Subject: Approved Administrative Order OLM-271
Date: Friday, September 22, 2023 9:25:51 AM
Attachments: [OLM271 Order.pdf](#)

NMOCD has issued Administrative Order OLM-271 which authorizes Tap Rock Operating, LLC (372043) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-53320	Cold Snack Federal Com #213H	S/2	13-25S-25E	98220
		S/2	14-25S-25E	
30-015-53321	Cold Snack Federal Com #214H	S/2	13-25S-25E	98220
		S/2	14-25S-25E	
30-015-53324	Cold Snack Federal Com #233H	S/2	13-25S-25E	98220
		S/2	14-25S-25E	
30-015-53325	Cold Snack Federal Com #234H	S/2	13-25S-25E	98220
		S/2	14-25S-25E	

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

Cold Snack S2 Unit

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

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NMNM105316712

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Authority	Total Acres	Serial Number
02-25-1920; 041STAT0437; 30USC181, ET SEQ; MINERAL LEASING ACT OF 1920	1,000.0000	NMNM105316712
	Case File Jurisdiction	Legacy Serial No NMNM 028169
Product Type 311211 SIMULTANEOUS PUBLIC DOMAIN LEASE		
Commodity Oil & Gas		Lease Issued Date 08/12/1976
Case Disposition AUTHORIZED		

CASE DETAILS				NMNM105316712
Case Name	C-7960155	Split Estate	Fed Min Interest	
Effective Date	09/01/1976	Split Estate Acres	Future Min Interest	No
Expiration Date		Royalty Rate 12 1/2%	Future Min Interest Date	
Land Type	Public Domain	Royalty Rate Other	Acquired Royalty Interest	
Formation Name		Approval Date	Held In a Producing Unit	No
Parcel Number	SPAR685	Sale Date	Number of Active Wells	
Parcel Status		Sales Status	Production Status	Held by Actual Production
Participating Area		Total Bonus Amount 0.00		
Related Agreement		Tract Number	Lease Suspended	No
Application Type		Fund Code 145003	Total Rental Amount	

CASE CUSTOMERS				NMNM105316712
Name & Mailing Address		Interest Relationship		Percent Interest
DAVID ARRINGTON OIL & GAS	PO BOX 2071	MIDLAND TX 79702	OPERATING RIGHTS	0.000000
DURANGO PRODUCTION CORP	PO BOX 4848	WICHITA FALLS TX 76308-0848	OPERATING RIGHTS	0.000000
ENERGY RESOURCE GROUP ONE INC	PO BOX 711	YANKTON SD 57078	OPERATING RIGHTS	0.000000
ISRAMCO RESOURCES INC	4801 WOODWAY #100E	HOUSTON TX 77056	OPERATING RIGHTS	0.000000
MARK L SHIDLER INC	1313 CAMPBELL RD STE D	HOUSTON TX 77055-6429	OPERATING RIGHTS	0.000000
TAP ROCK RESOURCES LLC	523 PARK POINT DR STE 200	GOLDEN CO 80401-9362	LESSEE	50.000000
TIPPERARY OIL & GAS CORP	PO BOX 3179	MIDLAND TX 79702-3179	OPERATING RIGHTS	0.000000
TRANSREPUBLIC RESOURCES LTD	PO BOX 3638	MIDLAND TX 79702	OPERATING RIGHTS	0.000000
UNIT PETROLEUM CO	8200 S UNIT DR	TULSA OK 74132-5300	OPERATING RIGHTS	0.000000
WHITING OIL & GAS CORP	1700 BROADWAY STE 2300	DENVER CO 80290-1703	OPERATING RIGHTS	0.000000
XTO HOLDINGS LLC	810 HOUSTON ST	FORT WORTH TX 76102-6203	LESSEE	50.000000
XTO HOLDINGS LLC	810 HOUSTON ST	FORT WORTH TX 76102-6203	OPERATING RIGHTS	0.000000
XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX XX XXXXX-XXXX	OPERATING RIGHTS	0.000000

RECORD TITLE
(No Records Found)

