

CASE NO. 21611

**APPLICATION OF TAP ROCK RESOURCES, LLC FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

EXHIBITS

- A. Application and Proposed Notice
- B. Landman's Affidavit
- C. Geologist's Affidavit
- D. Affidavit of Notice
- E. Affidavit of Publication
- F. Pooling Checklist

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

APPLICATION OF TAP ROCK RESOURCES,
LLC FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.

Case No. 21611

APPLICATION

Tap Rock Resources, LLC applies for an order pooling all uncommitted mineral interests in the Wolfcamp formation in a horizontal spacing unit underlying the W/2 of Section 9 and the W/2 of Section 16, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico, and in support thereof, states:

1. Applicant is a working interest owner in the W/2 of Section 9 and the W/2 of Section 16, and has the right to drill a well or wells thereon.

2. Applicant proposes to drill the following wells to a depth sufficient to test the Wolfcamp formation (Purple Sage; Wolfcamp (Gas) Pool):

(a) the Schlitz Fed. Com. Well No. 202H, with a first take point in the SE/4SW/4 of Section 16 and the last take point in the NE/4NW/4 of Section 9; and

(b) the Schlitz Fed. Com. Well No. 211H, with a first take point in the SW/4SW/4 of Section 16 and the last take point in the NW/4NW/4 of Section 9.

3. Applicant has in good faith sought to obtain voluntary joinder of all other mineral interest owners in the W/2 of Section 9 and the W/2 of Section 16 for the purposes set forth herein.

4. Although applicant attempted to obtain to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the wells or to otherwise commit their interests to the wells, certain interest owners have failed or refused to join in dedicating their

EXHIBIT

A

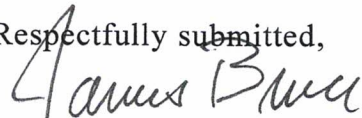
interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Wolfcamp formation underlying the W/2 of Section 9 and the W/2 of Section 16, pursuant to NMSA 1978 §70-2-17.

5. The pooling of mineral interests in the Wolfcamp formation underlying the well unit will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all uncommitted mineral interests in Wolfcamp formation underlying the W/2 of Section 9 and the W/2 of Section 16;
- B. Designating Tap Rock Operating, LLC as operator of the wells;
- C. Considering the cost of drilling, completing, and equipping the wells, and allocating the costs thereof among the wells' working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk assumed by applicant in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

jamesbruc@aol.com

Attorney for Tap Rock Resources, LLC

PROPOSED ADVERTISEMENT

Case No. _____:

Application of Tap Rock Resources, LLC for a compulsory pooling, Eddy County, New Mexico. Tap Rock Resources, LLC seeks an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2 of Section 9 and the W/2 of Section 16, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to the following wells:

- (a) the Schlitz Fed. Com. Well No. 202H, with a first take point in the SE/4SW/4 of Section 16 and the last take point in the NE/4NW/4 of Section 9; and
- (b) the Schlitz Fed. Com. Well No. 211H, with a first take point in the SW/4SW/4 of Section 16 and the last take point in the NW/4NW/4 of Section 9.

Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Tap Rock Operating, LLC as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells. The well unit is located approximately 5 miles southeast of Whites City, New Mexico.

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

APPLICATION OF TAP ROCK OPERATING, LLC
FOR A STANDARD HORIZONTAL SPACING
AND PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

Case No. 21611

AFFIDAVIT OF MATTHEW PHILLIPS

I, being duly sworn on oath, state the following:

1. I am over the age of eighteen years and have the capacity to execute this Affidavit, which is based on my personal knowledge.
2. I am employed as a Land Manager with Tap Rock Operating, LLC ("Tap Rock"), and I am familiar with the subject application and the lands involved.
3. This affidavit is submitted in connection with the filing by Tap Rock of the above-referenced compulsory pooling applications pursuant to 19.15.4.12.A(1) NMAC.
4. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
5. The purpose of this application is to force pool working interest owners into the horizontal spacing unit ("HSU") described below, and in the wells to be drilled in the units.
6. No opposition is expected. OXY USA, Inc. ("OXY"), OXY Y-1 Company ("OXY Y-1"), EOG Resources, Inc. ("EOG"), Murchison Oil & Gas, Inc. ("Murchison"), MEC Petroleum Corporation ("MEC"), Cimarex Energy Company ("Cimarex") and McCombs Energy, LLC ("McCombs") were contacted regarding the proposed well. Tap Rock continues to work toward a voluntary agreement with all parties.

B

7. Tap Rock seeks an order pooling all mineral interests in the Purple Sage; Wolfcamp Pool (Pool Code 98220) underlying the W/2 of Section 9 and W/2 Section 16, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico. The proposed 640-acre spacing unit will be dedicated to the Schlitz Fed Com #202H and Schlitz Fed Com #211H, as the defining wells (the “Wells”) for the HSU.

8. A proposed C-102 for each well is attached as **Exhibit 1**. The Wells will develop the Purple Sage; Wolfcamp Pool (Pool Code 98220), which is a gas pool.

9. The proposed surface hole, bottom hole, and first take point for each well can be found in the attached **Exhibit 1**. The proposed total vertical depth for each well can be found in the attached **Exhibit 5**.

10. A tract map containing the composition of the HSU is attached hereto as **Exhibit 2** and shows that the HSU is comprised of four fee tracts, two Federal tracts, and two State tracts. **Exhibit 2A** shows the tracts with mineral interest and **Exhibit 2B** shows the tracts taking contractual interest into consideration.

11. **Exhibit 3** is a Tract List based off of the contractual interest in the HSU.

12. The parties being pooled and the nature of their interest are found on the Unit Interest Breakdown on **Exhibit 4** attached hereto. **Exhibit 4** also includes information regarding working interest owners and overriding royalty interest owners.

13. There are no depth severances in the Wolfcamp formation in the proposed HSU.

14. I have conducted a diligent search of the public records in Eddy County, New Mexico, where the Wells will be located, and conducted phone directory and computer searches to obtain contact information for parties entitled to notification. I mailed all parties well proposals, including an Authorization for Expenditure (“AFE”).

15. **Exhibit 5** is a sample proposal letter and the AFE for each of the proposed Wells. The estimated cost of each of the Wells set forth in the AFE is fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.

16. Tap Rock has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed Wells. **Exhibit 6** is a summary of our communication with each of the parties that we seek to pool.

17. Tap Rock requests overhead and administrative rates of \$7000/month for drilling a well and \$700/month for a producing well. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of southeastern New Mexico. Tap Rock requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

18. Tap Rock requests the maximum cost, plus 200% risk charge be assessed against non-consenting working interest owners.

19. Tap Rock requests that it be designated operator of the Wells.

20. The Exhibits to this Affidavit were prepared by me, or compiled from Tap Rock's company business records.

21. The granting of this Application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

22. The foregoing is correct and complete to the best of my knowledge and belief.

FURTHER AFFIANT SAYETH NAUGHT

Matthew Phillips
Matthew Phillips

STATE OF COLORADO)
)ss
COUNTY OF JEFFERSON)

Subscribed to and sworn before me this 15 day of June, 2021.

RACHELLE REESE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20124064461
MY COMMISSION EXPIRES SEPTEMBER 28, 2024

Rachelle Reese
Notary Public

My Commission expires 9/28/2024.

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		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name SCHLITZ FED COM			⁶ Well Number 202H
⁷ OGRID No. 372043		⁸ Operator Name TAP ROCK OPERATING, LLC.			⁹ Elevation 3429'

