

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

**APPLICATION OF TAP ROCK OPERATING,  
LLC TO AMEND ORDER NO. R-21786,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 22857  
ORDER NO. R-21786  
(Re-open)**

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<b>Case No. 22857</b> <b>Exhibit No. A</b>
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**STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION**

**APPLICATION OF TAP ROCK OPERATING,  
LLC TO AMEND ORDER NO. R-21786,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 22857  
ORDER NO. R-21786  
(Re-open)**

**SELF-AFFIRMED STATEMENT OF  
MATTHEW PHILLIPS**

1. My name is Matthew Phillips, and I am a land manager at Tap Rock Operating, LLC (“TRO”). I have personal knowledge of the matters addressed herein and am competent to provide this statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”) and my credentials as a petroleum land professional have been accepted and made a matter of record.

2. I am familiar with the land matters involved in the above-referenced case. Copies of TRO’s application and proposed hearing notice are attached as **Exhibit A-1**.

3. I do not anticipate opposition to TRO’s application in the above-referenced case or its presentation by affidavit.

4. Division Order No. R-21786 (“Order”) was issued in Case No. 21611 on July 16, 2021, which: (1) pooled all uncommitted mineral interests in the Purple Sage (Gas) Pool (Pool Code: 98220) within the Wolfcamp formation underlying a 640-acre, more or less, standard horizontal spacing unit (“Unit”) comprised of the W/2 of Sections 9 and 16, Township 25 South, Range 26 East, NMPM, Eddy County; (2) dedicated the Unit to the **Schlitz Fed Com 202H** well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit C of Section 9, and the **Schlitz Fed Com 211H** well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit D of Section 9; and (3) designated TRO as the operator of the Unit and the wells.

5. **Exhibit A-2** contains a copy of Order No. R-21786.

6. Since entry of the Order, TRO determined that additional mineral interests have not been pooled under the terms of the Order.

7. Additionally, since entry of the Order, TRO revised its development plan to dedicate the following two (2) additional initial wells to the Unit established by the Order: the **Schlitz Fed Com 232H** well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit C of Section 9, and the **Schlitz Fed Com 231H** well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit D of Section 9 (“Additional Wells”).

8. **Exhibit A-3** contains Forms C-102 reflecting the footage locations and the completed intervals for the Additional Wells.

9. The completed intervals for the Additional Wells will be orthodox.

10. The Unit and pool remain the same as designated under the Order.

11. **Exhibit A-4** contains a plat of the tracts included in the Unit, identifies the interests in each tract included in the Unit, provides an ownership summary of the mineral interests within the Unit, and identifies the uncommitted interests to be pooled under the terms of the Order.

12. **Exhibit A-5** contains a sample well proposal letter and AFEs for the Additional Wells sent to the mineral interest owners pooled pursuant to the Order and those who are voluntarily committed to the wells approved under the Order.

13. **Exhibit A-6** contains a sample well proposal letter and AFEs for the Additional Wells and the wells approved under the Order to the additional uncommitted interest owners.

14. The costs reflected in the AFEs are consistent with what other operators have incurred for drilling similar horizontal wells in the area.

15. TRO conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches.

16. TRO has sought and been unable to obtain voluntary agreements from all interest owners to participate in the drilling of the wells and therefore seeks to pool these interests under the terms of the Order.

17. In my opinion, TRO has made a good-faith effort to reach voluntary joinder as indicated by the chronology of contact described in **Exhibit A-7**.

18. Accordingly, TRO requests the additional uncommitted mineral interest owners be pooled under the terms of the Order, and the Additional Wells be dedicated to the Unit and be subject to the terms of the Order.

19. TRO requests all other provisions of the Order remain unchanged.

20. Notice of this application and the Division hearing was timely provided to the uncommitted interests by certified mail more than 20 days prior to the hearing date. **Exhibit A-8** contains a sample of the notice letters, a list of the parties who were notified of this hearing and the status of whether they received notice.

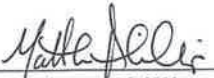
21. Notice of this application and the Division hearing was published more than ten business days prior to the hearing date. The affidavit of publication is attached as **Exhibit A-9**.

22. In my opinion, dedicating the Additional Wells to the Unit under the terms of the Order and pooling the additional uncommitted interests under the terms of the Order will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

23. **Exhibit Nos. A-1 through A-9** were either prepared by me or compiled under my direction and supervision.

24. I understand this Self-Affirmed Statement will be used as written testimony in this case.

I affirm that my testimony in paragraphs 1 through 23 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.

  
\_\_\_\_\_  
Matthew Phillips

5/31/22  
\_\_\_\_\_  
Date

**Case No. 22857**  
**Exhibit No. A-1**

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

**APPLICATION OF TAP ROCK OPERATING,  
LLC TO AMEND ORDER NO. R-21786,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. \_\_\_\_\_**  
**ORDER NO. R-21786**  
**(Re-open)**

**APPLICATION**

Tap Rock Operating, LLC (“TRO”) (OGRID No. 372043) files this application requesting the Oil Conservation Division (“Division”) amend Order No. R-21786 (“Order”) to: (1) add two additional initial wells to the horizontal spacing unit established by the Order, and (2) pool additional mineral interests under the terms of the Order. In support of its application, TRO states the following.

1. Division Order No. R-21786 was issued in Case No. 21611 on July 16, 2021, which: pooled all uncommitted mineral interests in the Wolfcamp formation underlying a 640-acre, more or less, standard horizontal spacing unit (“Unit”) comprised of the W/2 of Sections 9 and 16, Township 25 South, Range 26 East, NMPM, Eddy County; dedicated the Unit to the **Schlitz Fed Com 202H** well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit C of Section 9, and the **Schlitz Fed Com 211H** well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit D of Section 9; and designated TRO as the operator of the Unit and the wells.

2. Since entry of the Order, TRO determined that additional mineral interests have not been pooled under the terms of the Order.

3. Further, TRO revised its development plan to add two (2) additional initial wells to the Unit established by the Order: the **Schlitz Fed Com 232H** well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit C of Section 9, and the **Schlitz Fed**

Com 231H well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit D of Section 9.

4. TRO has sought and been unable to obtain voluntary agreements from all interest owners to participate in the drilling of the wells and therefore seeks to pool these interests under the terms of the Order.

5. Dedicating the additional initial wells to the Unit and pooling the additional uncommitted interests under the terms of the Order will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

6. To allow TRO to obtain its just and fair share of the oil and gas underlying the subject lands, the Order should be amended as set forth above.

WHEREFORE, TRO requests this application be set for hearing before an Examiner of the Oil Conservation Division on June 2, 2022, and after notice and hearing, the Division enter an order dedicating the additional initial wells to the Unit established by Order No. R-21786 and pooling all additional uncommitted interests under the terms of Order No. R-21786.

Respectfully submitted,

TAP ROCK OPERATING, LLC

*/s/ Michael Rodriguez*

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Michael Rodriguez  
523 Park Point Drive  
Golden, CO 80401  
(720) 245-2606  
mdrodriguez@taprk.com  
*Attorney for Tap Rock Operating, LLC*

**Application of Tap Rock Operating, LLC to Amend Order No. R-21786, Eddy County, New Mexico.** Tap Rock Operating, LLC (“TRO”) seeks to amend Order No. R-21786 (“Order”) to: (1) add two additional initial wells to the horizontal spacing unit established by the Order, and (2) pool additional mineral interests under the terms of the Order. Division Order No. R-21786 was issued in Case No. 21611 on July 16, 2021, which: pooled all uncommitted mineral interests in the Wolfcamp formation underlying a 640-acre, more or less, standard horizontal spacing unit (“Unit”) comprised of the W/2 of Sections 9 and 16, Township 25 South, Range 26 East, NMPPM, Eddy County; dedicated the Unit to the Schlitz Fed Com 202H well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit C of Section 9, and the Schlitz Fed Com 211H well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit D of Section 9; and designated TRO as the operator of the Unit and the wells. Since entry of the Order, TRO determined that additional mineral interests have not been pooled under the terms of the Order. Further, TRO revised its development plan to add two (2) additional initial wells to the Unit established by the Order: the Schlitz Fed Com 232H well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit C of Section 9, and the Schlitz Fed Com 231H well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit D of Section 9. The Unit is located approximately 5.5 miles southeast of Whites City, New Mexico.



**Case No. 22857**  
**Exhibit No. A-2**

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

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

**CASE NO. 21611**  
**ORDER NO. R-21786**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on July 15, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

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

**CONCLUSIONS OF LAW**

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

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

### **ORDER**

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the

CASE NO. 21611  
ORDER NO. R-21786

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election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

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

of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



ADRIENNE SANDOVAL  
DIRECTOR

AES/jag

Date: 7/16/2021

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ORDER NO. R-21786

Exhibit A

<p><i>Received by OCD: 7/15/2021 11:24:57 AM</i> <span style="float: right;"><i>Page 2 of 4</i></span></p> <h2 style="text-align: center;">COMPULSORY POOLING APPLICATION CHECKLIST</h2>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case:</b>	<b>21611</b>
<b>Date</b>	<b>July 15, 2021</b>
Applicant	Tap Rock Resources, LLC
Designated Operator & OGRID (affiliation if applicable)	Tap Rock Operating, LLC/OGRID No. 372043 The operator is the operating entity for applicant
Applicant's Counsel:	James Bruce
Case Title:	Application of Tap Rock Resources, LLC for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	
Well Family	Schlitz Wells
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	Wolfcamp formation
Pool Name and Pool Code:	Wolfcamp; Purple Sage (Pool Code 98220)
Well Location Setback Rules:	Purple Sage Special Rules and current horizontal well rules
Spacing Unit Size:	Half section/320 acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640 acres
Building Blocks:	320 acres
Orientation:	South-North
Description: TRS/County	W/2 §9 and W/2 §16-25S-26E, NMPPM
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	Exhibits B-3 and B-4
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Schlitz Fed. Com. Well No. 202H API No. 30-015-Pending SHL: 620 FSL & 1001 FWL §16 BHL: 200 FNL & 1980 FWL §9 FTP: 330 FSL & 1980 FWL §16 LTP: 330 FNL & 1980 FWL §9 Formation: Wolfcamp/TVD 8570 feet/MD 18770 feet

EXHIBIT *Furnished*

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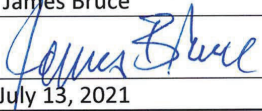
CASE NO. 21611  
ORDER NO. R-21786

Received by OCD: 7/15/2021 11:24:57 AM	Schlitz Fed. Com. Well No. 211H API No. 30-015-47671 SHL: 645 FSL & 1001 FWL §16 BHL: 200 FNL & 660 FWL §9 FTP: 330 FSL & 660 FWL §16 LTP: 330 FNL & 660 FWL §9 Formation: Wolfcamp/TVD 8745 feet/MD 18945 feet	Page 3 of 4
Horizontal Well First and Last Take Points	See above	
Completion Target (Formation, TVD and MD)	See Above	
<b>AFE Capex and Operating Costs</b>		
Drilling Supervision/Month \$	\$7000	
Production Supervision/Month \$	\$700	
Justification for Supervision Costs	Exhibit B, page 3	
Requested Risk Charge	Cost + 200%/Exhibit A	
<b>Notice of Hearing</b>		
Proposed Notice of Hearing	Exhibit A	
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D	
Proof of Published Notice of Hearing (10 days before hearing)		
<b>Ownership Determination</b>		
Land Ownership Schematic of the Spacing Unit	Exhibit B-2	
Tract List (including lease numbers and owners)	Exhibits B-3 and B-4	
Pooled Parties (including ownership type)	Exhibit B-4	
Unlocatable Parties to be Pooled	N/A	
Ownership Depth Severance (including percentage above & below)	None	
<b>Joinder</b>		
Sample Copy of Proposal Letter	Exhibit B-5	
List of Interest Owners (i.e. Exhibit A of JOA)	Exhibit B- 4	
Chronology of Contact with Non-Joined Working Interests	Exhibit B	
Overhead Rates In Proposal Letter		
Cost Estimate to Drill and Complete	Exhibit B-5	
Cost Estimate to Equip Well	Exhibit B-5	
Cost Estimate for Production Facilities	Exhibit B-5	
<b>Geology</b>		
Summary (including special considerations)	Exhibit C	
Spacing Unit Schematic	Exhibit C-7	
Gunbarrel/Lateral Trajectory Schematic	Exhibit C-8	
Well Orientation (with rationale)	Standup/Exhibit C	

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Target Formation	Wolfcamp
HSU Cross Section	Exhibit C-8
Depth Severance Discussion	Not Applicable
<b>Forms, Figures and Tables</b>	
C-102	Exhibit B-1
Tracts	Exhibit B-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits B-3 and B-4
General Location Map (including basin)	Exhibit C-7
Well Bore Location Map	Exhibit C-8
Structure Contour Map - Subsea Depth	Exhibit C-9
Cross Section Location Map (including wells)	Exhibit C-10
Cross Section (including Landing Zone)	Exhibit C-10
<b>Additional Information</b>	<p>The following provision shall apply to the interest of Cimarex Energy Co. ("Cimarex"):</p> <p>Operator grants Cimarex the ability to sequentially elect to pay its share of costs for each major operation for each proposed well. Applicant agrees to submit an AFE to Cimarex no sooner than 30 days before each major operation for drilling, completing and equipping the well, and Cimarex shall have 30 days upon receipt of said AFE to elect to participate and make payment to Applicant of the estimated cost for each operation.</p>
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	James Bruce
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	July 13, 2021