OPERATING RIGHTS
(No Records Found)

LAND RECORDS									NMNM105316712
Mer	Twp	Rng	Sec	Survey Type	Survey Number	Subdivision	District / Field Office	County	Mgmt Agency
23	0250S	0250E	013	Aliquot		NWNW,S2N2,SE	PECOS DISTRICT OFFICE CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0250S	0250E	014	Aliquot		ALL	PECOS DISTRICT OFFICE CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

CASE ACTIONS						NMNM105316712
Action Date	Date Filed	Action Name	Action Status	Action Information		
	06/24/2022	MERGER NAME CHANGE	DRAFT	Case Action Status Date: 2022-06-27		
	06/24/2022	MERGER NAME CHANGE	DRAFT	Case Action Status Date: 2022-06-24		
04/25/1976	04/25/1976	CASE ESTABLISHED	APPROVED/ACCEPTED	Action Remarks: SPAR685;		
04/26/1976	04/26/1976	DRAWING HELD	APPROVED/ACCEPTED			
08/12/1976	08/12/1976	LEASE ISSUED	APPROVED/ACCEPTED			
09/01/1976	09/01/1976	EFFECTIVE DATE	APPROVED/ACCEPTED			
09/01/1976	09/01/1976	FUND CODE	APPROVED/ACCEPTED	Action Remarks: 05;145003		

