

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

**APPLICATION OF TAP ROCK OPERATING, LLC
FOR COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO**

Case No. 22149

PRE-HEARING STATEMENT

TAP ROCK OPERATING, LLC (“Tap Rock”) provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

APPLICANT

TAP ROCK OPERATING, LLC

APPLICANT’S ATTORNEYS:

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OPPONENT

None at this time.

STATEMENT OF THE CASE

In this case, Applicant Tap Rock Operating, LLC (“Tap Rock”) seeks an order from the Division pooling all uncommitted interests in the Wolfcamp formation (WC-025 G-09 S243310P; UPPER WOLFCAMP [98135]) in a standard 640-acre, more or less, horizontal spacing and

proration unit comprised of the W/2 of Sections 16 and 21, Township 24 South, Range 33 East in Lea County, New Mexico.

Applicant proposes to drill the following 2-mile wells: (1) **Apollo State Com #132H** well, to be horizontally drilled from an approximate surface hole location 856' FSL and 2110' FWL of Section 21, T24S-R33E, to an approximate bottom hole location 30' FNL and 1890' FWL of Section 16, T24S-R33E ("Apollo 132H"); (2) **Apollo State Com #135H** well, to be horizontally drilled from an approximate surface hole location 863' FSL and 440' FWL of Section 21, T24S-R33E, to an approximate bottom hole location 30' FNL and 660' FWL of Section 16, T24S-R33E ("Apollo 135H"); (3) **Apollo State Com #201H** well, to be horizontally drilled from an approximate surface hole location 888' FSL and 440' FWL of Section 21, T24S-R33E, to an approximate bottom hole location 30' FNL and 331' FWL of Section 16, T24S-R33E ("Apollo 201H"); (4) **Apollo State Com #202H** well, to be horizontally drilled from an approximate surface hole location 856' FSL and 2135' FWL of Section 21, T24S-R33E, to an approximate bottom hole location 30' FNL and 2308' FWL of Section 16, T24S-R33E ("Apollo 202H"); (5) **Apollo State Com #205H** well, to be horizontally drilled from an approximate surface hole location 888' FSL and 465' FWL of Section 21, T24S-R33E, to an approximate bottom hole location 30' FNL and 1358' FWL of Section 16, T24S-R33E ("Apollo 205H"); (6) **Apollo State Com #211H** well, to be horizontally drilled from an approximate surface hole location 863' FSL and 465' FWL of Section 21, T24S-R33E, to an approximate bottom hole location 30' FNL and 1103' FWL of Section 16, T24S-R33E ("Apollo 211H"); ~~and~~ (7) **Apollo State Com #222H** well, to be horizontally drilled from an approximate surface hole location 881' FSL and 2110' FWL of Section 21, T24S-R33E, to an approximate bottom hole location 30' FNL and 2308' FWL of Section 16, T24S-R33E ("Apollo 222H").

The completed intervals and first and last take points for these wells will meet statewide setback requirements for horizontal wells.

Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 23 miles northwest of Jal, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

| WITNESSES | EST. TIME | EXHIBITS |
|-----------------------|--------------|----------|
| Landman Erica Hixson | By Affidavit | 5-6 |
| Geologist Emily Lange | By Affidavit | 5-6 |

PROCEDURAL MATTERS

If there is no opposition by time of hearing, Applicant will present this matter by affidavit.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By: /s/Sharon T. Shaheen

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 46281

QUESTIONS

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| Operator: TAP ROCK OPERATING, LLC 523 Park Point Drive Golden, CO 80401 | OGRID: 372043 |
| | Action Number: 46281 |
| | Action Type: [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

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| Testimony | |
| <i>Please assist us by provide the following information about your testimony.</i> | |
| Number of witnesses | 2 |
| Testimony time (in minutes) | 0 |