¹⁰Surface Location

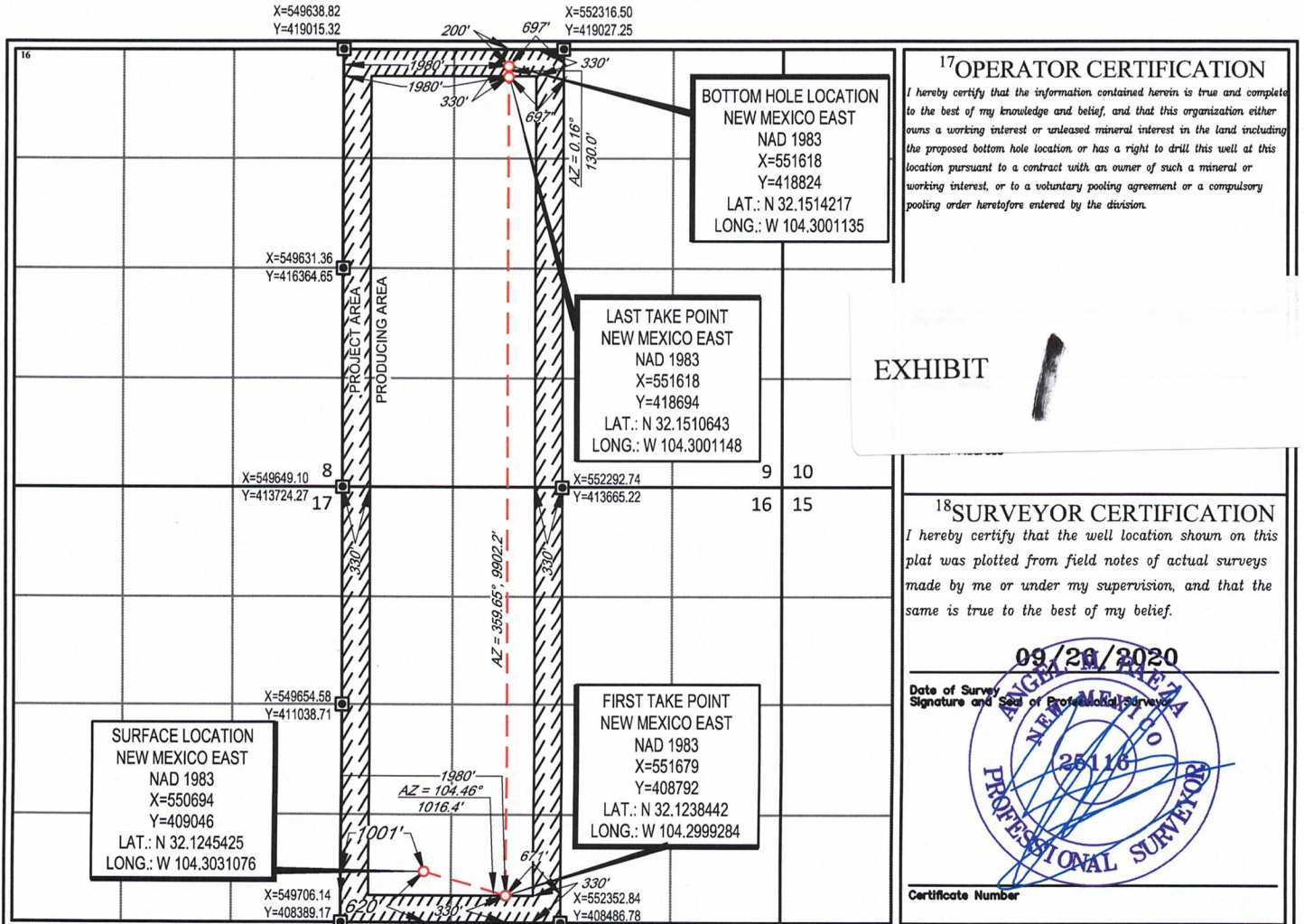
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	16	25-S	26-E	-	620'	SOUTH	1001'	WEST	EDDY

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
C	9	25-S	26-E	-	200'	NORTH	1980'	WEST	EDDY

¹² Dedicated Acres	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.



District I
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Phone: (575) 393-6161 Fax: (575) 393-0720
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name		
⁴ Property Code		⁵ Property Name SCHLITZ FED COM			⁶ Well Number 211H	
⁷ OGRID No. 372043		⁸ Operator Name TAP ROCK OPERATING, LLC.			⁹ Elevation 3429'	

¹⁰Surface Location

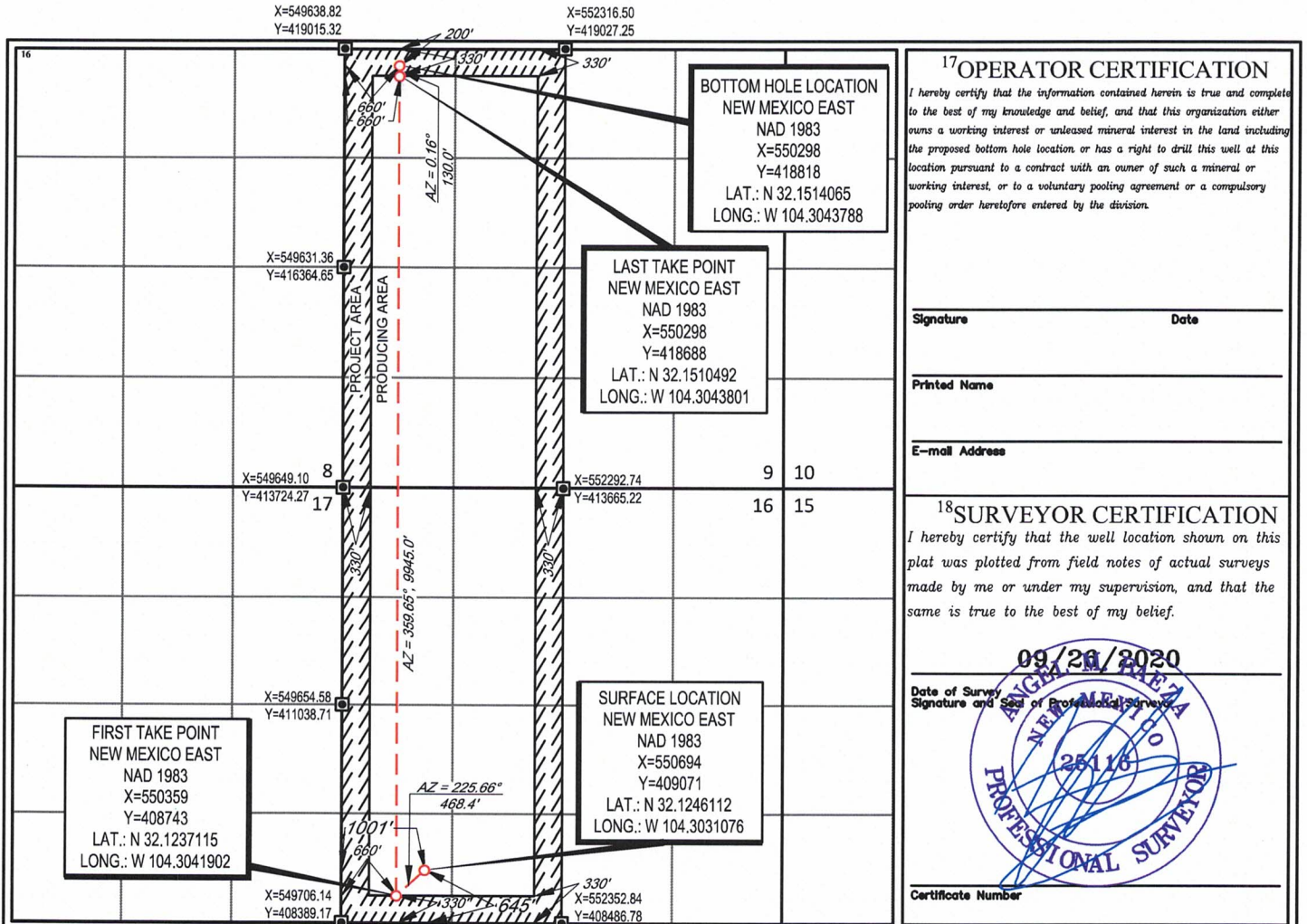
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	16	25-S	26-E	-	645'	SOUTH	1001'	WEST	EDDY

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
D	9	25-S	26-E	-	200'	NORTH	660'	WEST	EDDY

¹² Dedicated Acres	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.





Tract Map: Mineral Interest Ownership

W/2 Section 9 & W/2 Section 16 Township 25 South, Range 26 East Eddy County, New Mexico	
Tract One Fee	
Tract Three Fee	Tract Two Fee
Tract Four Fee	Tract Five NMNM 19836
	Tract Six NMNM 100324
Tract Seven St NM V0-5711	
Tract Eight St NM V0-5710	

W/2
Sec. 9

W/2
Sec. 16

Schlitz Fed Com #202H & #211H

Exhibit 2A
Case No. 21611



Tract List

Tract #	Legal	Mineral Ownership Type	Lease Number	Owners
1	W/2 Section 9, Township 25 South, Range 26 East, Eddy County, NM	NW/4, W/2SW/4 - Fee NE/4SW/4 - Federal SE/4SW/4 - Federal	NMNM 19836 NMNM 100324	Tap Rock Resources, LLC EOG Resources, Inc. OXY Y-1 Company OXY USA, Inc. Murchison Oil & Gas, LLC MEC Petroleum Corporation Cimarex Energy Company
2	W/2 Section 16, Township 25 South, Range 26 East, Eddy County, NM	NW/4 - State SW/4 - State	St NM V0-5711 St NM V0-5710	Tap Rock Resources, LLC EOG Resources, Inc. OXY Y-1 Company OXY USA, Inc.