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Action Date	Date Filed	Action Name	Action Status	Action Information	NMNM105316712
09/01/1976	09/01/1976	RLTY RATE - 12 1/2%	APPROVED/ACCEPTED		
10/26/1979	10/26/1979	HELD BY PROD - ACTUAL	APPROVED/ACCEPTED		
12/12/1980	12/12/1980	NOTICE SENT-PROD STATUS	APPROVED/ACCEPTED		
04/28/1986	04/28/1986	ASSIGNMENT OF RECORD TITLE	APPROVED/ACCEPTED	Action Remarks: FAJKOWSKI/MOBIL PROD	
07/18/1986	07/18/1986	ASGN APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 05/01/86;	
07/23/1986	07/23/1986	CASE MICROFILMED/SCANNED	APPROVED/ACCEPTED	Action Remarks: CNUM 103,477 AD	
09/28/1987	09/28/1987	MERGER RECOGNIZED	APPROVED/ACCEPTED	Action Remarks: OXOCO EXPL/EXPL&PROD	
09/28/1987	09/28/1987	MERGER RECOGNIZED	APPROVED/ACCEPTED	Action Remarks: OXOCO/HAWTHORNE	
05/25/1988	05/25/1988	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: MLO/MLO	
06/20/1988	06/20/1988	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	Action Remarks: MOBIL PROD/5 STATES	
07/08/1988	07/08/1988	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: BTM/JR	
07/08/1988	07/08/1988	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 07/01/88;	
10/30/1989	10/30/1989	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	Action Remarks: 5 STATES/SIGNAL ET AL	
11/29/1989	11/29/1989	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: MCS/MT	
11/29/1989	11/29/1989	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 11/01/89;	
10/22/1990	10/22/1990	BOND ACCEPTED	APPROVED/ACCEPTED	Action Remarks: EFF 10/22/90;WY2387	
05/18/1992	05/18/1992	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	Action Remarks: GRAHAM/BAGWELL	
07/02/1992	07/02/1992	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: CM/JS	
07/02/1992	07/02/1992	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 06/01/92;	
09/03/1993	09/03/1993	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: BTM/KRP	
09/03/1993	09/03/1993	MERGER RECOGNIZED	APPROVED/ACCEPTED	Action Remarks: HAWTHORNE/AMER NATL	
09/13/1993	09/13/1993	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	Action Remarks: AM NATL PETRO/WHITING	
11/24/1993	11/24/1993	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	Action Remarks: WHITING/TIPPERARY	
12/01/1993	12/01/1993	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: ST/KRP	
12/01/1993	12/01/1993	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 10/01/93;	
01/10/1994	01/10/1994	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: JLV	
01/10/1994	01/10/1994	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 12/01/93;	
12/28/1994	12/28/1994	ASSIGNMENT OF RECORD TITLE	APPROVED/ACCEPTED	Action Remarks: AMERICAN/UNIT PETRO	
12/28/1994	12/28/1994	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	Action Remarks: AMERICAN/UNIT PETRO	
04/12/1995	04/12/1995	ASGN APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 01/01/95;	
04/12/1995	04/12/1995	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: TF/TF	
04/12/1995	04/12/1995	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 01/01/95;	
12/03/1996	12/03/1996	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	Action Remarks: WHITING/ARRINGTON	
01/23/1997	01/23/1997	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: MV/MV	
01/23/1997	01/23/1997	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 01/01/97;	
01/20/1999	01/20/1999	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	Action Remarks: FIVE STATES/SHIDLER	
02/22/1999	02/22/1999	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: LR	
02/22/1999	02/22/1999	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 02/01/99;	
04/29/1999	04/29/1999	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	Action Remarks: SHIDLER/DURANGO CORP	
06/10/1999	06/10/1999	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: LR	
06/10/1999	06/10/1999	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 05/01/99;	
07/10/2000	07/10/2000	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	Action Remarks: TIPPERARY/TRANSREPU	
11/20/2000	11/20/2000	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: LR	
11/20/2000	11/20/2000	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 08/01/00;	
12/19/2003	12/19/2003	MERGER NAME CHANGE	APPROVED/ACCEPTED	Action Remarks: WHITING PETRO/OIL&GAS	
04/28/2008	04/28/2008	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	Action Remarks: TRANSREPU/ISRAMCO R;1 Receipt Number: 1696216	
06/27/2008	06/27/2008	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: ANN	
06/27/2008	06/27/2008	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 05/01/08;	
01/25/2016	01/25/2016	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	Action Remarks: SIGNAL PE/UNIT PETR;1 Receipt Number: 3479899	
01/25/2016	01/25/2016	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	Action Remarks: DEXTER RE/UNIT PETR;1 Receipt Number: 3479897	
01/25/2016	01/25/2016	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	Action Remarks: SELLERS J/UNIT PETR;1 Receipt Number: 3479890	
02/19/2016	02/19/2016	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: LBO	
02/19/2016	02/19/2016	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	Action Remarks: 3EFF 02/01/16;	
02/19/2016	02/19/2016	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	Action Remarks: 2EFF 02/01/16;	
02/19/2016	02/19/2016	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	Action Remarks: 1EFF 02/01/16;	
06/12/2017	06/12/2017	ASSIGNMENT OF RECORD TITLE	APPROVED/ACCEPTED	Action Remarks: UNIT PETR/TAP ROCK;1 Receipt Number: 3859809	
07/25/2017	07/25/2017	ASGN APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 07/01/17;	
07/25/2017	07/25/2017	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: LBO	
07/13/2018	07/13/2018	ASSIGNMENT OF RECORD TITLE	APPROVED/ACCEPTED	Action Remarks: MOBIL PRO/XTO HOLD;1 Receipt Number: 4211565	
07/13/2018	07/13/2018	OVERRIDING ROYALTY	APPROVED/ACCEPTED	Action Remarks: 1 Receipt Number: 4211565	
07/13/2018	07/13/2018	TRANSFER OF OPERATING RIGHTS	APPROVED/ACCEPTED	Action Remarks: MOBIL PRO/XTO HOLD;2 Receipt Number: 4211565	
02/08/2019	02/08/2019	ASGN APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 08/01/18;	
02/08/2019	02/08/2019	AUTOMATED RECORD VERIF	APPROVED/ACCEPTED	Action Remarks: KB	
02/08/2019	02/08/2019	TRF OPER RGTS APPROVED	APPROVED/ACCEPTED	Action Remarks: EFF 08/01/18;	
06/24/2022	06/24/2022	MERGER NAME CHANGE	APPROVED/ACCEPTED	Action Effective Date: 2017-01-01 Case Action Status Date: 2022-07-07	

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LEGACY CASE REMARKS

NMNM105316712

Legacy Case Remarks includes remarks made for the case in LR2000 up until March 14, 2022. These Case Remarks will no longer be updated in MLRS. This section of the SRP is obsolete. Please reference the MLRS website for more information and refer to the Case Actions section - Action Information on this report for similar data.