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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

Case No. 22857  
Exhibit No. A-3

Revised August 1, 2011  
Form C-102  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

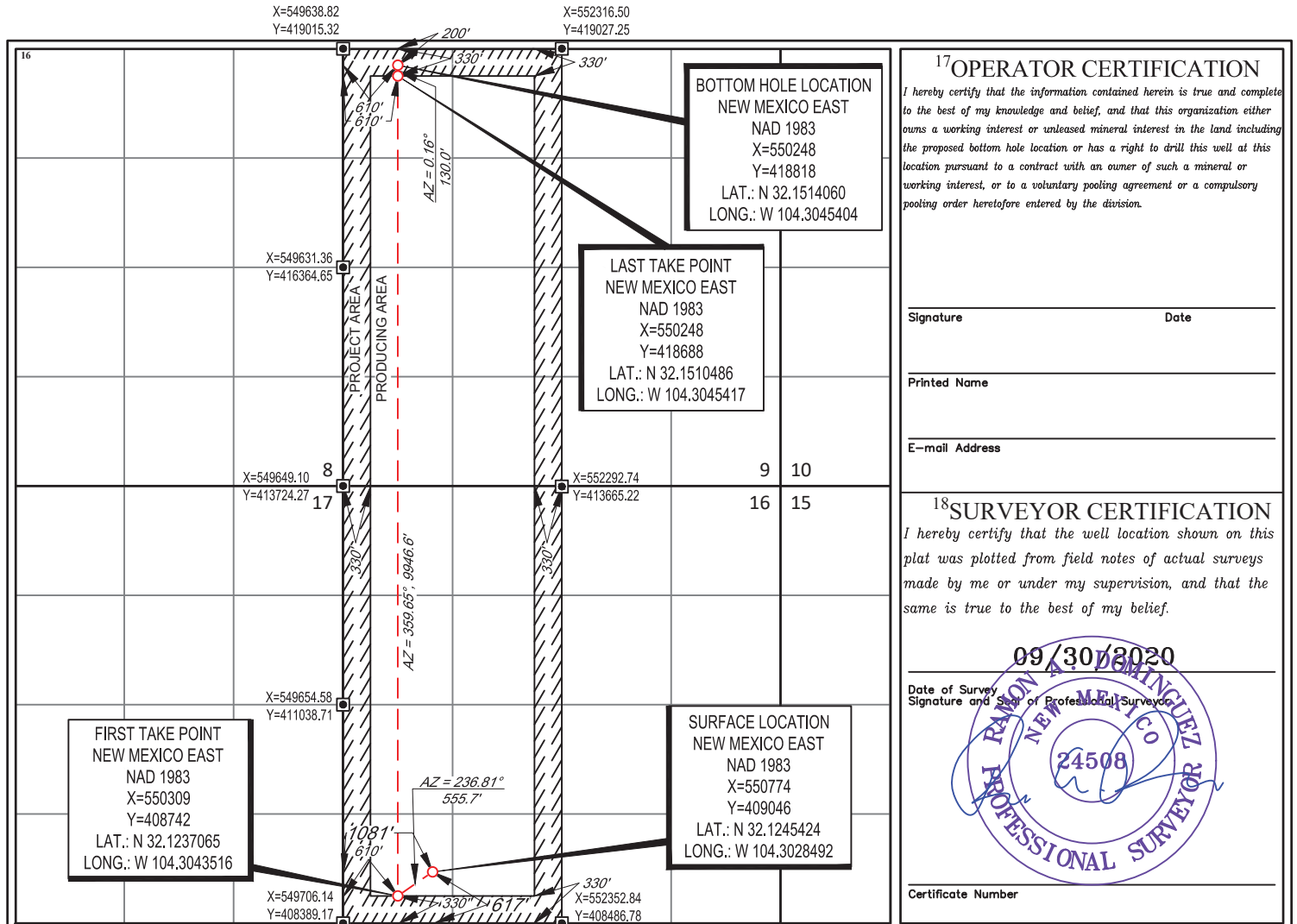
<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name		
<sup>4</sup> Property Code		<sup>5</sup> Property Name SCHLITZ FED COM			<sup>6</sup> Well Number 231H	
<sup>7</sup> OGRID No. 372043		<sup>8</sup> Operator Name TAP ROCK OPERATING, LLC.			<sup>9</sup> Elevation 3428'	

<sup>10</sup> Surface 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	-	617'	SOUTH	1081'	WEST	EDDY

<sup>11</sup> Bottom 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	610'	WEST	EDDY

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.



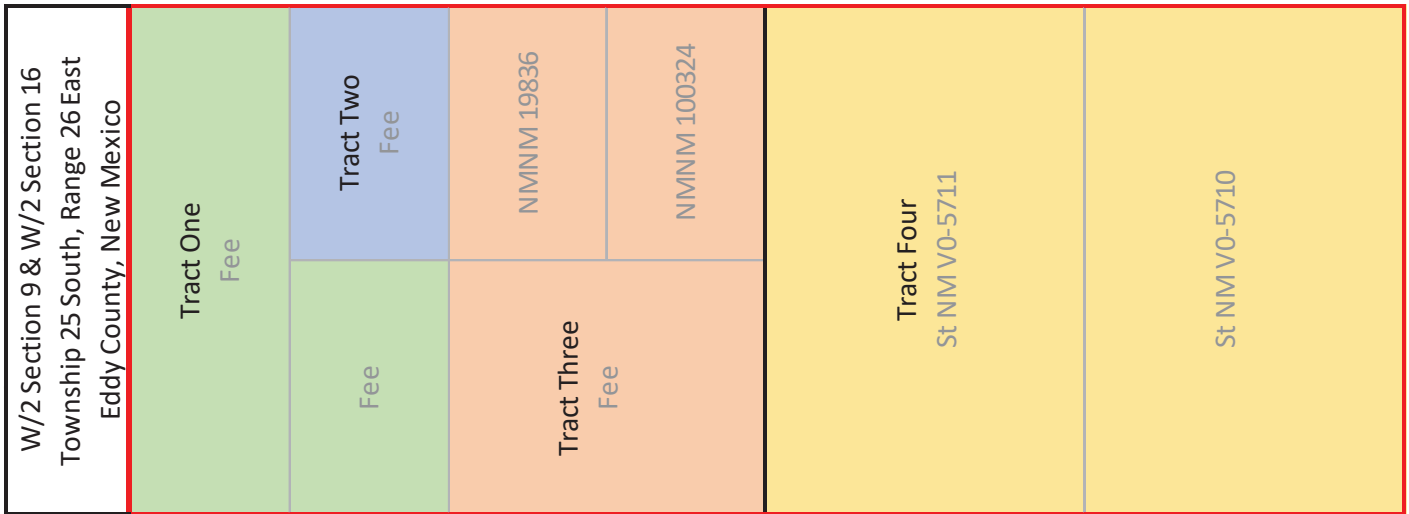






Case No. 22857  
Exhibit No. A-4

# Tract Map



W/2  
Sec. 9

W/2  
Sec. 16

# Jnit Recapitulation\*



Party	Interest Type	Working Interest
Tap Rock Resources, LLC	WI	0.70928013
CARP O&G, LLC	WI	0.07464160
Magnum Hunter Production, Inc.	WI	0.15625000
MEC Petroleum Corp.	WI	0.00312500
Murchison Oil and Gas, LLC	WI	0.02812500
Kastleford Land Company, LLC	WI	0.00052083
Occidental Permian Limited Partnership	WI	0.00219141
OXY USA WTP Limited Partnership	WI	0.00199772
OXY Y-1 Company	WI	0.00274479
Barbara Maltby Weldon, s/p	UMI	0.00034722
Billie Maltby McKee, s/p	UMI	0.00034722
Bradley Macey, s/p	UMI	0.00005580
Bryan Macey, s/p	UMI	0.00011161
Dorothy L. Kenyon, s/p	UMI	0.00089286
Dorothy Mary Gravely, s/p	UMI	0.00156250
EnPlat III, LLC (Source)	UMI	0.00141369
Estate of Charles Walter Fairweather, II	UMI	0.00093750
Estate of Edward Chamberlin	UMI	0.00156250
Estate of George P. Larremore, Jr.	UMI	0.00044643
Estate of Gladys Fairweather Vaughn	UMI	0.00093750
Estate of James M. Larremore	UMI	0.00044643
Estate of Leona Hunter	UMI	0.00029762
Estate of Mary Elizabeth Flint	UMI	0.00625000
Estate of Oaty Fairweather Thompson	UMI	0.00093750
Estate of Ray Ann Wright	UMI	0.00039063
Gary G. Jones and wife, Kim Jones	UMI	0.00052083
Janet Macey, s/p	UMI	0.00005580
Larramer F. Larremore, s/p	UMI	0.00089286
Mary Ann Maltby Berry, s/p	UMI	0.00034722
JKM Energy, LLC	UMI	0.00093750
Myrtle Maltby Combs Cook, s/p	UMI	0.00026042
Steven Ray Wright, s/p	UMI	0.00058594
William Allen Wright, s/p	UMI	0.00058594
		1.00000000

## Overriding Royalty Interest

Tap Rock Minerals, LLC  
 Chevron U.S.A., Inc.  
 CM Royalties, LP  
 EOG Resources, Inc.  
 OXY USA WTP LP  
 OXY Y-1 Company  
 WPX Energy Permian, LLC



# W/2 Section 9 and 16 HSU Ownership + Election Status

\* Parties pooled under Order No. R-21786 but not under JOA for new wells

Party	Interest Type	Working Interest	Status
Tap Rock Resources, LLC	WI	0.70928013	JOA
CARPO&G, LLC	WI	0.07464160	JOA
Magnum Hunter Production, Inc. *	WI	0.15625000	Uncommitted
MEC Petroleum Corp.	WI	0.00312500	JOA
Murchison Oil and Gas, LLC *	WI	0.02812500	Uncommitted
Kastleford Land Company, LLC	WI	0.00052083	Uncommitted
Occidental Permian Limited Partnership	WI	0.00219141	JOA
OXY USA WTP Limited Partnership	WI	0.00199772	JOA
OXY Y-1 Company	WI	0.00274479	JOA
Barbara Maltby Weldon, s/p	UMI	0.00034722	Uncommitted
Billie Maltby McKee, s/p	UMI	0.00034722	Uncommitted
Bradley Macey, s/p	UMI	0.00005580	Uncommitted
Bryan Macey, s/p	UMI	0.00011161	Uncommitted
Dorothy L. Kenyon, s/p	UMI	0.00089286	Uncommitted
Dorothy Mary Gravely, s/p	UMI	0.00156250	Uncommitted
EnPlat III, LLC (Source)	UMI	0.00141369	Uncommitted
Estate of Charles Walter Fairweather, II	UMI	0.00093750	Uncommitted
Estate of Edward Chamberlin	UMI	0.00156250	Uncommitted
Estate of George P. Larremore, Jr.	UMI	0.00044643	Uncommitted
Estate of Gladys Fairweather Vaughn	UMI	0.00093750	Uncommitted
Estate of James M. Larremore	UMI	0.00044643	Uncommitted
Estate of Leona Hunter	UMI	0.00029762	Uncommitted
Estate of Mary Elizabeth Flint	UMI	0.00625000	Uncommitted
Estate of Oaty Fairweather Thompson	UMI	0.00093750	Uncommitted
Estate of Ray Ann Wright	UMI	0.00039063	Uncommitted
Gary G. Jones and wife, Kim Jones	UMI	0.00052083	Uncommitted
Janet Macey, s/p	UMI	0.00005580	Uncommitted
Larriker F. Larremore, s/p	UMI	0.00089286	Uncommitted
Mary Ann Maltby Berry, s/p	UMI	0.00034722	Uncommitted
JKM Energy, LLC	UMI	0.00093750	Uncommitted
Myrtle Maltby Combs Cook, s/p	UMI	0.00026042	Uncommitted
Steven Ray Wright, s/p	UMI	0.00058594	Uncommitted
William Allen Wright, s/p	UMI	0.00058594	Uncommitted
		1.00000000	

## TAP ROCK RESOURCES, LLC

MATTHEW C. PHILLIPS - LANDMAN  
MPHILLIPS@TAPRK.COM

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



<b>Case No. 22857</b> <b>Exhibit No. A-5</b>
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April 19, 2022

Via Certified Mail

MAGNUM HUNTER PRODUCTION INC  
600 N MARIENFELD ST  
SUITE 600  
MIDLAND, TX 79701**Re: Well Proposals for:**

- Schlitz Federal Com #231H
- Schlitz Federal Com #232H
- Schlitz Federal Com #233H
- Schlitz Federal Com #234H

**Township 25 South, Range 26 East, Section 9: ALL**  
**Township 25 South, Range 26 East, Section 16: ALL**  
**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 for your further handling are our AFEs for the following Wells:

Well Name	Surface Hole Location (SHL)	Bottom Hole Location (BHL)	Formation	True Vertical Depth	Measured Depth
SCHLITZ FEDERAL COM #231H	617' FSL and 1,081' FWL of Section 16	200' FNL and 660' FWL of Section 9	Wolfcamp	9,365'	19,565'
SCHLITZ FEDERAL COM #232H	642' FSL and 1,081' FWL of Section 16	200' FNL and 1,980' FWL of Section 9	Wolfcamp	9,325'	19,525'
SCHLITZ FEDERAL COM #233H	669' FSL and 993' FEL of Section 16	200' FNL and 1,980' FEL of Section 9	Wolfcamp	9,355'	19,555'
SCHLITZ FEDERAL COM #234H	644' FSL and 993' FEL of Section 16	200' FNL and 660' FEL of Section 9	Wolfcamp	9,315'	19,515'

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.