*final interest subject to division order title verification

TAP ROCK OPERATING

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



September 28, 2020

Via Certified Mail; Return Receipt Requested
Address List Attached

EXHIBIT 

**Re: Schlitz Well Proposals
Section 9 and 16, Township 25 South, Range 26 East
Eddy County, New Mexico (the "Wells")**

Dear Working Interest Owner:

Tap Rock Operating, LLC (TRO), as Operator, hereby proposes to drill the following Wells by pad drilling to prevent waste and protect correlative rights. Accordingly, enclosed are AFEs dated September 28, 2020 for the following:

Well Name	Surface Hole Location (SHL)	Bottom Hole Location (BHL)	Formation	TVD (Feet)	MD (Feet)
Schlitz Fed Com #204H	SE/4SE/4 Sec. 16, T25S, R26E	200' FNL & 660' FEL Sec. 9, T25S, R26E	Wolfcamp A	8,570'	18,770'
Schlitz Fed Com #213H	SE/4SE/4 Sec. 16, T25S, R26E	200' FNL & 1980' FEL Sec. 9, T25S, R26E	Wolfcamp A	8,745'	18,945'
Schlitz Fed Com #202H	SW/4SW/4 Sec. 16, T25S, R26E	200' FNL & 1980' FWL Sec. 9, T25S, R26E	Wolfcamp A	8,570'	18,770'
Schlitz Fed Com #211H	SW/4SW/4 Sec. 16, T25S, R26E	200' FNL & 660' FWL Sec. 9, T25S, R26E	Wolfcamp A	8,745'	18,945'

The proposed locations and drilling plans described above are subject to change depending on surface or subsurface issues that may be encountered. TRO will advise you of any such modifications. A separate AFE for facility costs is forthcoming. Your election to participate in the drilling and completion of the proposed wells will also be considered an election to participate in the construction of the production facility.

In the event you elect to participate in the proposed Wells, please execute the enclosed AFEs and return to me within 30 days. TRO is proposing to drill these wells under the terms of the AAPL Form 610-1989 Operating Agreement which will be provided after an election to participate is received. This Operating Agreement will be limited to the Wolfcamp formation and cover Section 9 (All) and Section 16 (All), Township 25 South, Range 26 East, Eddy County, New Mexico.

If you do not wish to participate in the Operation, TRO would like to offer the following terms:

- 3 year primary term, Term Assignment
- Royalty equal to the difference between existing burdens and 20%

TAP ROCK OPERATING

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



- \$1,000 per net acre bonus consideration

The Term Assignment offer is subject to the approval of TRO's board and verification of title.

Additionally, TRO is open to discuss possible trades or other deal structures related to your interest in the proposed Wells. If an agreement cannot be reached within 30 days of the date of this letter, TRO will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed Wells to allow TRO to move forward with planning and drilling the Wells.

Should you have any questions regarding the above, please contact the undersigned.

Sincerely,

TAP ROCK OPERATING, LLC

Matthew C. Phillips
Senior Landman
Office: 720-459-3724
mphillips@taprk.com

TAP ROCK OPERATING, LLC
 523 Park Point Dr, Ste. 200, Golden, Colorado 80401
 Authorization For Expenditure

Name: Schlitz Fed Com #202H
 AFE #: 0
 County: Eddy
 State: NM

Date: October 6, 2020
 MD/TVD: 18770 / 8570
 Lateral Length: 9750
 Geologic Target: Wolfcamp A

Well Description: Drill, complete, and equip a horizontal Wolfcamp A well with a 9750 foot lateral.

INTANGIBLE DRILLING COSTS			INTANGIBLE COMPLETION COSTS			INTANGIBLE PRODUCTION COSTS		
COST CODES	DESCRIPTION	AMOUNT	COST CODES	DESCRIPTION	AMOUNT	COST CODES	DESCRIPTION	AMOUNT
1 1	Land - Legal	10,000	2 1	Land - Legal		3 1	Land - Legal	
1 2	Land - Regulatory	5,000	2 2	Land - Regulatory		3 2	Land - Regulatory	
1 3	Land - Surface Damages	20,000	2 3	Land - Surface Damages		3 3	Land - Surface Damages	
1 4	Land - Survey	10,000	2 4	Land - Survey		3 4	Land - Survey	
1 5	Location/Pit Construction	140,000	2 5	Location/Pit Construction		3 5	Location/Pit Construction	5,000
1 6	Remedial Dirtwork	0	2 6	Remedial Dirtwork		3 6	Remedial Dirtwork	
1 7	Reserve/Frac Pit Closing	0	2 7	Reserve/Frac Pit Closing		3 7	Reserve/Frac Pit Closing	
1 8	Drilling - Contractor	316,040	2 8	Drilling - Contractor		3 8	Drilling - Contractor	
1 9	Mob/Rig Up - Contractor/Trucking	123,250	2 9	Mob/Rig Up - Contractor/Trucking		3 9	Mob/Rig Up - Contractor/Trucking	
1 10	Cementing Services	0	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	0	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	0	2 12	Bits/Drill Out Assemblies	38,714	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	54,889	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	321,750	2 14	Fluids/Chemicals	34,000	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	263,250	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	97,500	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	88,825	2 17	Fuel/Power	282,100	3 17	Fuel/Power	
1 18	Water	0	2 18	Water	474,300	3 18	Water	
1 19	Directional Drilling	134,032	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	10,094	2 20	Mud Logging		3 20	Mud Logging	
1 21	Open/Cased/Production Hole Logs	0	2 21	Open/Cased/Production Hole Logs	8,440	3 21	Open/Cased/Production Hole Logs	
1 22	Coring	0	2 22	Coring		3 22	Coring	
1 23	Geologic Supervision	0	2 23	Geologic Supervision		3 23	Geologic Supervision	
1 24	Engineering Supervision	0	2 24	Engineering Supervision		3 24	Engineering Supervision	
1 25	Consultant Supervision	79,942	2 25	Consultant Supervision	75,600	3 25	Consultant Supervision	22,500
1 26	Freight/Transportation	20,000	2 26	Freight/Transportation	2,000	3 26	Freight/Transportation	10,000
1 27	Labor	0	2 27	Labor	12,970	3 27	Labor	85,000
1 28	Supplies - Surface	2,500	2 28	Supplies - Surface	2,000	3 28	Supplies - Surface	
1 29	Supplies - Living Quarters	1,000	2 29	Supplies - Living Quarters	2,000	3 29	Supplies - Living Quarters	
1 30	Rentals - Surface	34,465	2 30	Rentals - Surface	18,840	3 30	Rentals - Surface	
1 31	Rentals - Living Quarters	20,430	2 31	Rentals - Living Quarters	14,080	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	0	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	0	2 33	Rentals - Pipe & Handling Tools	0	3 33	Rentals - Pipe & Handling Tools	
1 34	Rentals - Frac Stack		2 34	Rentals - Frac Stack	87,541	3 34	Rentals - Frac Stack	
1 35	Rentals - Frac Tanks		2 35	Rentals - Frac Tanks	29,120	3 35	Rentals - Frac Tanks	
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	89,472	3 36	Coil Tubing Unit/Workover Rig	83,400
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	223,531	3 37	Wireline/Slickline/Perforating	
1 38	Temporary Packers/Plugs		2 38	Temporary Packers/Plugs	39,200	3 38	Temporary Packers/Plugs	
1 39	High Pressure Pump Truck		2 39	High Pressure Pump Truck	52,470	3 39	High Pressure Pump Truck	
1 40	Stimulation		2 40	Stimulation	1,799,818	3 40	Stimulation	
1 41	Rentals - Pressure Control		2 41	Rentals - Pressure Control		3 41	Rentals - Pressure Control	
1 42	Flowback Services		2 42	Flowback Services	46,715	3 42	Flowback Services	52,500
1 43	Water Transfer Services		2 43	Water Transfer Services	71,550	3 43	Water Transfer Services	
1 44	Flowback Water Trucking & Disposal		2 44	Flowback Water Trucking & Disposal	11,852	3 44	Flowback Water Trucking & Disposal	30,002
1 45	Permanent Equipment Installation		2 45	Permanent Equipment Installation		3 45	Permanent Equipment Installation	
1 46	Pipeline Tapping Services		2 46	Pipeline Tapping Services		3 46	Pipeline Tapping Services	
1 47	Plugging & Abandonment	0	2 47	Plugging & Abandonment		3 47	Plugging & Abandonment	
1 53	Overhead	6,382	2 53	Overhead	15,825	3 53	Overhead	5,500
1 54	Insurance	33,786	2 54	Insurance		3 54	Insurance	
1 55	Contingency	89,657	2 55	Contingency	126,612	3 55	Contingency	21,140
TOTAL INTANGIBLE DRILLING COSTS: \$1,882,794			TOTAL INTANGIBLE COMPLETION COSTS: \$3,558,750			TOTAL INTANGIBLE PRODUCTION COSTS: \$315,042		