Line Number	Remark Text
0002	BONDED LESSEE -
0003	06/10/1999 - MOBIL PROD TX & NM INC - NM0503 - N/W;
0004	BONDED OPERATOR - PER AFMSS
0005	11/20/2000 - UNIT PETROLEUM CO - MT0264 - N/W;
0006	OPERATOR BONDED - 06/27/2008
0007	WHITING OG CORP - NMB000140 - S/W;
0008	BONDED OPERATOR: 02/19/16
0009	UNIT PETRO CORP SW/NM \$100K NMB0900888;
0010	07/25/17 TAP ROCK RES NMB001443 NM/SW \$25K;
0011	02/08/19 XTO BONDED NMB001154 SW/NM

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TAP ROCK RESOURCES, LLC

523 PARK POINT DRIVE, SUITE 200 - GOLDEN, COLORADO 80401



May 5, 2023

Engineering Bureau
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Re: Application of Tap Rock Operating, LLC for Administrative Approval of Off-Lease Measurement of Oil and Gas Production.
Cold Snack Federal Com #213H, 214H, 233H, 234H

SELF-AFFIRMED STATEMENT OF
MICHAEL RODRIGUEZ REGARDING NOTICE

1. I am attorney in fact and authorized representative of Tap Rock Operating, LLC, the Applicant herein.
2. On March 24, 2023, I caused notice of the captioned application to be sent by certified mail to all owners entitled to receive notice.
3. The notice letter attached as **Exhibit C-1** and the application were sent to the uncommitted interest owners. **Exhibit C-1** also contains a tracking sheet that identifies the parties and addresses that notice was sent to and the status of receipt.
4. On March 28, 2023, notice was also directed to all interested parties by publication in the Carlsbad Current Argus. An Affidavit of Publication from the Legal Clerk of the Carlsbad Current Argus and a copy of the notice publication are attached as **Exhibit C-2**.
5. 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 4 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.

A handwritten signature in black ink, appearing to read "MR", written over a horizontal line.

Michael Rodriguez

05/05/2023

Date

TAP ROCK OPERATING, LLC

523 PARK POINT DRIVE, SUITE 200 - GOLDEN, COLORADO 80401

MICHAEL RODRIGUEZ – ATTORNEY
MDRODRIGUEZ@TAPRK.COM



March 24, 2023

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL PARTIES ENTITLED TO NOTICE

**Re: Application of Tap Rock Operating, LLC for Administrative Approval of Off-Lease
Measurement of Oil and Gas Production.
*Cold Snack Federal Com #213H, 214H, 233H, 234H***

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division. Any objection to this application must be filed in writing within twenty days from the above date with the applicant and the New Mexico Oil Conservation Division ("Division") located at 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division. If you have any questions or need further information, please reach out to me at mdrodriguez@taprk.com or 720-245-2606.