TAP ROCK RESOURCES, LLC

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

MATTHEW C. PHILLIPS - LANDMAN  
MPHILLIPS@TAPRK.COM



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 enclosed AAPL Form 610-1989 Operating Agreement. This Operating Agreement covers All of Section 9 and All of Section 16, Township 25 South, Range 26 East, Eddy County, New Mexico, 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, Oil and Gas Lease (form enclosed for your review)
- Royalty equal to the difference between existing burdens and 20%
- \$2,500 per net acre bonus consideration

The Lease 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 your receipt 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**

720-459-3724

mphillips@taprk.com

**MAGNUM HUNTER PRODUCTION INC hereby elects to:**

\_\_\_\_\_ participate in the SCHLITZ FEDERAL COM #231H

\_\_\_\_\_ non-consent the SCHLITZ FEDERAL COM #231H

\_\_\_\_\_ participate in the SCHLITZ FEDERAL COM #232H

\_\_\_\_\_ non-consent the SCHLITZ FEDERAL COM #232H

\_\_\_\_\_ participate in the SCHLITZ FEDERAL COM #233H

\_\_\_\_\_ non-consent the SCHLITZ FEDERAL COM #233H

\_\_\_\_\_ participate in the SCHLITZ FEDERAL COM #234H

\_\_\_\_\_ non-consent the SCHLITZ FEDERAL COM #234H

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**TAP ROCK OPERATING, LLC**  
523 Park Point Dr, Golden, Colorado 80401  
Authorization For Expenditure

Name: Schlitz Fed Com 231H  
AFE #: 0  
County: Eddy  
State: NM

Date: April 19, 2022  
MD/TVD: 19565 / 9365  
Lateral Length: 9750  
Geologic Target: Wolfcamp B-L

Well Description: Drill, complete, and produce a horizontal Wolfcamp B-L 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	10,000	2 2	Land - Regulatory		3 2	Land - Regulatory	
1 3	Land - Surface Damages	10,000	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	59,000	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	549,258	2 8	Drilling - Contractor		3 8	Drilling - Contractor	
1 9	Mob/Rig Up - Contractor/Trucking	50,000	2 9	Mob/Rig Up - Contractor/Trucking		3 9	Mob/Rig Up - Contractor/Trucking	
1 10	Cementing Services	141,000	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	30,000	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	63,500	2 12	Bits/Drill Out Assemblies	38,714	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	71,855	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	98,517	2 14	Fluids/Chemicals	34,000	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	44,168	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	29,250	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	48,577	2 17	Fuel/Power	385,000	3 17	Fuel/Power	
1 18	Water	36,762	2 18	Water	297,338	3 18	Water	
1 19	Directional Drilling	238,121	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	23,113	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	117,973	2 25	Consultant Supervision	75,600	3 25	Consultant Supervision	18,500
1 26	Freight/Transportation	9,000	2 26	Freight/Transportation	2,000	3 26	Freight/Transportation	15,000
1 27	Labor	102,500	2 27	Labor	12,970	3 27	Labor	38,000
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	65,692	2 30	Rentals - Surface	18,840	3 30	Rentals - Surface	9,800
1 31	Rentals - Living Quarters	41,037	2 31	Rentals - Living Quarters	14,080	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	2,000	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	76,199	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	12,950
1 35	Rentals - Frac Tanks	7,144	2 35	Rentals - Frac Tanks	29,120	3 35	Rentals - Frac Tanks	15,000
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	89,472	3 36	Coil Tubing Unit/Workover Rig	34,500
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	223,531	3 37	Wireline/Slickline/Perforating	5,500
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	2,469,937	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	43,600
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	65,960
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	0	2 53	Overhead	15,825	3 53	Overhead	0
1 54	Insurance	20,000	2 54	Insurance		3 54	Insurance	
1 55	Contingency	59,045	2 55	Contingency	139,662	3 55	Contingency	11,778
<b>TOTAL INTANGIBLE DRILLING COSTS: \$2,027,210</b>			<b>TOTAL INTANGIBLE COMPLETION COSTS: \$4,167,857</b>			<b>TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588</b>		

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	18,000	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	37,210	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	92,250	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	382,390	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	562,940	5 64	Production Casing	0	6 64	Production Casing	
4 65	Tubing		5 65	Tubing		6 65	Tubing	95,400
4 66	Wellhead	78,000	5 66	Wellhead	0	6 66	Wellhead	62,100
4 67	Permanent Packers/Hangers/Plugs		5 67	Permanent Packers/Hangers/Plugs		6 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks		5 68	Tanks		6 68	Tanks	
4 69	Production Vessels		5 69	Production Vessels		6 69	Production Vessels	160,000
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	0
4 73	Valves & Controllers		5 73	Valves & Controllers		6 73	Valves & Controllers	0
4 74	Artificial Lift Equipment		5 74	Artificial Lift Equipment		6 74	Artificial Lift Equipment	28,500
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	5,000
4 80	Other - Surface		5 80	Other - Surface		6 80	Other - Surface	
4 81	Other - Downhole	15,000	5 81	Other - Downhole		6 81	Other - Downhole	
<b>TOTAL TANGIBLE DRILLING COSTS: \$1,185,790</b>			<b>TOTAL TANGIBLE COMPLETION COSTS: \$0</b>			<b>TOTAL TANGIBLE PRODUCTION COSTS: \$401,000</b>		
<b>TOTAL DRILLING COSTS: \$3,213,000</b>			<b>TOTAL COMPLETION COSTS: \$4,167,857</b>			<b>TOTAL PRODUCTION COSTS: \$676,588</b>		
<b>TOTAL WELL COST: \$8,057,445</b>								

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: \_\_\_\_\_

FE 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, Golden, Colorado 80401  
Authorization For Expenditure

Name: Schlitz Fed Com 232H  
AFE #: 0  
County: Eddy  
State: NM

Date: April 19, 2022  
MD/TVD: 19525 / 9325  
Lateral Length: 9750  
Geologic Target: Wolfcamp B-L

Well Description: Drill, complete, and produce a horizontal Wolfcamp B-L 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	10,000	2 2	Land - Regulatory		3 2	Land - Regulatory	
1 3	Land - Surface Damages	10,000	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	59,000	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	550,601	2 8	Drilling - Contractor		3 8	Drilling - Contractor	
1 9	Mob/Rig Up - Contractor/Trucking	50,000	2 9	Mob/Rig Up - Contractor/Trucking		3 9	Mob/Rig Up - Contractor/Trucking	
1 10	Cementing Services	141,000	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	30,000	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	63,500	2 12	Bits/Drill Out Assemblies	38,714	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	72,010	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	98,403	2 14	Fluids/Chemicals	34,000	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	43,988	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	29,250	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	48,712	2 17	Fuel/Power	385,000	3 17	Fuel/Power	
1 18	Water	36,776	2 18	Water	297,338	3 18	Water	
1 19	Directional Drilling	238,782	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	23,113	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	118,264	2 25	Consultant Supervision	75,600	3 25	Consultant Supervision	18,500
1 26	Freight/Transportation	9,000	2 26	Freight/Transportation	2,000	3 26	Freight/Transportation	15,000
1 27	Labor	102,500	2 27	Labor	12,970	3 27	Labor	38,000
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	65,860	2 30	Rentals - Surface	18,840	3 30	Rentals - Surface	9,800
1 31	Rentals - Living Quarters	41,130	2 31	Rentals - Living Quarters	14,080	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	2,000	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	76,410	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	12,950
1 35	Rentals - Frac Tanks	7,163	2 35	Rentals - Frac Tanks	29,120	3 35	Rentals - Frac Tanks	15,000
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	89,472	3 36	Coil Tubing Unit/Workover Rig	34,500
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	223,531	3 37	Wireline/Slickline/Perforating	5,500
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	2,469,937	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	43,600
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	65,960
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	0	2 53	Overhead	15,825	3 53	Overhead	0
1 54	Insurance	20,000	2 54	Insurance		3 54	Insurance	
1 55	Contingency	59,129	2 55	Contingency	139,662	3 55	Contingency	11,778
<b>TOTAL INTANGIBLE DRILLING COSTS: \$2,030,090</b>			<b>TOTAL INTANGIBLE COMPLETION COSTS: \$4,167,857</b>			<b>TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588</b>		

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	18,000	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	37,210	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	92,250	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	380,550	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	561,900	5 64	Production Casing	0	6 64	Production Casing	
4 65	Tubing		5 65	Tubing		6 65	Tubing	95,400
4 66	Wellhead	78,000	5 66	Wellhead	0	6 66	Wellhead	62,100
4 67	Permanent Packers/Hangers/Plugs		5 67	Permanent Packers/Hangers/Plugs		6 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks		5 68	Tanks		6 68	Tanks	
4 69	Production Vessels		5 69	Production Vessels		6 69	Production Vessels	160,000
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	0
4 73	Valves & Controllers		5 73	Valves & Controllers		6 73	Valves & Controllers	0
4 74	Artificial Lift Equipment		5 74	Artificial Lift Equipment		6 74	Artificial Lift Equipment	28,500
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	5,000
4 80	Other - Surface		5 80	Other - Surface		6 80	Other - Surface	
4 81	Other - Downhole	15,000	5 81	Other - Downhole		6 81	Other - Downhole	
<b>TOTAL TANGIBLE DRILLING COSTS: \$1,182,910</b>			<b>TOTAL TANGIBLE COMPLETION COSTS: \$0</b>			<b>TOTAL TANGIBLE PRODUCTION COSTS: \$401,000</b>		
<b>TOTAL DRILLING COSTS: \$3,213,000</b>			<b>TOTAL COMPLETION COSTS: \$4,167,857</b>			<b>TOTAL PRODUCTION COSTS: \$676,588</b>		
<b>TOTAL WELL COST: \$8,057,445</b>								

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: _____

WE 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, Golden, Colorado 80401  
Authorization For Expenditure

Name: Schlitz Fed Com 233H  
AFE #: 0  
County: Eddy  
State: NM

Date: April 19, 2022  
MD/TVD: 19555 / 9355  
Lateral Length: 9750  
Geologic Target: Wolfcamp B-L

Well Description: Drill, complete, and produce a horizontal Wolfcamp B-L 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	10,000	2 2	Land - Regulatory		3 2	Land - Regulatory	
1 3	Land - Surface Damages	10,000	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	59,000	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	549,594	2 8	Drilling - Contractor		3 8	Drilling - Contractor	
1 9	Mob/Rig Up - Contractor/Trucking	50,000	2 9	Mob/Rig Up - Contractor/Trucking		3 9	Mob/Rig Up - Contractor/Trucking	
1 10	Cementing Services	141,000	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	30,000	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	63,500	2 12	Bits/Drill Out Assemblies	38,714	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	71,894	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	98,488	2 14	Fluids/Chemicals	34,000	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	44,123	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	29,250	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	48,610	2 17	Fuel/Power	385,000	3 17	Fuel/Power	
1 18	Water	36,766	2 18	Water	297,338	3 18	Water	
1 19	Directional Drilling	238,287	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	23,113	2 20	Mud Logging		3 20	Mud Logging	
1 21	Open/Cased/Production Hole Logs	0	2 21	Open/Cased/Production Hole Logs	6,440	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	118,046	2 25	Consultant Supervision	75,600	3 25	Consultant Supervision	18,500
1 26	Freight/Transportation	9,000	2 26	Freight/Transportation	2,000	3 26	Freight/Transportation	15,000
1 27	Labor	102,500	2 27	Labor	12,970	3 27	Labor	38,000
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	65,734	2 30	Rentals - Surface	18,840	3 30	Rentals - Surface	9,800
1 31	Rentals - Living Quarters	41,060	2 31	Rentals - Living Quarters	14,080	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	2,000	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	76,252	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	12,950
1 35	Rentals - Frac Tanks	7,149	2 35	Rentals - Frac Tanks	29,120	3 35	Rentals - Frac Tanks	15,000
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	89,472	3 36	Coil Tubing Unit/Workover Rig	34,500
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	223,531	3 37	Wireline/Slickline/Perforating	5,500
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	2,469,937	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	43,600
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	65,960
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	0	2 53	Overhead	15,825	3 53	Overhead	0
1 54	Insurance	20,000	2 54	Insurance		3 54	Insurance	
1 55	Contingency	59,066	2 55	Contingency	139,662	3 55	Contingency	11,778

TOTAL INTANGIBLE DRILLING COSTS: \$2,027,930

TOTAL INTANGIBLE COMPLETION COSTS: \$4,167,857

TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588

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	18,000	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	37,210	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	92,250	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	381,930	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	562,680	5 64	Production Casing	0	6 64	Production Casing	
4 65	Tubing		5 65	Tubing		6 65	Tubing	95,400
4 66	Wellhead	78,000	5 66	Wellhead	0	6 66	Wellhead	62,300
4 67	Permanent Packers/Hangers/Plugs		5 67	Permanent Packers/Hangers/Plugs		6 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks		5 68	Tanks		6 68	Tanks	
4 69	Production Vessels		5 69	Production Vessels		6 69	Production Vessels	160,000
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	0
4 73	Valves & Controllers		5 73	Valves & Controllers		6 73	Valves & Controllers	0
4 74	Artificial Lift Equipment		5 74	Artificial Lift Equipment		6 74	Artificial Lift Equipment	28,500
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	5,000
4 80	Other - Surface		5 80	Other - Surface		6 80	Other - Surface	
4 81	Other - Downhole	15,000	5 81	Other - Downhole		6 81	Other - Downhole	