TANGIBLE DRILLING COSTS			TANGIBLE COMPLETION COSTS			TANGIBLE PRODUCTION COSTS		
COST CODES	DESCRIPTION	AMOUNT	COST CODES	DESCRIPTION	AMOUNT	COST CODES	DESCRIPTION	AMOUNT
4 60	Conductor Casing	0	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	75,352	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	62,525	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	241,897	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	348,683	5 64	Production Casing	0	6 64	Production Casing	
4 65	Tubing		5 65	Tubing		6 65	Tubing	50,000
4 66	Wellhead	0	5 66	Wellhead	0	6 66	Wellhead	43,500
4 67	Permanent Packers/Hangers/Plugs		5 67	Permanent Packers/Hangers/Plugs		6 67	Permanent Packers/Hangers/Plugs	10,000
4 68	Tanks		5 68	Tanks		6 68	Tanks	
4 69	Production Vessels		5 69	Production Vessels		6 69	Production Vessels	107,000
4 70	Compressors		5 70	Compressors		6 70	Compressors	
4 71	Surface Flowlines		5 71	Surface Flowlines		6 71	Surface Flowlines	50,000
4 72	Gathering Lines		5 72	Gathering Lines		6 72	Gathering Lines	10,000
4 73	Valves & Controllers		5 73	Valves & Controllers		6 73	Valves & Controllers	
4 74	Artificial Lift Equipment		5 74	Artificial Lift Equipment		6 74	Artificial Lift Equipment	15,000
4 75	Instrumentation & Measurement		5 75	Instrumentation & Measurement		6 75	Instrumentation & Measurement	
4 76	Electrical Grounding/Safety Equipment		5 76	Electrical Grounding/Safety Equipment		6 76	Electrical Grounding/Safety Equipment	
4 77	Permanent Equipment Installation		5 77	Permanent Equipment Installation		6 77	Permanent Equipment Installation	
4 80	Other - Surface		5 80	Other - Surface		6 80	Other - Surface	
4 81	Other - Downhole		5 81	Other - Downhole		6 81	Other - Downhole	
TOTAL TANGIBLE DRILLING COSTS: \$678,456			TOTAL TANGIBLE COMPLETION COSTS: \$0			TOTAL TANGIBLE PRODUCTION COSTS: \$285,500		
TOTAL DRILLING COSTS: \$2,561,250			TOTAL COMPLETION COSTS: \$3,558,750			TOTAL PRODUCTION COSTS: \$600,542		
TOTAL WELL COST: \$6,720,542								

TAP ROCK RESOURCES COMPANY APPROVAL:

CEO _____ VP - EXPLORATION _____

CFO _____ VP - OPERATIONS _____

VP - LAND & LEGAL _____ SENIOR GEOLOGIST _____

NON OPERATING PARTNER APPROVAL:

COMPANY NAME: _____

SIGNED BY: _____ TITLE: _____

WORKING INTEREST (%): _____ DATE: _____

TAX ID: _____ APPROVAL: _____

AFE is an estimate only. By signing this AFE, you agree to pay your proportionate share of the actual costs.

TAP ROCK OPERATING, LLC
 523 Park Point Dr, Ste. 200, Golden, Colorado 80401
 Authorization For Expenditure

Name: Schlitz Fed Com #211H
 AFE #: 0
 County: Eddy
 State: NM

Date: October 6, 2020
 MD/TVD: 18945 / 8745
 Lateral Length: 9750
 Geologic Target: Wolfcamp A

Well Description: Drill, complete, and equip a horizontal Wolfcamp A well with a 9750 foot lateral.

INTANGIBLE DRILLING COSTS			INTANGIBLE COMPLETION COSTS			INTANGIBLE PRODUCTION COSTS		
COST CODES	DESCRIPTION	AMOUNT	COST CODES	DESCRIPTION	AMOUNT	COST CODES	DESCRIPTION	AMOUNT
1 1	Land - Legal	10,000	2 1	Land - Legal		3 1	Land - Legal	
1 2	Land - Regulatory	5,000	2 2	Land - Regulatory		3 2	Land - Regulatory	
1 3	Land - Surface Damages	20,000	2 3	Land - Surface Damages		3 3	Land - Surface Damages	
1 4	Land - Survey	10,000	2 4	Land - Survey		3 4	Land - Survey	
1 5	Location/Pit Construction	140,000	2 5	Location/Pit Construction		3 5	Location/Pit Construction	5,000
1 6	Remedial Dirtwork	0	2 6	Remedial Dirtwork		3 6	Remedial Dirtwork	
1 7	Reserve/Frac Pit Closing	0	2 7	Reserve/Frac Pit Closing		3 7	Reserve/Frac Pit Closing	
1 8	Drilling - Contractor	312,041	2 8	Drilling - Contractor		3 8	Drilling - Contractor	
1 9	Mob/Rig Up - Contractor/Trucking	123,250	2 9	Mob/Rig Up - Contractor/Trucking		3 9	Mob/Rig Up - Contractor/Trucking	
1 10	Cementing Services	0	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	0	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	0	2 12	Bits/Drill Out Assemblies	38,714	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	54,206	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	321,750	2 14	Fluids/Chemicals	34,000	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	263,250	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	97,500	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	88,030	2 17	Fuel/Power	282,100	3 17	Fuel/Power	
1 18	Water	0	2 18	Water	474,300	3 18	Water	
1 19	Directional Drilling	132,363	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	9,888	2 20	Mud Logging		3 20	Mud Logging	
1 21	Open/Cased/Production Hole Logs	0	2 21	Open/Cased/Production Hole Logs	8,440	3 21	Open/Cased/Production Hole Logs	
1 22	Coring	0	2 22	Coring		3 22	Coring	
1 23	Geologic Supervision	0	2 23	Geologic Supervision		3 23	Geologic Supervision	
1 24	Engineering Supervision	0	2 24	Engineering Supervision		3 24	Engineering Supervision	
1 25	Consultant Supervision	79,227	2 25	Consultant Supervision	75,600	3 25	Consultant Supervision	22,500
1 26	Freight/Transportation	20,000	2 26	Freight/Transportation	2,000	3 26	Freight/Transportation	10,000
1 27	Labor	0	2 27	Labor	12,970	3 27	Labor	85,000
1 28	Supplies - Surface	2,500	2 28	Supplies - Surface	2,000	3 28	Supplies - Surface	
1 29	Supplies - Living Quarters	1,000	2 29	Supplies - Living Quarters	2,000	3 29	Supplies - Living Quarters	
1 30	Rentals - Surface	34,036	2 30	Rentals - Surface	18,840	3 30	Rentals - Surface	
1 31	Rentals - Living Quarters	20,247	2 31	Rentals - Living Quarters	14,080	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	0	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	0	2 33	Rentals - Pipe & Handling Tools	0	3 33	Rentals - Pipe & Handling Tools	
1 34	Rentals - Frac Stack		2 34	Rentals - Frac Stack	87,541	3 34	Rentals - Frac Stack	
1 35	Rentals - Frac Tanks		2 35	Rentals - Frac Tanks	29,120	3 35	Rentals - Frac Tanks	
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	89,472	3 36	Coil Tubing Unit/Workover Rig	83,400
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	223,531	3 37	Wireline/Slickline/Perforating	
1 38	Temporary Packers/Plugs		2 38	Temporary Packers/Plugs	39,200	3 38	Temporary Packers/Plugs	
1 39	High Pressure Pump Truck		2 39	High Pressure Pump Truck	52,470	3 39	High Pressure Pump Truck	
1 40	Stimulation		2 40	Stimulation	1,799,818	3 40	Stimulation	
1 41	Rentals - Pressure Control		2 41	Rentals - Pressure Control		3 41	Rentals - Pressure Control	
1 42	Flowback Services		2 42	Flowback Services	46,715	3 42	Flowback Services	52,500
1 43	Water Transfer Services		2 43	Water Transfer Services	71,550	3 43	Water Transfer Services	
1 44	Flowback Water Trucking & Disposal		2 44	Flowback Water Trucking & Disposal	11,852	3 44	Flowback Water Trucking & Disposal	30,002
1 45	Permanent Equipment Installation		2 45	Permanent Equipment Installation		3 45	Permanent Equipment Installation	
1 46	Pipeline Tapping Services		2 46	Pipeline Tapping Services		3 46	Pipeline Tapping Services	
1 47	Plugging & Abandonment	0	2 47	Plugging & Abandonment		3 47	Plugging & Abandonment	
1 53	Overhead	6,303	2 53	Overhead	15,825	3 53	Overhead	5,500
1 54	Insurance	34,101	2 54	Insurance		3 54	Insurance	
1 55	Contingency	89,235	2 55	Contingency	126,612	3 55	Contingency	21,140
TOTAL INTANGIBLE DRILLING COSTS: \$1,873,925			TOTAL INTANGIBLE COMPLETION COSTS: \$3,558,750			TOTAL INTANGIBLE PRODUCTION COSTS: \$315,042		