Thank you,

/s/ Michael Rodriguez
Michael Rodriguez
ATTORNEY FOR
TAP ROCK OPERATING, LLC

MailClass	TrackingNo	ToCompanyName	ToName	DeliveryAddress	AddressLine2	City	State	Zip	MailDate	ERR_SigDate	USPS_Status	StatusCode
Certified with Return Receipt (Signature)	9414811898765833005677		OXY Y 1 COMPANY	PO Box 841803		Dallas	TX	75284-1803	03/24/2023	03/31/2023 07:46:43	Your item has been delivered and is available at a PO Box at 6:54 pm on March 30, 2023 in DALLAS, TX 75260.	D
Certified with Return Receipt (Signature)	9414811898765833005356		JANET J TIDWELL	610 Fm 114		De Kalb	TX	75559-4448	03/24/2023	03/29/2023 00:44:36	Your item was delivered to an individual at the address at 10:08 am on March 28, 2023 in DE KALB, TX 75559.	D
Certified with Return Receipt (Signature)	9414811898765833005363		BILLYE N COEY	2405 Manzano Loop NE		Rio Rancho	NM	87144-7538	03/24/2023	04/09/2023 07:44:34	Your item was picked up at a postal facility at 11:42 am on April 8, 2023 in RIO RANCHO, NM 87124.	D
Certified with Return Receipt (Signature)	9414811898765833005325		VATEX OIL & GAS LLC	1204 W 7th St Ste 200		Fort Worth	TX	76102-3593	03/24/2023	04/04/2023 07:45:24	Your item was delivered to an individual at the address at 1:17 pm on April 3, 2023 in FORT WORTH, TX 76102.	D
Certified with Return Receipt (Signature)	9414811898765833005394		MONTICELLO INVESTMENTS LLC	6608 N Western Ave Unit 438		Oklahoma City	OK	73116-7326	03/24/2023	03/29/2023 00:44:36	Your item was delivered to an individual at the address at 10:00 am on March 28, 2023 in OKLAHOMA CITY, OK 73116.	D
Certified with Return Receipt (Signature)	9414811898765833005349		FEATHERSTONE DEVELOPMENT CORPORATION	PO Box 429		Roswell	NM	88202-0429	03/24/2023	03/29/2023 00:44:37	Your item was picked up at the post office at 10:48 am on March 28, 2023 in ROSWELL, NM 88201.	D
Certified with Return Receipt (Signature)	9414811898765833005332		TAP ROCK MINERALS LP	523 Park Point Dr Ste 200		Golden	CO	80401-9387	03/24/2023	03/29/2023 00:44:37	Your item was delivered to the front desk, reception area, or mail room at 11:23 am on March 28, 2023 in GOLDEN, CO 80401.	D
Certified with Return Receipt (Signature)	9414811898765833005370		OFFICE OF NATURAL RESOURCES REVENUE	PO Box 25627		Denver	CO	80225-0627	03/24/2023	03/28/2023 01:47:16	Your item was picked up at a postal facility at 9:05 am on March 27, 2023 in DENVER, CO 80225.	D
Certified with Return Receipt (Signature)	9414811898765833005059		DIANA P HAMMONDS	108 Sharlotte Dr		New Boston	TX	75570-3610	03/24/2023	03/29/2023 00:44:36	Your item was delivered to an individual at the address at 1:33 pm on March 28, 2023 in NEW BOSTON, TX 75570.	D
Certified with Return Receipt (Signature)	9414811898765833005066		NANCY BETH PARKS	9241 Elm Tree Cir		Tyler	TX	75703-7624	03/24/2023		Your item arrived at our PHOENIX AZ DISTRIBUTION CENTER ANNEX origin facility on May 4, 2023 at 9:06 pm. The item is currently in transit to the destination.	I
Certified with Return Receipt (Signature)	9414811898765833005028		ENERGY RESOURCES LLC	PO Box 711		Yankton	SD	57078-0711	03/24/2023		Your item was refused by the addressee at 9:33 am on March 28, 2023 in YANKTON, SD 57078 and is being returned to the sender.	I
Certified with Return Receipt (Signature)	9414811898765833005110		XTO HOLDINGS LLC	PO Box 840780		Dallas	TX	75284-0780	03/24/2023	03/31/2023 07:46:43	Your item has been delivered and is available at a PO Box at 6:54 pm on March 30, 2023 in DALLAS, TX 75260.	D
Certified with Return Receipt (Signature)	9414811898765833005004		ENERGY RESOURCE-GROUP ONE INC	PO Box 711		Yankton	SD	57078-0711	03/24/2023		Your item was refused by the addressee at 9:33 am on March 28, 2023 in YANKTON, SD 57078 and is being returned to the sender.	I
Certified with Return Receipt (Signature)	9414811898765833005127		TAP ROCK RESOURCES LLC	523 Park Point Dr Ste 200		Golden	CO	80401-9387	03/24/2023	03/28/2023 01:47:14	Your item has been delivered to an agent for final delivery in GOLDEN, CO 80401 on March 27, 2023 at 12:46 pm.	D
Certified with Return Receipt (Signature)	9414811898765833005103		DURANGO PRODUCTION CORP	PO Box 4848		Wichita Falls	TX	76308-0848	03/24/2023	04/05/2023 12:45:11	Your item was picked up at the post office at 9:21 am on April 4, 2023 in WICHITA FALLS, TX 76308.	D
Certified with Return Receipt (Signature)	9414811898765833005196		EOG RESOURCES INC	PO Box 840321		Dallas	TX	75284-0321	03/24/2023	03/31/2023 07:46:43	Your item has been delivered and is available at a PO Box at 6:54 pm on March 30, 2023 in DALLAS, TX 75260.	D
Certified with Return Receipt (Signature)	9414811898765833005141		MARK L SHIDLER INC	1313 Campbell Rd Bldg D		Houston	TX	77055-6458	03/24/2023	04/04/2023 07:45:25	Your item was delivered to an individual at the address at 12:35 pm on April 3, 2023 in HOUSTON, TX 77055.	D
Certified with Return Receipt (Signature)	9414811898765833005189		BLACK MAGIC No 2 LLC	1720 S Bellaire St Ste 1209		Denver	CO	80222-4336	03/24/2023	03/28/2023 01:47:18	Your item was delivered to the front desk, reception area, or mail room at 3:29 pm on March 27, 2023 in DENVER, CO 80222.	D
Certified with Return Receipt (Signature)	9414811898765833005134		ELK RANGE ROYALTIES LP	2110 Farrington St		Dallas	TX	75207-6502	03/24/2023		Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.	I
Certified with Return Receipt (Signature)	9414811898765833005172	Attn Ronald D Shrader	SHRADER ENTERPRISES LP	3349 S Saint Paul Ave		Wichita	KS	67217-1628	03/24/2023	03/29/2023 00:44:38	Your item was delivered to an individual at the address at 9:18 am on March 28, 2023 in WICHITA, KS 67217.	D