TOTAL TANGIBLE DRILLING COSTS: \$1,185,070

TOTAL TANGIBLE COMPLETION COSTS: \$0

TOTAL TANGIBLE PRODUCTION COSTS: \$401,000

TOTAL DRILLING COSTS: \$3,213,000

TOTAL COMPLETION COSTS: \$4,167,857

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,057,445

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, Golden, Colorado 80401  
Authorization For Expenditure

Name: Schlitz Fed Com 234H  
AFE #: 0  
County: Eddy  
State: NM

Date: April 19, 2022  
MD/TVD: 19515 / 9315  
Lateral Length: 9750  
Geologic Target: Wolfcamp B-L

Well Description: Drill, complete, and produce a horizontal Wolfcamp B-L 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	10,000	2 2	Land - Regulatory		3 2	Land - Regulatory	
1 3	Land - Surface Damages	10,000	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	59,000	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	550,937	2 8	Drilling - Contractor		3 8	Drilling - Contractor	
1 9	Mob/Rig Up - Contractor/Trucking	50,000	2 9	Mob/Rig Up - Contractor/Trucking		3 9	Mob/Rig Up - Contractor/Trucking	
1 10	Cementing Services	141,000	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	30,000	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	63,500	2 12	Bits/Drill Out Assemblies	38,714	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	72,048	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	98,374	2 14	Fluids/Chemicals	34,000	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	43,943	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	29,250	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	48,745	2 17	Fuel/Power	385,000	3 17	Fuel/Power	
1 18	Water	36,779	2 18	Water	297,338	3 18	Water	
1 19	Directional Drilling	238,948	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	23,113	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	118,337	2 25	Consultant Supervision	75,600	3 25	Consultant Supervision	18,500
1 26	Freight/Transportation	9,000	2 26	Freight/Transportation	2,000	3 26	Freight/Transportation	15,000
1 27	Labor	102,500	2 27	Labor	12,970	3 27	Labor	38,000
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	65,902	2 30	Rentals - Surface	18,840	3 30	Rentals - Surface	9,800
1 31	Rentals - Living Quarters	41,153	2 31	Rentals - Living Quarters	14,080	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	2,000	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	76,463	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	12,950
1 35	Rentals - Frac Tanks	7,168	2 35	Rentals - Frac Tanks	29,120	3 35	Rentals - Frac Tanks	15,000
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	89,472	3 36	Coil Tubing Unit/Workover Rig	34,500
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	223,531	3 37	Wireline/Slickline/Perforating	5,500
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	2,469,937	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	43,600
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	65,960
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	0	2 53	Overhead	15,825	3 53	Overhead	0
1 54	Insurance	20,000	2 54	Insurance		3 54	Insurance	
1 55	Contingency	59,150	2 55	Contingency	139,662	3 55	Contingency	11,778

TOTAL INTANGIBLE DRILLING COSTS: \$2,030,810

TOTAL INTANGIBLE COMPLETION COSTS: \$4,167,857

TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588

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	18,000	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	37,210	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	92,250	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	380,090	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	561,640	5 64	Production Casing	0	6 64	Production Casing	
4 65	Tubing		5 65	Tubing		6 65	Tubing	95,400
4 66	Wellhead	78,000	5 66	Wellhead	0	6 66	Wellhead	62,100
4 67	Permanent Packers/Hangers/Plugs		5 67	Permanent Packers/Hangers/Plugs		6 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks		5 68	Tanks		6 68	Tanks	
4 69	Production Vessels		5 69	Production Vessels		6 69	Production Vessels	160,000
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	0
4 73	Valves & Controllers		5 73	Valves & Controllers		6 73	Valves & Controllers	0
4 74	Artificial Lift Equipment		5 74	Artificial Lift Equipment		6 74	Artificial Lift Equipment	28,500
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	5,000
4 80	Other - Surface		5 80	Other - Surface		6 80	Other - Surface	
4 81	Other - Downhole	15,000	5 81	Other - Downhole		6 81	Other - Downhole	

TOTAL TANGIBLE DRILLING COSTS: \$1,182,190

TOTAL TANGIBLE COMPLETION COSTS: \$0

TOTAL TANGIBLE PRODUCTION COSTS: \$401,000

TOTAL DRILLING COSTS: \$3,213,000

TOTAL COMPLETION COSTS: \$4,167,857

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,057,445

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 RESOURCES, LLC

MATTHEW C. PHILLIPS - LANDMAN  
MPHILLIPS@TAPRK.COM

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



<b>Case No. 22857</b> <b>Exhibit No. A-6</b>
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February 17, 2022

Via Certified Mail

Alanna Macey, a/k/a Lonnie Macey, as her sole and separate property  
P.O. Box 124  
Lander, WY 82520

**Re: Well Proposals for:**

- Schlitz Federal Com #202H
- Schlitz Federal Com #204H
- Schlitz Federal Com #211H
- Schlitz Federal Com #213H
- Schlitz Federal Com #231H
- Schlitz Federal Com #232H
- Schlitz Federal Com #233H
- Schlitz Federal Com #234H

**Township 25 South, Range 26 East, Section 9: ALL**  
**Township 25 South, Range 26 East, Section 16: ALL**  
**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 for your further handling are our AFEs for the following Wells:

Well Name	Surface Hole Location (SHL)	Bottom Hole Location (BHL)	Formation	True Vertical Depth	Measured Depth
SCHLITZ FEDERAL COM #202H	620' FSL and 1,001' FWL of Section 16	200' FNL and 1,980' FWL of Section 9	Wolfcamp	8,625'	18,825'
SCHLITZ FEDERAL COM #204H	672' FSL and 913' FEL of Section 16	200' FNL and 660' FEL of Section 9	Wolfcamp	8,670'	18,870'
SCHLITZ FEDERAL COM #211H	645' FSL and 1,001' FWL of Section 16	200' FNL and 660' FWL of Section 9	Wolfcamp	8,795'	18,995'
SCHLITZ FEDERAL COM #213H	647' FSL and 913' FEL of Section 16	200' FNL and 1,980' FEL of Section 9	Wolfcamp	8,840'	19,040'

**TAP ROCK RESOURCES, LLC**MATTHEW C. PHILLIPS - LANDMAN  
MPHILLIPS@TAPRK.COM

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



SCHLITZ FEDERAL COM #231H	617' FSL and 1,081' FWL of Section 16	200' FNL and 660' FWL of Section 9	Wolfcamp	9,365'	19,565'
SCHLITZ FEDERAL COM #232H	642' FSL and 1,081' FWL of Section 16	200' FNL and 1,980' FWL of Section 9	Wolfcamp	9,325'	19,525'
SCHLITZ FEDERAL COM #233H	669' FSL and 993' FEL of Section 16	200' FNL and 1,980' FEL of Section 9	Wolfcamp	9,355'	19,555'
SCHLITZ FEDERAL COM #234H	644' FSL and 993' FEL of Section 16	200' FNL and 660" FEL of Section 9	Wolfcamp	9,315'	19,515'

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.

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

- 3 year primary term, Oil and Gas Lease (form enclosed for your review)
- Royalty equal to the difference between existing burdens and 20%
- \$2,500 per net acre bonus consideration

The Lease 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 your receipt 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**

A handwritten signature in blue ink that reads "Matthew C. Phillips".

**Matthew C. Phillips**

720-459-3724

mphillips@taprk.com

TAP ROCK RESOURCES, LLC

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

MATTHEW C. PHILLIPS - LANDMAN  
MPHILLIPS@TAPRK.COM



**Alanna Macey, a/k/a Lonnie Macey, as her sole and separate property hereby elects to:**

\_\_\_\_\_ participate in the SCHLITZ FEDERAL COM #202H

\_\_\_\_\_ non-consent the SCHLITZ FEDERAL COM #202H

\_\_\_\_\_ participate in the SCHLITZ FEDERAL COM #204H

\_\_\_\_\_ non-consent the SCHLITZ FEDERAL COM #204H

\_\_\_\_\_ participate in the SCHLITZ FEDERAL COM #211H

\_\_\_\_\_ non-consent the SCHLITZ FEDERAL COM #211H

\_\_\_\_\_ participate in the SCHLITZ FEDERAL COM #213H

\_\_\_\_\_ non-consent the SCHLITZ FEDERAL COM #213H

\_\_\_\_\_ participate in the SCHLITZ FEDERAL COM #231H

\_\_\_\_\_ non-consent the SCHLITZ FEDERAL COM #231H

\_\_\_\_\_ participate in the SCHLITZ FEDERAL COM #232H

\_\_\_\_\_ non-consent the SCHLITZ FEDERAL COM #232H

\_\_\_\_\_ participate in the SCHLITZ FEDERAL COM #233H

\_\_\_\_\_ non-consent the SCHLITZ FEDERAL COM #233H

\_\_\_\_\_ participate in the SCHLITZ FEDERAL COM #234H

\_\_\_\_\_ non-consent the SCHLITZ FEDERAL COM #234H

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**TAP ROCK OPERATING, LLC**  
523 Park Point Dr, Golden, Colorado 80401  
Authorization For Expenditure

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

Date: February 17, 2022  
MD/TVD: 18825 / 8625  
Lateral Length: 9750  
Geologic Target: Wolfcamp A

Well Description: **Drill, complete, and produce 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	10,000	2 2	Land - Regulatory		3 2	Land - Regulatory	
1 3	Land - Surface Damages	10,000	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	59,000	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	473,990	2 8	Drilling - Contractor		3 8	Drilling - Contractor	
1 9	Mob/Rig Up - Contractor/Trucking	50,000	2 9	Mob/Rig Up - Contractor/Trucking		3 9	Mob/Rig Up - Contractor/Trucking	
1 10	Cementing Services	141,000	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	30,000	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	63,500	2 12	Bits/Drill Out Assemblies	38,714	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	63,169	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	92,223	2 14	Fluids/Chemicals	34,000	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	40,838	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	29,250	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	41,021	2 17	Fuel/Power	385,000	3 17	Fuel/Power	
1 18	Water	36,022	2 18	Water	297,338	3 18	Water	
1 19	Directional Drilling	201,082	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	23,113	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	101,676	2 25	Consultant Supervision	75,600	3 25	Consultant Supervision	18,500
1 26	Freight/Transportation	9,000	2 26	Freight/Transportation	2,000	3 26	Freight/Transportation	15,000
1 27	Labor	102,500	2 27	Labor	12,970	3 27	Labor	38,000
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	56,314	2 30	Rentals - Surface	18,840	3 30	Rentals - Surface	9,800
1 31	Rentals - Living Quarters	35,851	2 31	Rentals - Living Quarters	14,080	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	2,000	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	64,346	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	12,950
1 35	Rentals - Frac Tanks	6,032	2 35	Rentals - Frac Tanks	29,120	3 35	Rentals - Frac Tanks	15,000
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	89,472	3 36	Coil Tubing Unit/Workover Rig	34,500
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	223,531	3 37	Wireline/Slickline/Perforating	5,500
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	2,276,721	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	43,600
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	65,960
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	0	2 53	Overhead	15,825	3 53	Overhead	0
1 54	Insurance	20,000	2 54	Insurance		3 54	Insurance	
1 55	Contingency	53,563	2 55	Contingency	134,831	3 55	Contingency	11,778
<b>TOTAL INTANGIBLE DRILLING COSTS: \$1,838,990</b>			<b>TOTAL INTANGIBLE COMPLETION COSTS: \$3,969,810</b>			<b>TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588</b>		

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	18,000	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	37,210	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	92,250	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	348,350	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	543,700	5 64	Production Casing	0	6 64	Production Casing	
4 65	Tubing		5 65	Tubing		6 65	Tubing	95,400
4 66	Wellhead	78,000	5 66	Wellhead	0	6 66	Wellhead	62,100
4 67	Permanent Packers/Hangers/Plugs		5 67	Permanent Packers/Hangers/Plugs		6 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks		5 68	Tanks		6 68	Tanks	
4 69	Production Vessels		5 69	Production Vessels		6 69	Production Vessels	160,000
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	0
4 73	Valves & Controllers		5 73	Valves & Controllers		6 73	Valves & Controllers	0
4 74	Artificial Lift Equipment		5 74	Artificial Lift Equipment		6 74	Artificial Lift Equipment	28,500
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	5,000
4 80	Other - Surface		5 80	Other - Surface		6 80	Other - Surface	
4 81	Other - Downhole	15,000	5 81	Other - Downhole		6 81	Other - Downhole	
<b>TOTAL TANGIBLE DRILLING COSTS: \$1,132,510</b>			<b>TOTAL TANGIBLE COMPLETION COSTS: \$0</b>			<b>TOTAL TANGIBLE PRODUCTION COSTS: \$401,000</b>		
<b>TOTAL DRILLING COSTS: \$2,971,500</b>			<b>TOTAL COMPLETION COSTS: \$3,969,810</b>			<b>TOTAL PRODUCTION COSTS: \$676,588</b>		
<b>TOTAL WELL COST: \$7,617,898</b>								