TANGIBLE DRILLING COSTS			TANGIBLE COMPLETION COSTS			TANGIBLE PRODUCTION COSTS		
COST CODES	DESCRIPTION	AMOUNT	COST CODES	DESCRIPTION	AMOUNT	COST CODES	DESCRIPTION	AMOUNT
4 60	Conductor Casing	0	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	25,352	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	62,525	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	247,484	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	351,964	5 64	Production Casing	0	6 64	Production Casing	
4 65	Tubing		5 65	Tubing		6 65	Tubing	50,000
4 66	Wellhead	0	5 66	Wellhead	0	6 66	Wellhead	43,500
4 67	Permanent Packers/Hangers/Plugs		5 67	Permanent Packers/Hangers/Plugs		6 67	Permanent Packers/Hangers/Plugs	10,000
4 68	Tanks		5 68	Tanks		6 68	Tanks	
4 69	Production Vessels		5 69	Production Vessels		6 69	Production Vessels	107,000
4 70	Compressors		5 70	Compressors		6 70	Compressors	
4 71	Surface Flowlines		5 71	Surface Flowlines		6 71	Surface Flowlines	50,000
4 72	Gathering Lines		5 72	Gathering Lines		6 72	Gathering Lines	10,000
4 73	Valves & Controllers		5 73	Valves & Controllers		6 73	Valves & Controllers	
4 74	Artificial Lift Equipment		5 74	Artificial Lift Equipment		6 74	Artificial Lift Equipment	15,000
4 75	Instrumentation & Measurement		5 75	Instrumentation & Measurement		6 75	Instrumentation & Measurement	
4 76	Electrical Grounding/Safety Equipment		5 76	Electrical Grounding/Safety Equipment		6 76	Electrical Grounding/Safety Equipment	
4 77	Permanent Equipment Installation		5 77	Permanent Equipment Installation		6 77	Permanent Equipment Installation	
4 80	Other - Surface		5 80	Other - Surface		6 80	Other - Surface	
4 81	Other - Downhole		5 81	Other - Downhole		6 81	Other - Downhole	
TOTAL TANGIBLE DRILLING COSTS: \$687,325			TOTAL TANGIBLE COMPLETION COSTS: \$0			TOTAL TANGIBLE PRODUCTION COSTS: \$285,500		
TOTAL DRILLING COSTS: \$2,561,250			TOTAL COMPLETION COSTS: \$3,558,750			TOTAL PRODUCTION COSTS: \$600,542		
TOTAL WELL COST: \$6,720,542								

TAP ROCK RESOURCES COMPANY APPROVAL:

CEO _____ VP - EXPLORATION _____
 CFO _____ VP - OPERATIONS _____
 VP - LAND & LEGAL _____ SENIOR GEOLOGIST _____

NON OPERATING PARTNER APPROVAL:

COMPANY NAME: _____
 SIGNED BY: _____ TITLE: _____
 WORKING INTEREST (%): _____ DATE: _____
 TAX ID: _____ APPROVAL: _____

AFE is an estimate only. By signing this AFE, you agree to pay your proportionate share of the actual costs.

Summary of Communication



Party	Communication
EOG Resources, Inc.	9/28/20 - Sent well proposals 10/12/20 - EOG confirms receipt; proposes trade 10/21/20 - Tap Rock and EOG discuss potential trade via Microsoft Teams meeting; EOG is following up with management regarding structure 11/17/20 - Tap Rock follows up with EOG regarding the trade via email - no response 1/18/21 - Call with EOG regarding trade; awaiting confirmation of NRI and moving forward with discussions 4/21/21 - Tap Rock provides EOG with acreage numbers for trade proposal; follow up email sent 6/2 6/2/21 - EOG responds and says they will discuss and get back in touch
OXY Y-1 Company	9/28/20 - Sent well proposals 10/19/20 - OXY Y-1 forwards operations inquiries, asks for confirmation of working interest 10/29/20 - Tap Rock provides working interest and answers operations inquiries 1/11/21 - OXY provides requested revisions to JOA; Tap Rock reviewing
OXY USA, Inc.	9/28/20 - Sent well proposals 10/19/20 - OXY USA forwards operations inquiries, asks for confirmation of working interest 10/29/20 - Tap Rock provides working interest and answers operations inquiries 1/11/21 - OXY provides requested revisions to JOA; Tap Rock reviewing
Murchison Oil & Gas, LLC	9/28/20 - Sent well proposals 10/21/20 - Murchison confirms receipt of proposals, forwards operations inquiries and requests confirmation of working interest 10/27/20 - Tap Rock confirms working interest 11/3/20 - Tap Rock provides JOA form per Murchison's request 11/17/20 - Tap Rock answers operations inquiries 12/1/20 - Murchison requests delaying election until closer to actual spud date for wells, Tap Rock agrees to allow option to participate under JOA but notes that party will be pooled for protection 2/3/21 - Tap Rock provides updated spud dates upon request
MEC Petroleum Corporation	9/28/20 - Sent well proposals 10/5/20 - MEC confirms receipt of proposals; requests working interest confirmation 10/5/20 - Tap Rock confirms MEC working interest 10/20/20 - MEC requests delaying election until closer to actual spud date for wells, Tap Rock agrees to allow option to participate under JOA but notes that party will be pooled for protection 6/2/21 - MEC requests updated timing on spud/first production; Tap Rock provides
Cimarex Energy Company	10/21/20 - Sent well proposals 11/2/20 - Cimarex confirms receipt of proposals 11/3/20 - Phone conversation to discuss proposals - no further communication 12/30/20 - Tap Rock follows up with Cimarex after continuance filed; Cimarex responds with request for updating timing 1/18/21 - Cimarex asks Tap Rock for Term Assignment proposal 2/1/21 - Cimarex provides preferred terms for Term Assignment; Tap Rock currently evaluating

Exhibit 6
Case No. 21611

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

APPLICATION OF TAP ROCK OPERATING, LLC
FOR A STANDARD HORIZONTAL SPACING
AND PRORATION UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

Case No. 21611

AFFIDAVIT OF MATTHEW JONES

I, being duly sworn on oath, state the following:

1. I am over the age of 18, and I have personal knowledge of the matters stated herein.
2. I am employed as a petroleum geologist for Tap Rock Operating, LLC ("Tap Rock"), and I am familiar with the subject applications and the geology involved.
3. This affidavit is submitted in connection with the filing by Tap Rock of the above-referenced compulsory pooling applications pursuant to 19.15.4.12.A(1) NMAC.
4. I have not previously testified before the New Mexico Oil Conservation Division. I hold a bachelor's degree in Chemistry and a master's degree in Geology from New Mexico State University. Since 2009 I have been employed as a petroleum geologist for several large independent and small private oil and gas companies. Much of my professional work since 2015 has focused on the Delaware Basin of New Mexico and Texas.
5. **Exhibit 7** is a Project Locator Map depicting the location of the Horizontal Spacing Unit ("HSU") within the Delaware Basin. Within Section 9 and 16 of 25S 26E, are the Schlitz Fed Com #202H and #211H wells (the "Wells").
6. **Exhibit 8** is a Gun Barrel Diagram showing the planned Wolfcamp horizontal spacing for the Wells. This diagram shows the projected development of the two Wolfcamp Wells.



A nearby type log has been included (for log descriptions, see Exhibit 10 below) to show approximate depths and reservoir quality of the selected landing zones.

7. **Exhibit 9** is a Wolfcamp A Structure Map in subsea vertical depth. This map shows the location of the Schlitz Fed Com W/2 HSU outlined by the red box. The surface/bottom hole locations of the Well are shown, zoomed in, to the right. The contour intervals are 25 feet each. There is a monoclinial dip down to the southeast. The orientation of the Wells will each be approximately along strike. There are no other wells producing from this unit or this specific Wolfcamp interval. The vertical wells controlling the structure map have the sub-sea vertical depth posted in red. The subsequent cross-section from A-A' (**Exhibit 10**) is also identified to locate our closest control on the reservoir properties for the Wells. I do not observe any faulting, pinch-outs, or other geologic impediments or hazards to developing this targeted interval with a horizontal well.

8. **Exhibit 10** is a Wolfcamp Stratigraphic Cross Section flattened on the uppermost Wolfcamp surface. For each well, track 1 has a gamma ray log with interpreted color fill for lithology and scaled from 0 to 150 api units. For gamma ray, the blue colors indicate carbonate, yellow to orange are sandstone/siltstones, and the darker browns are shale facies. Track 2 has the deep resistivity log, scaled from 2 ohmm to 2000 ohmm. The red shading cutoff is at 10 ohmm or less to help identify the more siliciclastic rocks. Track 3 is the porosity track and contains the red neutron porosity curve and the blue density porosity curve, both scaled from 25% to 0%. The gray shading is separation of neutron and density porosity curves and typically interpreted as increasing clay content with increasing separation. The purple shading on the density porosity curve highlights anything greater than 8% porosity. This cutoff indicates the best rock properties for reservoir evaluation. The cross-section identifies the key tops used to evaluate reservoirs and

landing targets for the Well. Peach circles on the depth track of Well 3 show the landing target intervals for the Well.