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0005642881

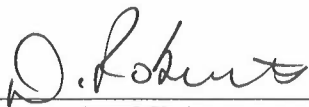
This is not an invoice

TAP ROCK OPERATING, LLC
523 PARK POINT DRIVE STE 200

GOLDEN, CO 80401

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

03/28/2023

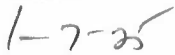


Legal Clerk

Subscribed and sworn before me this March 28, 2023:



State of WI, County of Brown
NOTARY PUBLIC



My commission expires

To all interested parties subject to notice including: Oxy Y-1 Company; XTO Holdings LLC; EOG Resources Inc; Mark L. Shidler Inc; Black Magic #2 LLC; Elk Range Royalty Enterprises LP; Janet J Tidwell; Billye N Coey; Vortex Oil & Gas LLC; Monticello Investment Development Corporation; Tap Rock Minerals LP; Office Of Natural Resources and P Hammonds; Nancy Beth Parks; Energy Resources LLC; Energy Resource-Group One Inc. cessors or assigns. On March 22, 2023, Tap Rock Operating, LLC ("Tap Rock") (OGRID No. 37) filed this application requesting administrative approval for off-lease measurement of oil and gas from the following wells located in the S/2 of Sections 13 and 14, Township 25 South, Range 25 East, New Mexico (the "Wells") and producing from the Purple Sage; Wolfcamp pool (Pool Cod Rock also requests approval for off-lease measurement of oil and gas for any additional it produce from the same pool underlying this acreage.

API	Well Name	Well Number	OCD Unit Letter	Section	Township
30-015-53320	COLD SNACK FED COM	#213H	L	14	25S
30-015-53321	COLD SNACK FED COM	#214H	L	14	25S
30-015-53324	COLD SNACK FED COM	#233H	L	14	25S
30-015-53325	COLD SNACK FED COM	#234H	L	14	25S

Any objection to this application must be filed in writing within twenty days from the date of publication with the applicant and the New Mexico Oil Conservation Division located at 1220 South St. Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, the application may be approved administratively by the Division. If you have any questions about this application, please contact Jeff Trlica at (720) 772-5910.