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, Golden, Colorado 80401  
Authorization For Expenditure

Name: Schlitz Fed Com 204H  
AFE #: 0  
County: Eddy  
State: NM

Date: February 17, 2022  
MD/TVD: 18870 / 8670  
Lateral Length: 9750  
Geologic Target: Wolfcamp A

Well Description: **Drill, complete, and produce 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	10,000	2 2	Land - Regulatory		3 2	Land - Regulatory	
1 3	Land - Surface Damages	10,000	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	59,000	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	472,479	2 8	Drilling - Contractor		3 8	Drilling - Contractor	
1 9	Mob/Rig Up - Contractor/Trucking	50,000	2 9	Mob/Rig Up - Contractor/Trucking		3 9	Mob/Rig Up - Contractor/Trucking	
1 10	Cementing Services	141,000	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	30,000	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	63,500	2 12	Bits/Drill Out Assemblies	38,714	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	62,995	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	92,351	2 14	Fluids/Chemicals	34,000	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	41,040	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	29,250	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	40,869	2 17	Fuel/Power	385,000	3 17	Fuel/Power	
1 18	Water	36,007	2 18	Water	297,338	3 18	Water	
1 19	Directional Drilling	200,338	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	23,113	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	101,349	2 25	Consultant Supervision	75,600	3 25	Consultant Supervision	18,500
1 26	Freight/Transportation	9,000	2 26	Freight/Transportation	2,000	3 26	Freight/Transportation	15,000
1 27	Labor	102,500	2 27	Labor	12,970	3 27	Labor	38,000
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	56,126	2 30	Rentals - Surface	18,840	3 30	Rentals - Surface	9,800
1 31	Rentals - Living Quarters	35,747	2 31	Rentals - Living Quarters	14,080	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	2,000	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	64,108	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	12,950
1 35	Rentals - Frac Tanks	6,010	2 35	Rentals - Frac Tanks	29,120	3 35	Rentals - Frac Tanks	15,000
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	89,472	3 36	Coil Tubing Unit/Workover Rig	34,500
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	223,531	3 37	Wireline/Slickline/Perforating	5,500
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	2,276,721	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	43,600
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	65,960
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	0	2 53	Overhead	15,825	3 53	Overhead	0
1 54	Insurance	20,000	2 54	Insurance		3 54	Insurance	
1 55	Contingency	53,468	2 55	Contingency	134,831	3 55	Contingency	11,778
<b>TOTAL INTANGIBLE DRILLING COSTS: \$1,835,750</b>			<b>TOTAL INTANGIBLE COMPLETION COSTS: \$3,969,810</b>			<b>TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588</b>		

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	18,000	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	37,210	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	92,250	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	350,420	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	544,870	5 64	Production Casing	0	6 64	Production Casing	
4 65	Tubing		5 65	Tubing		6 65	Tubing	95,400
4 66	Wellhead	78,000	5 66	Wellhead	0	6 66	Wellhead	62,100
4 67	Permanent Packers/Hangers/Plugs		5 67	Permanent Packers/Hangers/Plugs		6 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks		5 68	Tanks		6 68	Tanks	
4 69	Production Vessels		5 69	Production Vessels		6 69	Production Vessels	160,000
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	0
4 73	Valves & Controllers		5 73	Valves & Controllers		6 73	Valves & Controllers	0
4 74	Artificial Lift Equipment		5 74	Artificial Lift Equipment		6 74	Artificial Lift Equipment	28,500
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	5,000
4 80	Other - Surface		5 80	Other - Surface		6 80	Other - Surface	
4 81	Other - Downhole	15,000	5 81	Other - Downhole		6 81	Other - Downhole	
<b>TOTAL TANGIBLE DRILLING COSTS: \$1,135,750</b>			<b>TOTAL TANGIBLE COMPLETION COSTS: \$0</b>			<b>TOTAL TANGIBLE PRODUCTION COSTS: \$401,000</b>		
<b>TOTAL DRILLING COSTS: \$2,971,500</b>			<b>TOTAL COMPLETION COSTS: \$3,969,810</b>			<b>TOTAL PRODUCTION COSTS: \$676,588</b>		
<b>TOTAL WELL COST: \$7,617,898</b>								

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, Golden, Colorado 80401  
Authorization For Expenditure

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

Date: February 17, 2022  
MD/TVD: 18995 / 8795  
Lateral Length: 9750  
Geologic Target: Wolfcamp A

Well Description: **Drill, complete, and produce 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	10,000	2 2	Land - Regulatory		3 2	Land - Regulatory	
1 3	Land - Surface Damages	10,000	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	59,000	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	468,281	2 8	Drilling - Contractor		3 8	Drilling - Contractor	
1 9	Mob/Rig Up - Contractor/Trucking	50,000	2 9	Mob/Rig Up - Contractor/Trucking		3 9	Mob/Rig Up - Contractor/Trucking	
1 10	Cementing Services	141,000	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	30,000	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	63,500	2 12	Bits/Drill Out Assemblies	38,714	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	62,510	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	92,707	2 14	Fluids/Chemicals	34,000	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	41,603	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	29,250	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	40,448	2 17	Fuel/Power	385,000	3 17	Fuel/Power	
1 18	Water	35,965	2 18	Water	297,338	3 18	Water	
1 19	Directional Drilling	198,272	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	23,113	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	100,440	2 25	Consultant Supervision	75,600	3 25	Consultant Supervision	18,500
1 26	Freight/Transportation	9,000	2 26	Freight/Transportation	2,000	3 26	Freight/Transportation	15,000
1 27	Labor	102,500	2 27	Labor	12,970	3 27	Labor	38,000
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	55,603	2 30	Rentals - Surface	18,840	3 30	Rentals - Surface	9,800
1 31	Rentals - Living Quarters	35,458	2 31	Rentals - Living Quarters	14,080	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	2,000	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	63,447	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	12,950
1 35	Rentals - Frac Tanks	5,948	2 35	Rentals - Frac Tanks	29,120	3 35	Rentals - Frac Tanks	15,000
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	89,472	3 36	Coil Tubing Unit/Workover Rig	34,500
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	223,531	3 37	Wireline/Slickline/Perforating	5,500
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	2,276,721	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	43,600
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	65,960
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	0	2 53	Overhead	15,825	3 53	Overhead	0
1 54	Insurance	20,000	2 54	Insurance		3 54	Insurance	
1 55	Contingency	53,206	2 55	Contingency	134,831	3 55	Contingency	11,778
<b>TOTAL INTANGIBLE DRILLING COSTS: \$1,826,750</b>			<b>TOTAL INTANGIBLE COMPLETION COSTS: \$3,969,810</b>			<b>TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588</b>		

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	18,000	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	37,210	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	92,250	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	356,170	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	548,120	5 64	Production Casing	0	6 64	Production Casing	
4 65	Tubing		5 65	Tubing		6 65	Tubing	95,400
4 66	Wellhead	78,000	5 66	Wellhead	0	6 66	Wellhead	62,100
4 67	Permanent Packers/Hangers/Plugs		5 67	Permanent Packers/Hangers/Plugs		6 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks		5 68	Tanks		6 68	Tanks	
4 69	Production Vessels		5 69	Production Vessels		6 69	Production Vessels	160,000
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	0
4 73	Valves & Controllers		5 73	Valves & Controllers		6 73	Valves & Controllers	0
4 74	Artificial Lift Equipment		5 74	Artificial Lift Equipment		6 74	Artificial Lift Equipment	28,500
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	5,000
4 80	Other - Surface		5 80	Other - Surface		6 80	Other - Surface	
4 81	Other - Downhole	15,000	5 81	Other - Downhole		6 81	Other - Downhole	
<b>TOTAL TANGIBLE DRILLING COSTS: \$1,144,750</b>			<b>TOTAL TANGIBLE COMPLETION COSTS: \$0</b>			<b>TOTAL TANGIBLE PRODUCTION COSTS: \$401,000</b>		
<b>TOTAL DRILLING COSTS: \$2,971,500</b>			<b>TOTAL COMPLETION COSTS: \$3,969,810</b>			<b>TOTAL PRODUCTION COSTS: \$676,588</b>		
<b>TOTAL WELL COST: \$7,617,898</b>								

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: \_\_\_\_\_

IFE 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, Golden, Colorado 80401  
Authorization For Expenditure

Name: Schlitz Fed Com 213H  
AFE #: 0  
County: Eddy  
State: NM

Date: February 17, 2022  
MD/TVD: 19040 / 8840  
Lateral Length: 9750  
Geologic Target: Wolfcamp A

Well Description: Drill, complete, and produce 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	10,000	2 2	Land - Regulatory		3 2	Land - Regulatory	
1 3	Land - Surface Damages	10,000	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	59,000	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	466,769	2 8	Drilling - Contractor		3 8	Drilling - Contractor	
1 9	Mob/Rig Up - Contractor/Trucking	50,000	2 9	Mob/Rig Up - Contractor/Trucking		3 9	Mob/Rig Up - Contractor/Trucking	
1 10	Cementing Services	141,000	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	30,000	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	63,500	2 12	Bits/Drill Out Assemblies	38,714	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	62,336	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	92,835	2 14	Fluids/Chemicals	34,000	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	41,805	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	29,250	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	40,296	2 17	Fuel/Power	385,000	3 17	Fuel/Power	
1 18	Water	35,951	2 18	Water	297,338	3 18	Water	
1 19	Directional Drilling	197,528	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	23,113	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	100,112	2 25	Consultant Supervision	75,600	3 25	Consultant Supervision	18,500
1 26	Freight/Transportation	9,000	2 26	Freight/Transportation	2,000	3 26	Freight/Transportation	15,000
1 27	Labor	102,500	2 27	Labor	12,970	3 27	Labor	38,000
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	55,414	2 30	Rentals - Surface	18,840	3 30	Rentals - Surface	9,800
1 31	Rentals - Living Quarters	35,354	2 31	Rentals - Living Quarters	14,080	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	2,000	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	63,209	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	12,950
1 35	Rentals - Frac Tanks	5,926	2 35	Rentals - Frac Tanks	29,120	3 35	Rentals - Frac Tanks	15,000
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	89,472	3 36	Coil Tubing Unit/Workover Rig	34,500
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	223,531	3 37	Wireline/Slickline/Perforating	5,500
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	2,276,721	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	43,600
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	65,960
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	0	2 53	Overhead	15,825	3 53	Overhead	0
1 54	Insurance	20,000	2 54	Insurance		3 54	Insurance	
1 55	Contingency	53,112	2 55	Contingency	134,831	3 55	Contingency	11,778
<b>TOTAL INTANGIBLE DRILLING COSTS: \$1,823,510</b>			<b>TOTAL INTANGIBLE COMPLETION COSTS: \$3,969,810</b>			<b>TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588</b>		

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	18,000	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	37,210	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	92,250	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	358,240	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	549,290	5 64	Production Casing	0	6 64	Production Casing	
4 65	Tubing		5 65	Tubing		6 65	Tubing	95,400
4 66	Wellhead	78,000	5 66	Wellhead	0	6 66	Wellhead	62,100
4 67	Permanent Packers/Hangers/Plugs		5 67	Permanent Packers/Hangers/Plugs		6 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks		5 68	Tanks		6 68	Tanks	
4 69	Production Vessels		5 69	Production Vessels		6 69	Production Vessels	160,000
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	0
4 73	Valves & Controllers		5 73	Valves & Controllers		6 73	Valves & Controllers	0
4 74	Artificial Lift Equipment		5 74	Artificial Lift Equipment		6 74	Artificial Lift Equipment	28,500
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	5,000
4 80	Other - Surface		5 80	Other - Surface		6 80	Other - Surface	
4 81	Other - Downhole	15,000	5 81	Other - Downhole		6 81	Other - Downhole	
<b>TOTAL TANGIBLE DRILLING COSTS: \$1,147,990</b>			<b>TOTAL TANGIBLE COMPLETION COSTS: \$0</b>			<b>TOTAL TANGIBLE PRODUCTION COSTS: \$401,000</b>		
<b>TOTAL DRILLING COSTS: \$2,971,500</b>			<b>TOTAL COMPLETION COSTS: \$3,969,810</b>			<b>TOTAL PRODUCTION COSTS: \$676,588</b>		
<b>TOTAL WELL COST: \$7,617,898</b>								

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: \_\_\_\_\_

WE 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, Golden, Colorado 80401  
Authorization For Expenditure

Name: Schlitz Fed Com 231H  
AFE #: 0  
County: Eddy  
State: NM

Date: February 17, 2022  
MD/TVD: 19565 / 9365  
Lateral Length: 9750  
Geologic Target: Wolfcamp B-L