9. **Exhibit 11** is an Isopach Map of the Gross Wolfcamp interval. This map shows the location of the Schlitz Fed Com W/2 HSU outlined by the red box. The surface/bottom hole locations of the Wells are shown, zoomed in, to the right. The anticipated gross thickness of the interval is 2,100'-2,165' throughout the HSU. The contour intervals are 25'. There are no horizontal wells that have targeted this Wolfcamp interval in the direct vicinity, and all the horizontals shown on the map are landed in different intervals of the Wolfcamp formation. The location of the previous cross-section from A-A' is also shown on this map.

10. Based on my geologic study of the area, I conclude the following:

- a. The horizontal spacing and proration unit is justified from a geologic standpoint.
- b. There are no structural impediments or faulting that will interfere with horizontal development.
- c. Each quarter section in the HSU will contribute more or less equally to production.
- d. The preferred well orientation in this area is south-north. This is because the inferred orientation of the maximum horizontal stress is roughly northwest-southeast.

11. **Exhibit 12** shows a Simplified Wellbore Diagram for each of the Wells in the HSU and demonstrate that the first and last take points for each well will be standard.

12. The Exhibits to this Affidavit were prepared by me, or compiled from Tap Rock's company business records.

13. The granting of this Application is in the interests of conservation and the prevention of waste.

14. The foregoing is correct and complete to the best of my knowledge and belief.

FURTHER AFFIANT SAYETH NAUGHT

Matthew Jones
MATTHEW JONES

STATE OF COLORADO)
)ss
COUNTY OF JEFFERSON)

Subscribed to and sworn before me this 15 day of June, 2021.

RACHELLE REESE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20124064461
MY COMMISSION EXPIRES SEPTEMBER 28, 2024

Rachelle Reese
Notary Public

My Commission expires 9/28/2024.

Project Locator Map - Schlitz

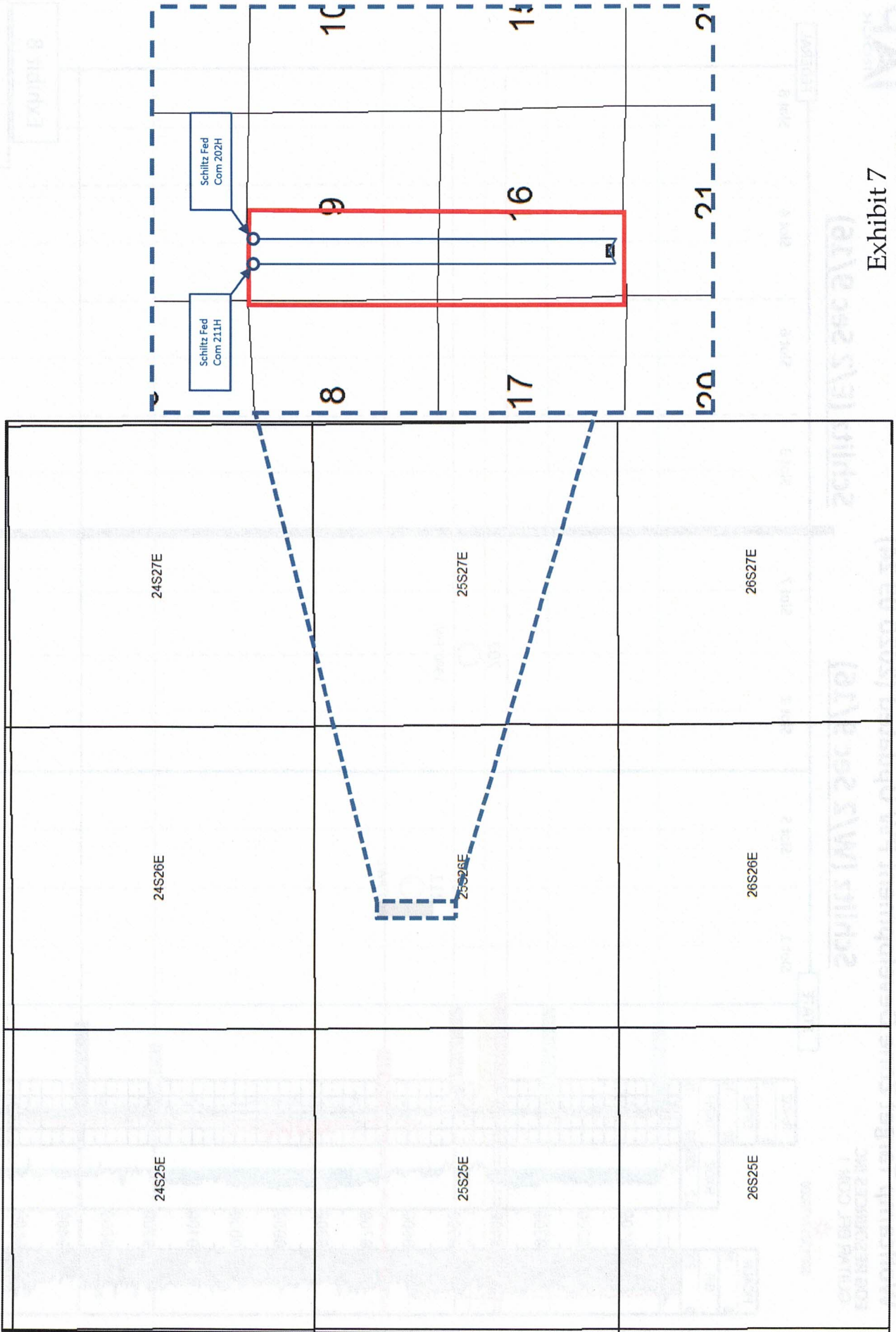


Exhibit 7
Case No. 21611

Schlitz Fed Com #202H & #211H



Top Wolfcamp [Subsea Structure Map; CI=25']

Map Legend

- SHL Tap Rock – Horizontal Locator
- BHL
- Horizontal Spacing Unit
- C.I. = 25'

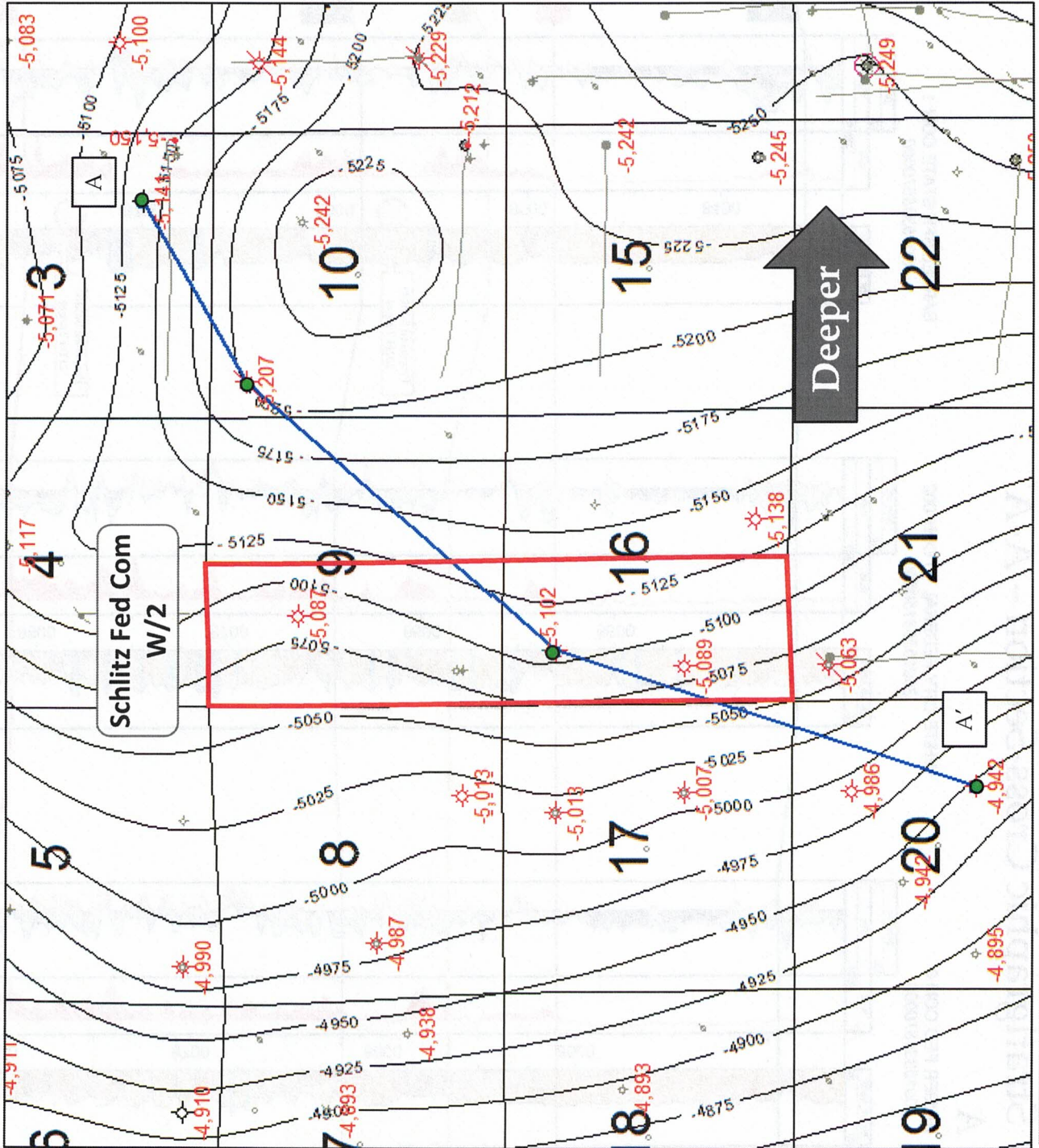
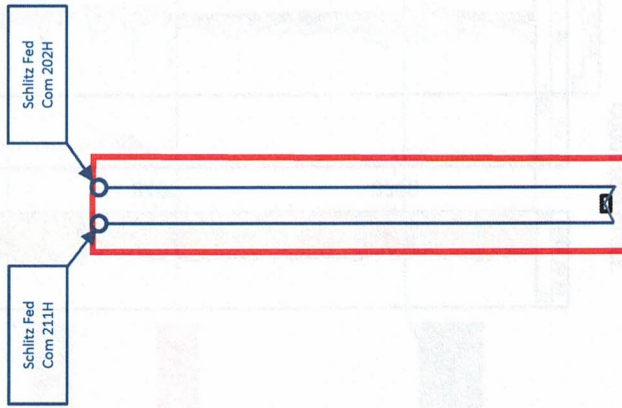