#5642881, Current Argus, March 28, 2023

KATHLEEN ALLEN
Notary Public
State of Wisconsin

Ad # 0005642881

PO #:

of Affidavits 1

This is not an invoice

From: [Michael Rodriguez](#)
To: [McClure, Dean, EMNRD](#)
Subject: RE: [EXTERNAL] Action ID: 372043; OLM-271
Date: Tuesday, September 12, 2023 3:56:41 PM
Attachments: [image001.png](#)

Thanks for pointing that out, Dean. I mailed a packet containing a notice letter and a copy of the application to the BLM field office in Carlsbad by certified mail, return receipt requested, which should be delivered by the end of the week. The address details and a link to the USPS tracking information is below:

Address: Bureau of Land Management
620 E Greene St.
Carlsbad, NM 88220

tracking #: 9589071052700178215159

-
Tracking link: https://tools.usps.com/go/TrackConfirmAction?qt_c_tLabels1=9589071052700178215159

Please let me know if there is anything else I can address.

Thank you,
Michael

From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Sent: Friday, September 8, 2023 8:50 AM
To: Michael Rodriguez <mdrodriguez@taprk.com>
Subject: RE: [EXTERNAL] Action ID: 372043; OLM-271

[EXTERNAL] This email originated from outside your organization. Do not trust links or attachments.

Hello Michael,

Please note that the NMAC is quite clear regarding notice to the BLM and/or the SLO for these applications. I'm unsure if perhaps the BLM does not require OLM approval in these circumstances, but they will need to be notified of the application submitted to the Division regardless. The application packet will either need to be mailed to them via certified mail or Tap Rock may provide notice to them via the submittal of a sundry and then the print off of which from the BLM system may be provided.

19.15.23.9 OFF-LEASE TRANSPORTATION OR STORAGE PRIOR TO MEASUREMENT:

A. The division may grant exceptions to the requirements of Subsection B of 19.15.12.9 NMAC administratively, without hearing, to permit production from one lease to be transported prior to measurement to

another lease for storage on that lease when:

- (1) the operator files an application for off-lease transportation or storage prior to measurement on form C-107-B with the division's Santa Fe office and sends one copy to the appropriate division district office;
- (2) the production is from the same common source of supply;
- (3) commingling of production from different leases will not result;
- (4) there will be no intercommunication of the handling, separating, treating or storage facilities designated to each lease;
- (5) parties owning working interests in the production to be transported off lease prior to measurement have been notified of the application in accordance with 19.15.4.12 NMAC and have consented in writing, or the applicant furnishes proof that the parties were notified by registered or certified mail of its intent to transport the production from one lease to another lease for storage prior to measurement, and after a period of 20 days following receipt of the application, no party has filed objection to the application with the division; and
- (6) if state, federal or tribal lands are involved, the operator has notified the state land office or the BLM, as applicable.

B. The division may set for hearing an application for approval of off-lease transportation or storage prior to measurement, in which event notice of hearing shall be given, pursuant to 19.15.4.12 NMAC, to owners of working interests in the production to be transported off lease prior to measurement, and to such other owners as the division may direct.

Dean McClure

Petroleum Engineer, Oil Conservation Division

New Mexico Energy, Minerals and Natural Resources Department

(505) 469-8211

From: Michael Rodriguez <mdrodriguez@taprk.com>

Sent: Thursday, September 7, 2023 11:11 AM

To: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>

Subject: RE: [EXTERNAL] Action ID: 372043; OLM-271

Hi Dean, attached is a tract map and two facility diagrams for your review. Likewise, I attached the Federal Serial Registration Page for Fed Lease NMNM105316712 demonstrating that this lease covers all of Section 14 where the wells and measurement facilities described in the application are located. Therefore, no notice of this application is required to the BLM.

Please let me know if there is anything else I can address.