Well Description: **Drill, complete, and produce a horizontal Wolfcamp B-L 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	10,000	2 2	Land - Regulatory		3 2	Land - Regulatory	
1 3	Land - Surface Damages	10,000	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	59,000	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	549,258	2 8	Drilling - Contractor		3 8	Drilling - Contractor	
1 9	Mob/Rig Up - Contractor/Trucking	50,000	2 9	Mob/Rig Up - Contractor/Trucking		3 9	Mob/Rig Up - Contractor/Trucking	
1 10	Cementing Services	141,000	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	30,000	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	63,500	2 12	Bits/Drill Out Assemblies	38,714	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	71,855	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	98,517	2 14	Fluids/Chemicals	34,000	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	44,168	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	29,250	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	48,577	2 17	Fuel/Power	385,000	3 17	Fuel/Power	
1 18	Water	36,762	2 18	Water	297,338	3 18	Water	
1 19	Directional Drilling	238,121	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	23,113	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	117,973	2 25	Consultant Supervision	75,600	3 25	Consultant Supervision	18,500
1 26	Freight/Transportation	9,000	2 26	Freight/Transportation	2,000	3 26	Freight/Transportation	15,000
1 27	Labor	102,500	2 27	Labor	12,970	3 27	Labor	38,000
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	65,692	2 30	Rentals - Surface	18,840	3 30	Rentals - Surface	9,800
1 31	Rentals - Living Quarters	41,037	2 31	Rentals - Living Quarters	14,080	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	2,000	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	76,199	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	12,950
1 35	Rentals - Frac Tanks	7,144	2 35	Rentals - Frac Tanks	29,120	3 35	Rentals - Frac Tanks	15,000
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	89,472	3 36	Coil Tubing Unit/Workover Rig	34,500
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	223,531	3 37	Wireline/Slickline/Perforating	5,500
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	2,388,014	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	43,600
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	65,960
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	0	2 53	Overhead	15,825	3 53	Overhead	0
1 54	Insurance	20,000	2 54	Insurance		3 54	Insurance	
1 55	Contingency	59,045	2 55	Contingency	137,613	3 55	Contingency	11,778
<b>TOTAL INTANGIBLE DRILLING COSTS: \$2,027,210</b>			<b>TOTAL INTANGIBLE COMPLETION COSTS: \$4,083,885</b>			<b>TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588</b>		

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	18,000	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	37,210	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	92,250	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	382,390	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	562,940	5 64	Production Casing	0	6 64	Production Casing	
4 65	Tubing		5 65	Tubing		6 65	Tubing	95,400
4 66	Wellhead	78,000	5 66	Wellhead	0	6 66	Wellhead	62,100
4 67	Permanent Packers/Hangers/Plugs		5 67	Permanent Packers/Hangers/Plugs		6 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks		5 68	Tanks		6 68	Tanks	
4 69	Production Vessels		5 69	Production Vessels		6 69	Production Vessels	160,000
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	0
4 73	Valves & Controllers		5 73	Valves & Controllers		6 73	Valves & Controllers	0
4 74	Artificial Lift Equipment		5 74	Artificial Lift Equipment		6 74	Artificial Lift Equipment	28,500
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	5,000
4 80	Other - Surface		5 80	Other - Surface		6 80	Other - Surface	
4 81	Other - Downhole	15,000	5 81	Other - Downhole		6 81	Other - Downhole	
<b>TOTAL TANGIBLE DRILLING COSTS: \$1,185,790</b>			<b>TOTAL TANGIBLE COMPLETION COSTS: \$0</b>			<b>TOTAL TANGIBLE PRODUCTION COSTS: \$401,000</b>		
<b>TOTAL DRILLING COSTS: \$3,213,000</b>			<b>TOTAL COMPLETION COSTS: \$4,083,885</b>			<b>TOTAL PRODUCTION COSTS: \$676,588</b>		
<b>TOTAL WELL COST: \$7,973,473</b>								

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: \_\_\_\_\_

FE 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, Golden, Colorado 80401  
Authorization For Expenditure

Name: Schlitz Fed Com 232H  
AFE #: 0  
County: Eddy  
State: NM

Date: February 17, 2022  
MD/TVD: 19525 / 9325  
Lateral Length: 9750  
Geologic Target: Wolfcamp B-L

Well Description: Drill, complete, and produce a horizontal Wolfcamp B-L 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	10,000	2 2	Land - Regulatory		3 2	Land - Regulatory	
1 3	Land - Surface Damages	10,000	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	59,000	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	550,601	2 8	Drilling - Contractor		3 8	Drilling - Contractor	
1 9	Mob/Rig Up - Contractor/Trucking	50,000	2 9	Mob/Rig Up - Contractor/Trucking		3 9	Mob/Rig Up - Contractor/Trucking	
1 10	Cementing Services	141,000	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	30,000	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	63,500	2 12	Bits/Drill Out Assemblies	38,714	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	72,010	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	98,403	2 14	Fluids/Chemicals	34,000	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	43,988	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	29,250	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	48,712	2 17	Fuel/Power	385,000	3 17	Fuel/Power	
1 18	Water	36,776	2 18	Water	297,338	3 18	Water	
1 19	Directional Drilling	238,782	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	23,113	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	118,264	2 25	Consultant Supervision	75,600	3 25	Consultant Supervision	18,500
1 26	Freight/Transportation	9,000	2 26	Freight/Transportation	2,000	3 26	Freight/Transportation	15,000
1 27	Labor	102,500	2 27	Labor	12,970	3 27	Labor	38,000
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	65,860	2 30	Rentals - Surface	18,840	3 30	Rentals - Surface	9,800
1 31	Rentals - Living Quarters	41,130	2 31	Rentals - Living Quarters	14,080	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	2,000	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	76,410	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	12,950
1 35	Rentals - Frac Tanks	7,163	2 35	Rentals - Frac Tanks	29,120	3 35	Rentals - Frac Tanks	15,000
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	89,472	3 36	Coil Tubing Unit/Workover Rig	34,500
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	223,531	3 37	Wireline/Slickline/Perforating	5,500
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	2,388,014	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	43,600
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	65,960
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	0	2 53	Overhead	15,825	3 53	Overhead	0
1 54	Insurance	20,000	2 54	Insurance		3 54	Insurance	
1 55	Contingency	59,129	2 55	Contingency	137,613	3 55	Contingency	11,778
<b>TOTAL INTANGIBLE DRILLING COSTS: \$2,030,090</b>			<b>TOTAL INTANGIBLE COMPLETION COSTS: \$4,083,885</b>			<b>TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588</b>		

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	18,000	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	37,210	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	92,250	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	380,550	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	561,900	5 64	Production Casing	0	6 64	Production Casing	
4 65	Tubing		5 65	Tubing		6 65	Tubing	95,400
4 66	Wellhead	78,000	5 66	Wellhead	0	6 66	Wellhead	62,100
4 67	Permanent Packers/Hangers/Plugs		5 67	Permanent Packers/Hangers/Plugs		6 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks		5 68	Tanks		6 68	Tanks	
4 69	Production Vessels		5 69	Production Vessels		6 69	Production Vessels	160,000
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	0
4 73	Valves & Controllers		5 73	Valves & Controllers		6 73	Valves & Controllers	0
4 74	Artificial Lift Equipment		5 74	Artificial Lift Equipment		6 74	Artificial Lift Equipment	28,500
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	5,000
4 80	Other - Surface		5 80	Other - Surface		6 80	Other - Surface	
4 81	Other - Downhole	15,000	5 81	Other - Downhole		6 81	Other - Downhole	
<b>TOTAL TANGIBLE DRILLING COSTS: \$1,182,910</b>			<b>TOTAL TANGIBLE COMPLETION COSTS: \$0</b>			<b>TOTAL TANGIBLE PRODUCTION COSTS: \$401,000</b>		
<b>TOTAL DRILLING COSTS: \$3,213,000</b>			<b>TOTAL COMPLETION COSTS: \$4,083,885</b>			<b>TOTAL PRODUCTION COSTS: \$676,588</b>		
<b>TOTAL WELL COST: \$7,973,473</b>								

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: \_\_\_\_\_

IFE 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, Golden, Colorado 80401  
Authorization For Expenditure

Name: Schlitz Fed Com 233H  
AFE #: 0  
County: Eddy  
State: NM

Date: February 17, 2022  
MD/TVD: 19555 / 9355  
Lateral Length: 9750  
Geologic Target: Wolfcamp B-L

Well Description: **Drill, complete, and produce a horizontal Wolfcamp B-L 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	10,000	2 2	Land - Regulatory		3 2	Land - Regulatory	
1 3	Land - Surface Damages	10,000	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	59,000	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	549,594	2 8	Drilling - Contractor		3 8	Drilling - Contractor	
1 9	Mob/Rig Up - Contractor/Trucking	50,000	2 9	Mob/Rig Up - Contractor/Trucking		3 9	Mob/Rig Up - Contractor/Trucking	
1 10	Cementing Services	141,000	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	30,000	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	63,500	2 12	Bits/Drill Out Assemblies	38,714	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	71,894	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	98,488	2 14	Fluids/Chemicals	34,000	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	44,123	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	29,250	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	48,610	2 17	Fuel/Power	385,000	3 17	Fuel/Power	
1 18	Water	36,766	2 18	Water	297,338	3 18	Water	
1 19	Directional Drilling	238,287	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	23,113	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	118,046	2 25	Consultant Supervision	75,600	3 25	Consultant Supervision	18,500
1 26	Freight/Transportation	9,000	2 26	Freight/Transportation	2,000	3 26	Freight/Transportation	15,000
1 27	Labor	102,500	2 27	Labor	12,970	3 27	Labor	38,000
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	65,734	2 30	Rentals - Surface	18,840	3 30	Rentals - Surface	9,800
1 31	Rentals - Living Quarters	41,060	2 31	Rentals - Living Quarters	14,080	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	2,000	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	76,252	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	12,950
1 35	Rentals - Frac Tanks	7,149	2 35	Rentals - Frac Tanks	29,120	3 35	Rentals - Frac Tanks	15,000
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	89,472	3 36	Coil Tubing Unit/Workover Rig	34,500
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	223,531	3 37	Wireline/Slickline/Perforating	5,500
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	2,388,014	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	43,600
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	65,960
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	0	2 53	Overhead	15,825	3 53	Overhead	0
1 54	Insurance	20,000	2 54	Insurance		3 54	Insurance	
1 55	Contingency	59,066	2 55	Contingency	137,613	3 55	Contingency	11,778
<b>TOTAL INTANGIBLE DRILLING COSTS: \$2,027,930</b>			<b>TOTAL INTANGIBLE COMPLETION COSTS: \$4,083,885</b>			<b>TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588</b>		

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	18,000	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	37,210	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	92,250	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	381,930	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	562,680	5 64	Production Casing	0	6 64	Production Casing	
4 65	Tubing		5 65	Tubing		6 65	Tubing	95,400
4 66	Wellhead	78,000	5 66	Wellhead	0	6 66	Wellhead	62,100
4 67	Permanent Packers/Hangers/Plugs		5 67	Permanent Packers/Hangers/Plugs		6 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks		5 68	Tanks		6 68	Tanks	
4 69	Production Vessels		5 69	Production Vessels		6 69	Production Vessels	160,000
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	0
4 73	Valves & Controllers		5 73	Valves & Controllers		6 73	Valves & Controllers	0
4 74	Artificial Lift Equipment		5 74	Artificial Lift Equipment		6 74	Artificial Lift Equipment	28,500
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	5,000
4 80	Other - Surface		5 80	Other - Surface		6 80	Other - Surface	
4 81	Other - Downhole	15,000	5 81	Other - Downhole		6 81	Other - Downhole	
<b>TOTAL TANGIBLE DRILLING COSTS: \$1,185,070</b>			<b>TOTAL TANGIBLE COMPLETION COSTS: \$0</b>			<b>TOTAL TANGIBLE PRODUCTION COSTS: \$401,000</b>		
<b>TOTAL DRILLING COSTS: \$3,213,000</b>			<b>TOTAL COMPLETION COSTS: \$4,083,885</b>			<b>TOTAL PRODUCTION COSTS: \$676,588</b>		
<b>TOTAL WELL COST: \$7,973,473</b>								

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, Golden, Colorado 80401  
Authorization For Expenditure

Name: Schlitz Fed Com 234H  
AFE #: 0  
County: Eddy  
State: NM

Date: February 17, 2022  
MD/TVD: 19515 / 9315  
Lateral Length: 9750  
Geologic Target: Wolfcamp B-L

Well Description: Drill, complete, and produce a horizontal Wolfcamp B-L 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	10,000	2 2	Land - Regulatory		3 2	Land - Regulatory	
1 3	Land - Surface Damages	10,000	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	59,000	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	550,937	2 8	Drilling - Contractor		3 8	Drilling - Contractor	
1 9	Mob/Rig Up - Contractor/Trucking	50,000	2 9	Mob/Rig Up - Contractor/Trucking		3 9	Mob/Rig Up - Contractor/Trucking	
1 10	Cementing Services	141,000	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	30,000	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	63,500	2 12	Bits/Drill Out Assemblies	38,714	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	72,049	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	98,374	2 14	Fluids/Chemicals	34,000	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	43,943	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	29,250	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	48,745	2 17	Fuel/Power	385,000	3 17	Fuel/Power	
1 18	Water	36,779	2 18	Water	297,338	3 18	Water	
1 19	Directional Drilling	238,948	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	23,113	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	118,337	2 25	Consultant Supervision	75,600	3 25	Consultant Supervision	18,500
1 26	Freight/Transportation	9,000	2 26	Freight/Transportation	2,000	3 26	Freight/Transportation	15,000
1 27	Labor	102,500	2 27	Labor	12,970	3 27	Labor	38,000
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	65,902	2 30	Rentals - Surface	18,840	3 30	Rentals - Surface	9,800
1 31	Rentals - Living Quarters	41,153	2 31	Rentals - Living Quarters	14,080	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	2,000	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	76,463	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	12,950
1 35	Rentals - Frac Tanks	7,168	2 35	Rentals - Frac Tanks	29,120	3 35	Rentals - Frac Tanks	15,000
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	89,472	3 36	Coil Tubing Unit/Workover Rig	34,500
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	223,531	3 37	Wireline/Slickline/Perforating	5,500
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	2,388,014	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	43,600
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	65,960
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	0	2 53	Overhead	15,825	3 53	Overhead	0
1 54	Insurance	20,000	2 54	Insurance		3 54	Insurance	
1 55	Contingency	59,150	2 55	Contingency	137,613	3 55	Contingency	11,778
<b>TOTAL INTANGIBLE DRILLING COSTS: \$2,030,810</b>			<b>TOTAL INTANGIBLE COMPLETION COSTS: \$4,083,885</b>			<b>TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588</b>		