Exhibit 9
Case No. 21611

Schlitz Fed Com #202H & #211H

Slide 12

EL18 Check scale
Emily Lange, 12/11/2020



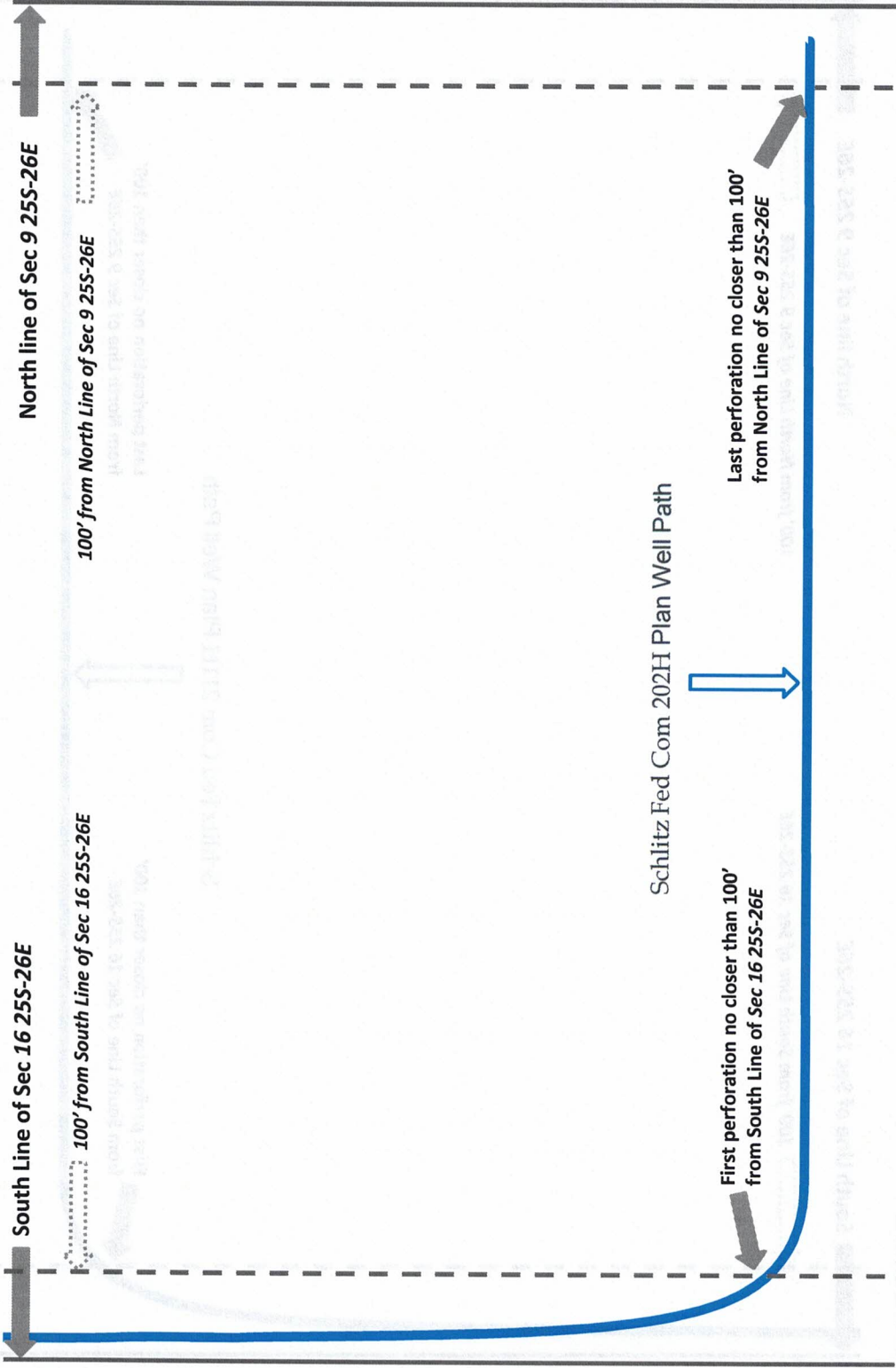
Check scale
Emily Lange, 12/11/2020

Schlitz Fed Com 202H (2 mile S-N Lateral)



SH: 620' FSL, 1001' FWL, Sec 16 25S-26E
BH: 200' FNL, 1980' FEL, Sec 9 25S-26E

**Diagram not to scale*



Schlitz Fed Com 202H Plan Well Path

Exhibit 12A

Case No. 21611

Schlitz Fed Com #202H & #211H

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

APPLICATIONS OF TAP ROCK RESOURCES,
LLC FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.

Case Nos. 21611 and 21612

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. Tap Rock Resources, LLC 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: 7/13/21

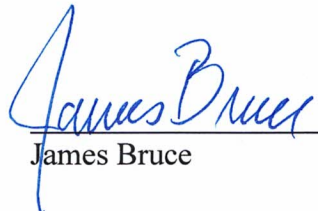

James Bruce

EXHIBIT **D**

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

ATTACHMENT

A

December 17, 2020

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of the following applications for compulsory pooling, filed with the New Mexico Oil Conservation Division by Tap Rock Resources, LLC:

1. Case No. 21611, regarding two Wolfcamp wells in the W/2 of Section 9 and the W/2 of Section 16;
2. Case No. 21612, regarding two Wolfcamp wells in the E/2 of Section 9 and the E/2 of Section 16;
3. Case No. 21613, regarding two Wolfcamp wells in the W/2 of Section 8 and the W/2 of Section 17; and
4. Case No. 21614, regarding two Wolfcamp wells in the E/2 of Section 8 and the E/2 of Section 17,

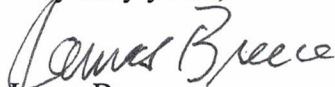
All in Township 25 South, Range 26 East, N.M.P.M., Eddy County, New Mexico.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, January 7, 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 applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters 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, December 31, 2020. This statement may be filed online with the Division at ocd.hearings@state.nm.us, 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

EXHIBIT A

OXY USA Inc.
OXY Y-1 Company
5 Greenway Plaza, Ste. 110
Houston, TX 77046

EOG Resources, Inc.
5509 Champions Dr.
Midland, TX 79706

Murchison Oil & Gas, Inc.
Legacy Tower One
7250 Dallas Parkway, Ste. 1400
Plano, TX 75024