Thank you,

Michael Rodriguez

Staff Attorney

(720) 245-2606

mdrodriguez@taprk.com



From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>

Sent: Sunday, September 3, 2023 3:09 PM

To: Michael Rodriguez <mdrodriguez@taprk.com>

Subject: [EXTERNAL] Action ID: 372043; OLM-271

[EXTERNAL] This email originated from outside your organization. Do not trust links or attachments.

To whom it may concern (c/o Michael Rodriguez for Tap Rock Operating, LLC),

The Division is reviewing the following application:

Action ID	199919
Admin No.	OLM-271
Applicant	Tap Rock Operating, LLC (372043)
Title	Cold Snack CTB
Sub. Date	3/22/2023

Please provide the following additional supplemental documents:

- Please provide a facility diagram
- Please provide a lease map

Please provide additional information regarding the following:

- Please confirm the BLM has received notice of this application. Please note that the federal revenue office in Denver may not be noticed in lieu of the local regional BLM offices.

Additional notes:

-

All additional supplemental documents and information may be provided via email and should be done by replying to this email. The produced email chain will be uploaded to the file for this application.

Please note that failure to take steps to address each of the requests made in this email within 10 business days of receipt of this email may result in the Division rejecting the application requiring the submittal of a new application by the applicant once it is prepared to address each of the topics raised.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

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

**APPLICATION FOR OFF-LEASE MEASUREMENT
SUBMITTED BY TAP ROCK OPERATING, LLC**

ORDER NO. OLM-271

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. Tap Rock Operating, LLC ("Applicant") submitted a complete application to off-lease measure the oil and gas production ("Application") from the wells, pool, and lease identified in Exhibit A.
2. Applicant provided notice of the Application to all persons owning a working interest in the oil and gas production to be off-lease measured in accordance with 19.15.23.9(A)(5) NMAC, and those persons either submitted a written waiver or did not file an objection to the Application.
3. Applicant provided notice of the Application to the Bureau of Land Management or New Mexico State Land Office, as applicable.
4. Applicant stated that it sought authorization to off-lease measure oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.

CONCLUSIONS OF LAW

5. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, and 19.15.23 NMAC.
6. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC.
7. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A at a central tank battery described in Exhibit A.

2. The oil and gas production from the wells identified in Exhibit A shall be physically separated from the oil and gas production from other wells and no commingling of production from different leases shall occur in accordance with 19.15.23.9(A)(3) NMAC and 19.15.23.9(A)(4) NMAC, except as otherwise provided in order(s) issued by OCD.
3. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15 NMAC or 19.15.23.8 NMAC.
4. Applicant shall measure and market the commingled gas at a central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9 NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8(B) NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8(E) NMAC.
5. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
6. If a well is not included in Exhibit A but produces from a pool or lease identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring oil or gas production from it. The Form C-103 shall reference this Order and identify the well.
7. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



DYLAN M. FUGE
DIRECTOR

DATE: 9/21/2023

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **OLM-271**

Operator: **Tap Rock Operating, LLC (372043)**

Central Tank Battery: **Cold Snack Central Tank Battery**

Central Tank Battery Location: **UL E, Section 14, Township 25 South, Range 25 East**

Gas Title Transfer Meter Location: **UL E, Section 14, Township 25 South, Range 25 East**

Pools

Pool Name	Pool Code
PURPLE SAGE; WOLFCAMP (GAS)	98220

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Wolfcamp NMNM 105825841	S/2	13-25S-25E
	S/2	14-25S-25E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-53320	Cold Snack Federal Com #213H	S/2	13-25S-25E	98220
		S/2	14-25S-25E	
30-015-53321	Cold Snack Federal Com #214H	S/2	13-25S-25E	98220
		S/2	14-25S-25E	
30-015-53324	Cold Snack Federal Com #233H	S/2	13-25S-25E	98220
		S/2	14-25S-25E	
30-015-53325	Cold Snack Federal Com #234H	S/2	13-25S-25E	98220
		S/2	14-25S-25E	

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

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

CONDITIONS

Action 199919

CONDITIONS

Operator: TAP ROCK OPERATING, LLC 523 Park Point Drive Golden, CO 80401	OGRID: 372043
	Action Number: 199919
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	9/22/2023