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	18,000	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	37,210	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	92,250	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	380,090	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	561,640	5 64	Production Casing	0	6 64	Production Casing	
4 65	Tubing		5 65	Tubing		6 65	Tubing	95,400
4 66	Wellhead	78,000	5 66	Wellhead	0	6 66	Wellhead	62,100
4 67	Permanent Packers/Hangers/Plugs		5 67	Permanent Packers/Hangers/Plugs		6 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks		5 68	Tanks		6 68	Tanks	
4 69	Production Vessels		5 69	Production Vessels		6 69	Production Vessels	160,000
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	0
4 73	Valves & Controllers		5 73	Valves & Controllers		6 73	Valves & Controllers	0
4 74	Artificial Lift Equipment		5 74	Artificial Lift Equipment		6 74	Artificial Lift Equipment	28,500
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	5,000
4 80	Other - Surface		5 80	Other - Surface		6 80	Other - Surface	
4 81	Other - Downhole	15,000	5 81	Other - Downhole		6 81	Other - Downhole	
<b>TOTAL TANGIBLE DRILLING COSTS: \$1,182,190</b>			<b>TOTAL TANGIBLE COMPLETION COSTS: \$0</b>			<b>TOTAL TANGIBLE PRODUCTION COSTS: \$401,000</b>		
<b>TOTAL DRILLING COSTS: \$3,213,000</b>			<b>TOTAL COMPLETION COSTS: \$4,083,885</b>			<b>TOTAL PRODUCTION COSTS: \$676,588</b>		
<b>TOTAL WELL COST: \$7,973,473</b>								

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 Cont'd.



ap Rock Resources, LLC	Signed JOA; not subject to compulsory pooling
ARPO&G, LLC	Signed JOA; not subject to compulsory pooling
Magnum Hunter Production, Inc.	3/22/22 - MH election to participate in Schlitz Fed Com #202H, #204H, #211H, #213H wells received 4/13/22 - MH requests JOA form for review, TRR provides 4/19/22 - TRR sends Schlitz Fed Com #231H, #232H, #233H, #234H well proposals via email 4/19/22 - TRR sends Schlitz Fed Com #231H, #232H, #233H, #234H well proposals and JOA via Certified Mail, delivered 4/25/22 5/11/22 - MH requests well information, TRR provides 5/12/22 5/16/22 - MH requests that proposals under the new order be sent and that they will elect within 30 days of receipt
MEC Petroleum Corp.	Signed JOA; not subject to compulsory pooling
Murchison Oil and Gas, LLC	3/31/22 - MOGL election to participate in Schlitz Fed Com #202H, #204H, #211H, #213H wells received 3/31/22 - TRR provides JOA form for review 4/19/22 - TRR sends Schlitz Fed Com #231H, #232H, #233H, #234H well proposals and JOA via Certified Mail, delivered 4/23/22 5/25/22 - TRR follows up with MOGL via telephone and email regarding status of elections and review of JOA form
Kastleford Land Company, LLC	4/11/22 - TRR receives notice of acquisition of UMI in Section 9 from Kastleford 4/19/22 - TRR sends Schlitz Fed Com #231H, #232H, #233H, #234H well proposals and JOA via Certified Mail, delivered 4/25/22 5/12/22 - TRR receives Kastleford election to participate in wells 5/24/22 - TRR re-sends JOA form for execution; expect to have executed JOA soon
Occidental Permian Limited Partnership	Signed JOA; not subject to compulsory pooling
OXY USA WTP Limited Partnership	Signed JOA; not subject to compulsory pooling
OXY Y-1 Company	Signed JOA; not subject to compulsory pooling
Barbara Maltby Weldon, s/p	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail - status of delivery?
Dorothy Mary Gravely, s/p	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, delivered 2/25/22 - no response
Billie Maltby McKee, s/p	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, delivered 2/25/22 - no response
Bradley Macey, s/p	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, delivered 3/14/22 - no response 5/5/22 - TRR locates possible new address for owner, re-sends proposals and lease form via Certified Mail, delivered 5/9/22 - no response

**Case No. 22857**  
**Exhibit No. A-7**

## Summary of Communication

Ryan Macey, s/p	<p>2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, no delivery confirmed</p> <p>5/5/22 - TRR locates possible new address for owner, re-sends proposals and lease form via Certified Mail, delivered 5/10/22</p> <p>5/25/22 - Phone call with owner regarding lease terms and status of pooling, TRR working on lease form and bonus consideration</p>
Brothy L. Kenyon, s/p	<p>2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, no delivery confirmed</p> <p>5/5/22 - TRR locates possible new address for owner, re-sends proposals and lease form via Certified Mail, delivered 5/13/22 - no response</p>
Source Energy Permian II, LLC	<p>2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells to EnPlat III, LLC via Certified Mail, delivered 2/22/22</p> <p>3/4/22 - EnPlat notifies TRR of sale of MI to Source Energy Permian</p>
Gary G. Jones and wife, Kim Jones	<p>2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, no delivery confirmed</p> <p>5/5/22 - TRR locates possible new address for owner, re-sends proposals and lease form via Certified Mail, delivered 5/10/22</p> <p>5/16/22 - Phone call with owner regarding lease terms and status of pooling, TRR working on lease form, bonus and curative matters</p>
Janet Macey, s/p	<p>2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, no delivery confirmed</p> <p>5/5/22 - TRR locates possible new address for owner, re-sends proposals and lease form via Certified Mail, delivered 5/10/22</p> <p>5/25/22 - Phone call with owner regarding lease terms and status of pooling, TRR working on lease form and bonus consideration</p>
Larrimer F. Larremore, s/p	<p>2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, delivered 3/7/22</p> <p>5/5/22 - TRR locates possible new address for owner, re-sends proposals and lease form via Certified Mail, delivered 5/10/22 - no response</p>

## Summary of Communication Cont'd.

Estate of Charles Walter Fairweather, II	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, no delivery confirmed 5/5/22 - TRR locates possible new address for owner, re-sends proposals and lease form via Certified Mail, delivered 5/10/22 3/23/22 - Estate agrees to lease to TRR, working on curative documents in Eddy County
Estate of Edward Chamberlin	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, delivered 2/25/22 - no response
Estate of George P. Larremore, Jr.	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail - status of delivery?
Estate of Gladys Fairweather Vaughn	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail - status of delivery?
Estate of James M. Larremore	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, no delivery confirmed 5/5/22 - TRR locates possible new address for owner, re-sends proposals and lease form via Certified Mail, delivered 5/10/22 5/4/22 - Phone call with owner regarding lease terms and status of pooling, TRR working on lease form and bonus consideration
Estate of Leona Hunter	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, no delivery confirmed 5/5/22 - TRR locates possible new address for owner, re-sends proposals and lease form via Certified Mail, delivered 5/10/22 - no response
Estate of Mary Elizabeth Flint	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, no delivery confirmed 5/5/22 - TRR locates possible new address for owner, re-sends proposals and lease form via Certified Mail, delivered 5/10/22 - no response





# Summary of Communication Cont'd.

Mary Ann Maltby Berry, s/p	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, delivered 2/25/22 - no response
JKM Energy, LLC	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, delivered 2/22/22 - no response
Myrtle Maltby Combs Cook, s/p	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, delivered 2/28/22 - no response
Steven Ray Wright, s/p	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, delivered 2/22/22 5/5/22 - TRR locates possible new address for owner, re-sends proposals and lease form via Certified Mail, delivered 5/13/22 5/23/22 - Phone call with owner regarding lease terms and status of pooling, TRR working on lease form and bonus consideration
William Allen Wright, s/p	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, delivered 2/22/22 - no response
Cimarex Energy Company	5/27/21 - Cimarex requests WI/NRI calculations and Contract Area structure for JOA; Tap Rock provides 6/8/21 - Cimarex confirms original Term Assignment offer and requests updated spud dates; Tap Rock confirms structure and provides spud dates
Estate of Oaty Fairweather Thompson	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, no delivery confirmed 5/5/22 - TRR locates possible new address for owner, re-sends proposals and lease form via Certified Mail, delivered 5/10/22 - no response
Estate of Ray Ann Wright	2/17/22 - TRR sends initial proposals and lease form for Schlitz Fed Com #202H, #204H, #211H, #213H, #231H, #232H, #233H, #234H wells via Certified Mail, delivered 2/26/22 5/5/22 - TRR locates possible new address for owner, re-sends proposals and lease form via Certified Mail, delivered 5/13/22 - no response

TAP ROCK OPERATING, LLC  
MICHAEL RODRIGUEZ – ATTORNEY  
MDRODRIGUEZ@TAPRK.COM

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



May 12, 2022

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**Case No. 22857**  
**Exhibit No. A-8**

**TO: ALL INTERESTED PARTIES SUBJECT TO NOTICE**

**Re: Case No. 22856 - Application of Tap Rock Operating, LLC to Amend Order No. R-21787, Eddy County, New Mexico.**

**Re: Case No. 22857 - Application of Tap Rock Operating, LLC to Amend Order No. R-21786, Eddy County, New Mexico.**

To whom it may concern:

This letter is to advise you that the enclosed applications were filed with the New Mexico Oil Conservation Division. The hearing will be conducted on June 2, 2022, beginning at 8:15 a.m.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter later. Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. MST, on the Thursday preceding the scheduled hearing date. The statement must be filed at the Division’s Santa Fe office or submitted through the OCD E-Permitting system (<https://wwwapps.emnrd.state.nm.us/ocd/ocdpermitting/>) and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses 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 are to be resolved prior to the hearing.

If you have any questions about these applications, please contact the following:

Matt Phillips  
Tap Rock Operating, LLC  
(720) 459-3724  
mphillips@taprk.com

Sincerely,

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

MailClass	TrackingNo	ToCompanyName	ToName	DeliveryAddress	Address1 City	State	Zip	MailDate	ERR_SigDate	ERR_FTPtoUSPS_Status
Certified with Return Receipt (Signature)	94148118987658793321434	as his sole and separate property	Will Allen Wright,	1005 W Wilkinson Dr	Oro Valley	AZ	85704-3617	05/13/2022		This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
Certified with Return Receipt (Signature)	94148118987658793321472	as her sole and separate property	Vicki L. Robinson, Vernon Macey, a/k/a Robert V. Macey,	4 Road 2468 480 S 2nd St Apt 7	Aztec	NM	87410-9333	05/13/2022		This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
Certified with Return Receipt (Signature)	94148118987658793321519	as his sole and separate property	The Estate of Ted Larremore, Deceased	PO Box 1417	Lander	WY	82520-3362	05/13/2022	05/17/2022 00:45:44	SUCCESS
Certified with Return Receipt (Signature)	94148118987658793321557		The Estate of Richard Harry Maltbody Estate	3430 Broad River Rd Apt 140Z	Park City	UT	84060-1439	05/13/2022		This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
Certified with Return Receipt (Signature)	94148118987658793599564	Gary Maltbody, Brother, Possible Heir	The Estate of Richard Harry Maltbody	418 Lewis Dr	Columbia	SC	29210-5448	05/13/2022		Your item was picked up at the post office at 8:29 am on May 18, 2022 in MALVERN, AR 72104.
Certified with Return Receipt (Signature)	94148118987658793599564		The Estate of Rebecca Wilkinson	53406 Appleton Rd	Milvton Freetwater	OR	97862-7645	05/13/2022	05/17/2022 00:45:41	SUCCESS
Certified with Return Receipt (Signature)	94148118987658793321526	C/O Will Allen Wright, Personal Representative	The Estate of Ray Ann Wright, Deceased	15 Blueberry Ln	Lexington	MA	02420-2401	05/13/2022	05/18/2022 00:46:38	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359963	C/O Will Allen Wright And Steven Ray Wright	The Estate of Ray Ann Wright	1005 W Wilkinson Dr	Oro Valley	AZ	85704-3617	05/13/2022		This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
Certified with Return Receipt (Signature)	9414811898765879359925	C/O Robert E. Flint, Possible Heir	The Estate of Mary Bessie T. Flint, Deceased	7425 S Jamestown Ave	Tulsa	OK	74136-5945	05/13/2022	05/18/2022 00:56:43	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359901	C/O Bonnie Hunter	The Estate of Leona Hunter	712 Lane 12	Lovell	WY	82431-9528	05/13/2022	05/17/2022 00:45:43	SUCCESS
Certified with Return Receipt (Signature)	94148118987658793321540		The Estate of Leona Hunter	910 6th Street	Lander	WY	82520	05/13/2022		Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on May 25, 2022 at 12:24 pm. The item is currently in transit to the destination.
Certified with Return Receipt (Signature)	94148118987658793321588	Larry Larremore, Son	The Estate of Lee Thomas Goodman	643 N 6th Pl	Coolidge	AZ	85126-3606	05/13/2022		This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
Certified with Return Receipt (Signature)	9414811898765879359994	Larry Larremore, Son	The Estate of Larry Larremore, Deceased	9823 S Arizona Dr	Mohave Valley	AZ	86440-9667	05/13/2022		This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
Certified with Return Receipt (Signature)	9414811898765879359949	Bryan Macey, Son	The Estate of Janet Macey, Deceased	1044 Parkview Drive Way	Rawlins	WY	82301-4231	05/13/2022	05/17/2022 00:45:45	SUCCESS
Certified with Return Receipt (Signature)	94148118987658793321533		The Estate of James M. Larremore	1622 Kirkcoblth Dr	Salado	TX	76571	05/13/2022	05/17/2022 00:45:42	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359987	C/O Thelma Hutson as his sole and separate property	The Estate of James M. Larremore	2200 SW 7th Ave Apt 115	Amarillo	TX	79106-6719	05/13/2022		Your item was forwarded to a different address at 9:04 am on May 21, 2022 in AMARILLO, TX. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect.
Certified with Return Receipt (Signature)	94148118987658793321571		The Estate of Howard M. Macey,	610 Jefferson St	Lander	WY	82520-2127	05/13/2022	05/17/2022 00:45:45	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359215	C/O Karen Dotson, Daughter	The Estate of George P. Larremore, Jr.	1750 N Pine St	Post Falls	ID	83854	05/13/2022		Your item arrived at the Post Office at 6:15 am on May 23, 2022 in ALBUQUERQUE, NM 87109.
Certified with Return Receipt (Signature)	9414811898765879359253	C/O Allison Grayley, Granddaughter	The Estate of Edward Chamberlin	1502 James Pl	Goshen	IN	46526-2249	05/13/2022	05/17/2022 00:45:44	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359932	whose marital status is unknown	The Estate of Dorothy Mary Grayley, Deceased	2100 Hyland Dr Apt 16	Rochester	NY	14623-4289	05/13/2022	05/18/2022 00:46:38	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359260	unknown	The Estate of Dorothy Lavene Turelle Kenyon,	2203 E Elaine Ave	Fayetteville	AR	72703-4508	05/13/2022		Your item arrived at the Post Office at 6:14 am on May 23, 2022 in ALBUQUERQUE, NM 87109.
Certified with Return Receipt (Signature)	9414811898765879359970	C/O Karen Dotson, Daughter	The Estate of Dorothy Lavene Turelle Kenyon	1000 Shiloh Dr	Springfield	TN	37172-6478	05/13/2022	05/22/2022 07:44:30	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359222	C/O Ross Fairweather as his sole and separate property	The Estate of Charles Walter Fairweather, II	310 W 6th Ave	Amarillo	TX	79101-2202	05/13/2022		Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on May 24, 2022 at 11:10 pm. The item is currently in transit to the destination.
Certified with Return Receipt (Signature)	9414811898765879359611	C/O Ross Fairweather as his sole and separate property	The Estate of Charles Walter Fairweather, II	175 Hulton Ranch Rd Ste 103	PMB 198 Kalspell	MT	59901-2142	05/13/2022	05/17/2022 00:45:47	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359208	as his sole and separate property	Steward D. Adams,	1182 Vicksburg St	Deltona	FL	32725-2842	05/13/2022	05/24/2022 13:44:53	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359291	as her sole and separate property	Steven Ray Wright,	PO Box 1407	Las Cruces	NM	88004-1407	05/13/2022		Your item was picked up at the post office at 8:52 am on May 24, 2022 in DELTONA, FL 32725.
Certified with Return Receipt (Signature)	9414811898765879359659	whose marital status is unknown	Sharon Maltbody Leslie	5062 Arena Dr	Las Cruces	NM	88012-0643	05/13/2022	05/17/2022 00:45:45	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359246	unknown	Sharon Fairweather Jones,	4590 W 4200 S	West Haven	UT	84401-9300	05/13/2022	05/17/2022 00:45:44	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359284		Sharon Fairweather Jones,	PO Box 67	Llano	TX	78643-0067	05/13/2022	05/18/2022 00:46:38	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359239		Patrick Forgey	5700 Copper Ave NE Apt C22	Albuquerque	NM	87108-1850	05/13/2022		Your item departed our ALBUQUERQUE, NM 87101 destination facility on May 24, 2022 at 9:43 pm. The item is currently in transit to the destination.
Certified with Return Receipt (Signature)	9414811898765879359277	C/O Evelyn Story as her sole and separate property	Occidental Permian LP	PO Box 4294	Houston	TX	77210-4294	05/13/2022		Your item arrived at the HOUSTON, TX 77002 post office at 10:05 am on May 24, 2022 and is ready for pickup.
Certified with Return Receipt (Signature)	9414811898765879359819	as her sole and separate property	Oaty E. Fairweather Thompson, Deceased	PO Box 489	Sabinal	TX	78881-0489	05/13/2022	05/17/2022 00:45:47	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359857	as her sole and separate property	Oaty E. Fairweather Thompson,	PO Box 265	Sabinal	TX	78881-0265	05/13/2022		Your item arrived at the Post Office at 6:14 am on May 23, 2022 in SABINAL, TX 78881.
Certified with Return Receipt (Signature)	9414811898765879359826	as her sole and separate property	Myrtle Maltbody Combs Cook Estate	181 N Pickley St	Orange	CA	92668	05/13/2022		Your item arrived at the Post Office at 6:13 am on May 23, 2022 in ALBUQUERQUE, NM 87109.
Certified with Return Receipt (Signature)	9414811898765879359864	as her sole and separate property	Mary Bessie T. Flint Estate,	2101 E Maryland Ave.	Phoenix	AZ	85016	05/13/2022		Your item was delivered to an individual at the address at 11:58 am on May 17, 2022 in SAINT JOSEPH, MO 64505.
Certified with Return Receipt (Signature)	9414811898765879359802		Mary Ann Berry,	4802 Stonebridge Dr W	Saint Joseph	MO	64505-8310	05/13/2022	05/18/2022 00:56:43	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359918		Marcella S. vonBadesky	1182 Vicksburg St Unit 8	Deltona	FL	32725-2842	05/13/2022	05/20/2022 12:44:29	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359985	as his sole and separate property	MAGNUM HUNTER PRODUCTION INC	600 N Marienfield St Ste 600	Midland	TX	79701-4405	05/13/2022	05/17/2022 00:45:44	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359840	as his sole and separate property	Linda L. Gilbert	7043 2nd St NW	Albuquerque	NM	87107-6037	05/13/2022	05/23/2022 18:45:01	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359840		Larry Larremore,	5051 W Boothhill Dr	West Valley	UT	84120-4560	05/13/2022		Your item was delivered to the front desk, reception area, or mail room at 2:24 pm on May 16, 2022 in MIDLAND, TX 79701.

Signature	Tracking Number	Origin	Destination	Date	Status	Remarks
Certified with Return Receipt (Signature)	9414811898765879359888	Larry G. Phillips and wife, Anne C. Phillips	Midland	05/13/2022	05/18/2022 18:44:31	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359833	a New Mexico limited liability company	Artesia	05/13/2022	05/23/2022 18:45:03	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359871	as her sole and separate property	Canon City	05/13/2022		
Certified with Return Receipt (Signature)	9414811898765879359710	as her sole and separate property	Lady Lake	05/13/2022		
Certified with Return Receipt (Signature)	9414811898765879359758		Malvern	05/13/2022	05/19/2022 01:45:12	SUCCESS
Certified with Return Receipt (Signature)	9414811898765879359765		Midland	05/13/2022		
Certified with Return Receipt (Signature)	9414811898765879359604		Horseshoe Bay	05/13/2022		
Certified with Return Receipt (Signature)	9414811898765879359727		Ft Worth	05/18/2022 00:46:27	SUCCESS	Your item was delivered to an individual at the address at 12:52 pm on May 17, 2022 in FORT WORTH, TX 76102.
Certified with Return Receipt (Signature)	9414811898765879359703	as her sole and separate property	Odessa	05/13/2022		
Certified with Return Receipt (Signature)	9414811898765879359796	dealing in his separate property	Sindair	05/13/2022		
Certified with Return Receipt (Signature)	9414811898765879359697	dealing in his separate property	Rawlins	05/17/2022 00:45:47	SUCCESS	Your item was delivered at 9:22 am on May 16, 2022 in RAWLINS, WY 82301.
Certified with Return Receipt (Signature)	9414811898765879359741	as his sole and separate property	Sindair	05/13/2022		
Certified with Return Receipt (Signature)	9414811898765879359642	as his sole and separate property	Aurora	05/13/2022		
Certified with Return Receipt (Signature)	9414811898765879359789	as her sole and separate property	San Diego	05/13/2022		
Certified with Return Receipt (Signature)	9414811898765879359734	as her sole and separate property	San Diego	05/13/2022		
Certified with Return Receipt (Signature)	9414811898765879359772	as her sole and separate property	Lander	05/13/2022		
		Dorothy Mary Gravley,				Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on May 24, 2022 at 11:11 pm. The item is currently in transit to the destination.
		Bryan Macey, a married man,				Your item arrived at our USPS facility in MINNEAPOLIS MN DISTRIBUTION CENTER on May 25, 2022 at 3:29 pm. The item is currently in transit to the destination.
		Bryan Macey, a married man,				Your item was delivered at 9:22 am on May 16, 2022 in RAWLINS, WY 82301.
		Bradley Macey,				Your item arrived at our USPS facility in MINNEAPOLIS MN DISTRIBUTION CENTER on May 25, 2022 at 3:29 pm. The item is currently in transit to the destination.
		Bradley Macey,				This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
		Billie M. McKee,				This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
		Barbara Maltby Weldon,				Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
		Alanna Macey, a/k/a Lonnie Macey,				Your item arrived at the Post Office at 6:14 am on May 23, 2022 in ALBUQUERQUE, NM 87109.

**Affidavit of Publication**

Ad # 0005265420

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:

05/19/2022

  
Legal Clerk

Subscribed and sworn before me this May 19, 2022:



State of WI, County of Brown  
NOTARY PUBLIC

1-7-05

My commission expires

To all interested parties subject to notice including Will Allen Wright; Vicki L. Robinson; Vernon Macey; Robert V. Macey; Estate of Ted Larremore; Estate of Richard Harry Maltby; Estate of Rebecca Wilkinson; Estate of Ray Ann Wright; Estate of Leona Hunter; Estate of Lee Thomas Goodman; Estate of James M. Larremore; Estate of Howard M. Macey; Estate of George P. Larremore, Jr.; Estate of Edward Chamberlin; Estate of Dorothy Laverne Turelle Kenyon; Estate of Charles Walter Fairweather, II; Stewart D. Adams; Steven Ray Wright; Sharon Maltby Leslie; Sharon Fairweather Jones; Patrick Forgey; Occidental Permian LP; Oaty E. Fairweather Thompson; Estate of Myrtle Maltby Combs Cook; Estate of Mary Bessie T. Flint; Mary Ann Berry; Marcella S. VonRadesky; Linda L. Gilbert; Estate of Larry Larremore; Larry Larremore; Larry G. Phillips; Anne C. Phillips; JKM Energy, LLC; The Estate of Janet Macey; Janet Macey; Gladys Fairweather Vaughn; Estate of Gary Michael Maltby; Gary G. Jones; Kim Jones; EnPlat III, LLC; Estate of Dorothy Mary Gravley; Dorothy Mary Gravley; Bryan Macey; Bradley Macey; BJH Energy Holdings, LLC; Billie M. McKee; Barbara Maltby Weldon; Alanna Macey; Lonnie Macey; Magnum Hunter Production Inc.; Gary Maltby; Will Allen Wright; Robert E. Flint; Bonnie Hunter; Thelma Hutson; Allison Gravley; Karen Dotson; Ross Fairweather; Evelyn Story and their successors or assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Tap Rock Operating, LLC on June 2, 2022 - Case No. 22857 . During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>. Application of Tap Rock Operating, LLC to Amend Order No. R-21786, Eddy County, New Mexico. Tap Rock Operating, LLC ("TRO") seeks to amend Order No. R-21786 ("Order") to: (1) add two additional initial wells to the horizontal spacing unit established by the Order, and (2) pool additional mineral interests under the terms of the Order. Division Order No. R-21786 was issued in Case No. 21611 on July 16, 2021, which: pooled all uncommitted mineral interests in the Wolfcamp formation underlying a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the W/2 of Sections 9 and 16, Township 25 South, Range 26 East, NMPM, Eddy County; dedicated the Unit to the Schlitz Fed Com 202H well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit C of Section 9, and the Schlitz Fed Com 211H well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit D of Section 9; and designated TRO as the operator of the Unit and the wells. Since entry of the Order, TRO determined that additional mineral interests have not been pooled under the terms of the Order. Further, TRO revised its development plan to add two (2) additional initial wells to the Unit established by the Order: the Schlitz Fed Com 232H well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit C of Section 9, and the Schlitz Fed Com 231H well to be drilled from a surface hole location in Unit M of Section 16 to a bottom hole location in Unit D of Section 9. The Unit is located approximately 5.5 miles southeast of Whites City, New Mexico. #5265420, Current Argus, May 19, 2022

KATHLEEN ALLEN  
Notary Public  
State of Wisconsin

Ad # 0005265420  
PO #: 22857  
# of Affidavits 1

This is not an invoice