MEC Petroleum Corp.
414 W. Texas Ave.
Midland, TX 79701

McCombs Energy, LLC
5599 San Felipe, Ste. 1200
Houston, TX 77056

OFFICIAL USE

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

Official Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$

Return Receipt (electronic) \$

Certified Mail Restricted Delivery \$

Adult Signature Required \$

Adult Signature Restricted Delivery \$

Postage \$

Total Postage and Fees \$

OXY USA Inc.
OXY Y-1 Company
5 Greenway Plaza, Ste. 110
Houston, TX 77046

Sent To _____
Street and Apt. No., or _____
City, State, ZIP+4® _____

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7020 0640 0000 1385 5340

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

B. Received by (Printed Name) _____ C. Date of Delivery _____

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below: _____

3. Service Type Priority Mail Express® Registered Mail™ Adult Signature Restricted Delivery Return Receipt for Merchandise Signature Confirmation™ Certified Mail Restricted Delivery Collect on Delivery Restricted Delivery (over \$500)

TRA 5/06

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

1. Article Addressed to:

MEC Petroleum Corp.
414 W. Texas Ave.
Midland, TX 79701

9590 9402 5941 0062 9688 13

7020 0640 0000 1385 5340 (over \$500)

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

B. Received by (Printed Name) _____ C. Date of Delivery _____

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below: _____

3. Service Type Priority Mail Express® Registered Mail™ Adult Signature Restricted Delivery Return Receipt for Merchandise Signature Confirmation™ Certified Mail Restricted Delivery Collect on Delivery Restricted Delivery (over \$500)

TRA 5/06

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

1. Article Addressed to:

OXY USA Inc.
OXY Y-1 Company
5 Greenway Plaza, Ste. 110
Houston, TX 77046

9590 9402 5941 0062 9687 76

7020 0640 0000 1385 5340 (over \$500)

PS Form 3811, July 2015 PSN 7530-02-000-9053

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT
Domestic Mail Only

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

OFFICIAL USE

Official Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$

Return Receipt (electronic) \$

Certified Mail Restricted Delivery \$

Adult Signature Required \$

Adult Signature Restricted Delivery \$

Postage \$

Total Postage and Fees \$

MEC Petroleum Corp.
414 W. Texas Ave.
Midland, TX 79701

Sent To _____
Street and Apt. No., _____
City, State, ZIP+4® _____

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7020 0640 0000 1385 5333

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

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

OFFICIAL USE

Certified Mail Fee \$	Postmark Here
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy) \$	
<input type="checkbox"/> Return Receipt (electronic) \$	
<input type="checkbox"/> Certified Mail Restricted Delivery \$	
<input type="checkbox"/> Adult Signature Required \$	
<input type="checkbox"/> Adult Signature Restricted Delivery \$	
Postage \$	
Total Postage and Fees \$	
Sent To	Murchison Oil & Gas, Inc.
Street and Apt. No., or P.O. Box No.	Legacy Tower One 7250 Dallas Parkway, Ste. 1400 Plano, TX 75024
City, State, ZIP+4®	

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7020 0640 0000 1385 5326

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

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

OFFICIAL USE

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<input type="checkbox"/> Return Receipt (hardcopy) \$	
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<input type="checkbox"/> Certified Mail Restricted Delivery \$	
<input type="checkbox"/> Adult Signature Required \$	
<input type="checkbox"/> Adult Signature Restricted Delivery \$	
Postage \$	
Total Postage and Fees \$	
Sent To	EOG Resources, Inc.
Street and Apt. No., or P.O. Box No.	5509 Champions Dr. Midland, TX 79706
City, State, ZIP+4®	

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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

December 17, 2020

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of the following applications for compulsory pooling, filed with the New Mexico Oil Conservation Division by Tap Rock Resources, LLC:

1. Case No. 21611, regarding two Wolfcamp wells in the W/2 of Section 9 and the W/2 of Section 16;
2. Case No. 21612, regarding two Wolfcamp wells in the E/2 of Section 9 and the E/2 of Section 16,

All in Township 25 South, Range 26 East, N.M.P.M., Eddy County, New Mexico.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, January 7, 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 applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters 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, December 31, 2020. This statement may be filed online with the Division at ocd.hearings@state.nm.us, 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

EXHIBIT A

Cimarex Energy Co.
Suite 600
600 North Marienfeld
Midland, Texas 79701

7020 0640 0000 1385 5364

U.S. Postal Service™
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Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____

Sent To **Cimarex Energy Co.**
 Suite 600
 Street and Apt. No., or P.O. **600 North Marienfeld**
 Midland, Texas 79701
 City, State, ZIP+4® _____

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

TR
 12-28-20

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1. Article Addressed to:

Cimarex Energy Co.
 Suite 600
 600 North Marienfeld
 Midland, Texas 79701

2. Article Number (over \$500)

7020 0640 0000 1385 5364

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Addressee

B. Received by (Printed Name) **Jamela Walden**

C. Date of Delivery **12-28-2020**

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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

January 11, 2021

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of the following applications for compulsory pooling, filed with the New Mexico Oil Conservation Division by Tap Rock Resources, LLC:

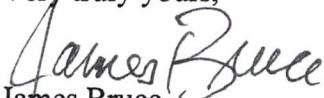
1. Case No. 21611, regarding two Wolfcamp wells in the W/2 of Section 9 and the W/2 of Section 16;
2. Case No. 21612, regarding two Wolfcamp wells in the E/2 of Section 9 and the E/2 of Section 16;
3. Case No. 21613, regarding two Wolfcamp wells in the W/2 of Section 8 and the W/2 of Section 17;
4. Case No. 21614, regarding two Wolfcamp wells in the E/2 of Section 8 and the E/2 of Section 17,

all in Township 25 South, Range 26 East, N.M.P.M., Eddy County, New Mexico.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, February 18, 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 applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters 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 11, 2021. This statement may be filed online with the Division at ocd.hearings@state.nm.us, 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

EXHIBIT A

McCombs Energy, LLC
Suite 403
750 East Mulberry Avenue
San Antonio, Texas 78212

TR 5/0E

U.S. Postal Service™
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<input type="checkbox"/> Return Receipt (hardcopy) \$	
<input type="checkbox"/> Return Receipt (electronic) \$	
<input type="checkbox"/> Certified Mail Restricted Delivery \$	
<input type="checkbox"/> Adult Signature Required \$	
<input type="checkbox"/> Adult Signature Restricted Delivery \$	
Postage \$	
Total Postage and Fees \$	
Sent To McCombs Energy, LLC Suite 403	
Street and Apt. No. 750 East Mulberry Avenue San Antonio, Texas 78212	
City, State, ZIP+4®	

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7020 0640 0000 1385 6675

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> 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. <p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 5px; margin: 10px auto; width: fit-content;"> McCombs Energy, LLC Suite 403 750 East Mulberry Avenue San Antonio, Texas 78212 </div> <p>2. Article Identification Number: 7020 0640 0000 1385 6675</p>	<p>A. Signature <i>X Sarah O'Shaughnessy</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) Sarah O'Shaughnessy</p> <p>C. Date of Delivery 1/25/21</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>3. Service Type</p> <input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Restricted Delivery <input type="checkbox"/> Signature Restricted Delivery (over \$500)	<input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery

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Affidavit of Publication

Ad # 0004525794

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JAMES BRUCE ATTORNEY AT LAW
POBOX 1056

SANTA FE, NM 87504

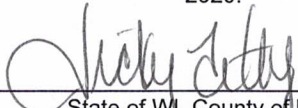
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements 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 on the date as follows, to wit:

12/25/2020



Legal Clerk

Subscribed and sworn before me this December 25, 2020:



State of WI, County of Brown
NOTARY PUBLIC

9.19.21

My commission expires

NOTICE

To: OXY USA Inc., OXY Y-1 Company, EOG Resources, Inc., Murchison Oil & Gas, Inc., MEC Petroleum Corp., Cimarex Energy Co., and McCombs Energy, LLC, or your successors or assigns: Tap Rock Resources, LLC has filed four applications with the New Mexico Oil Conservation Division seeking the pooling of the Wolfcamp formation in the following well units:

1. Case No. 21611, regarding two Wolfcamp wells in the W/2 of Section 9 and the W/2 of Section 16;
2. Case No. 21612, regarding two Wolfcamp wells in the E/2 of Section 9 and the E/2 of Section 16;
3. Case No. 21613, regarding two Wolfcamp wells in the W/2 of Section 8 and the W/2 of Section 17; and
4. Case No. 21614, regarding two Wolfcamp wells in the E/2 of Section 8 and the E/2 of Section 17,

All in Township 25 South, Range 26 East, N.M.P.M., Eddy County, New Mexico.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, January 7, 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 applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters 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, December 31, 2020. This statement must be filed with the Division's Santa Fe office at ocd.hearings@state.nm.us. It should include: The names of the party and its 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 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. Box 1056, Santa Fe, New Mexico 87504, jamesbruc@aol.com. #4525794, Current Argus, December 25, 2020

VICKY FELTY
Notary Public
State of Wisconsin

EXHIBIT 

Ad # 0004525794
PO #:
of Affidavits 1

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