

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

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

CASE NO. 22934

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COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case No.:	22934
Hearing Date:	12/15/2022
Applicant	Tap Rock Operating, LLC
Designated Operator & OGRID	372043
Applicant's Counsel	Michael Rodriguez
Case Title	APPLICATION OF TAP ROCK OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors	EOG Resources, Inc.
Well Family	Double Stamp
Formation/Pool	
Formation Name(s) or Vertical Extent	Bone Spring
Primary Product (Oil or Gas)	Oil
Pooling this vertical extent	Bone Spring
Pool Name and Pool Code	SALT LAKE;BONE SPRING [53560]
Well Location Setback Rules	Statewide rules
Spacing Unit Size (acres)	640
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640
Building Blocks	quarter-quarter
Orientation	Standup
Description: TRS/County	W/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes
Proximity Defining Well: if yes, description	The completed interval for the Double Stamp Fed Com #115H will be within 330' of the quarter-quarter line separating the W/2W/2 from the E/2W/2 of Sections 11 and 14 to allow the inclusion of this acreage into a standard horizontal spacing unit
Well Name (API No)	Surface Hole Location Bottom Hole Location Completion Target (Approx. TVD) Completion status (Standard / Non-standard)
Double Stamp Fed Com #111H (Pending)	240 FNL and 1707 FWL of Section 23 5 FNL and 331 FWL of Section 11 Bone Spring (9000') Standard
Double Stamp Fed Com #112H (Pending)	241 FNL and 1837 FWL of Section 23 5 FNL and 2178 FWL of Section 11 Bone Spring (9000') Standard
Double Stamp Fed Com #115H (Pending)	241 FNL and 1732 FWL of Section 23 5 FNL and 1254 FWL of Section 11 Bone Spring (9000') Standard
Double Stamp Fed Com #121H (Pending)	265 FNL and 1707 FWL of Section 23 5 FNL and 331 FWL of Section 11 Bone Spring (9700') Standard

Double Stamp Fed Com #122H (Pending)	266 FNL and 1812 FWL of Section 23 5 FNL and 1650 FWL of Section 11 Bone Spring (9700') Standard
Double Stamp Fed Com #125H (Pending)	266 FNL and 1732 FWL of Section 23 5 FNL and 990 FWL of Section 11 Bone Spring (9700') Standard
Double Stamp Fed Com #127H (Pending)	266 FNL and 1837 FWL of Section 23 5 FNL and 2304 FWL of Section 11 Bone Spring (9700') Standard
Double Stamp Fed Com #131H (Pending)	407 FNL and 2041 FWL of Section 23 5 FNL and 331 FWL of Section 11 Bone Spring (10350') Standard
Double Stamp Fed Com #132H (Pending)	407 FNL and 2091 FWL of Section 23 5 FNL and 2178 FWL of Section 11 Bone Spring (10350') Standard
Double Stamp Fed Com #135H (Pending)	382 FNL and 2066 FWL of Section 23 5 FNL and 1254 FWL of Section 11 Bone Spring (10350') Standard
Double Stamp Fed Com #151H (Pending)	382 FNL and 2041 FWL of Section 23 5 FNL and 908 FWL of Section 11 Bone Spring (10350') Standard
Double Stamp Fed Com #152H (Pending)	382 FNL and 2091 FWL of Section 23 5 FNL and 2064 FWL of Section 11 Bone Spring (10350') Standard
Double Stamp Fed Com #171H (Pending)	241 FNL and 1917 FWL of Section 23 5 FNL and 660 FWL of Section 11 Bone Spring (8300') Standard
Double Stamp Fed Com #172H (Pending)	266 FNL and 1917 FWL of Section 23 5 FNL and 1980 FWL of Section 11 Bone Spring (8300') Standard
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000.00
Production Supervision/Month \$	\$800.00
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-1
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-2
Ownership Determination	
Land Ownership Schematic of Spacing Unit	Exhibit A-3
Tract List (including lease numbers & owners)	Exhibit A-3
Pooled Parties (including ownership type)	Exhibit A-3

Unlocatable Parties to be Pooled	Exhibit A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined WI	Exhibit A-5
Overhead Rates In Proposal Letter	-
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-2
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	-
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-3
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Michael Rodriguez
Signed Name (Attorney or Party Representative):	/s/ Michael Rodriguez
Date:	12/6/2022

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

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

CASE NOS. 22933, 22934

SELF-AFFIRMED STATEMENT OF ERICA SHEWMAKER

1. My name is Erica Shewmaker, and I am a landman at Tap Rock Operating, LLC (“TRO”). I am over 18 years of age and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”) and my credentials as a petroleum landman have been accepted and made a matter of record.

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

3. **In Case No. 22933:**

- a) TRO seeks an order pooling all uncommitted interests in the SALT LAKE;BONE SPRING [53560] pool within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit (“Unit”) comprised of the E/2 of Sections 11 and 14, Township 20 South, Range 32 East, Lea County, New Mexico.
- b) The Unit will be dedicated to the following proposed initial wells (“Wells”) which it intends to drill simultaneously: Double Stamp Fed Com #113H, #123H, #126H, #133H, #153H and #173H to be horizontally drilled from a surface hole location in the SW/4SE/4 of Section 14 to a bottom hole location in the NW/4NE/4 of Section 11, and Double Stamp Fed Com #114H, #116H, #124H, #128H, #134H, #136H, #154H and #174H to be horizontally drilled from a surface hole location in the SW/4SE/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 11.

- c) The completed interval for the Double Stamp Fed Com #116H will be within 330' of the quarter-quarter line separating the W/2E/2 from the E/2E/2 of Sections 11 and 14 to allow the inclusion of this acreage into a standard horizontal spacing unit.

4. In **Case No. 22934**:

- a) TRO seeks an order pooling all uncommitted interests in the SALT LAKE;BONE SPRING [53560] pool within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the W/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico. The Unit will be dedicated to the following proposed initial wells ("Wells") which it intends to drill simultaneously: Double Stamp Fed Com #111H, #115H, D #121H, #125H, #131H, #135H, #151H, and #171H to be horizontally drilled from a surface hole location in the SE/4SW/4 of Section 14 to a bottom hole location in the NW/4NW/4 of Section 11, and double Stamp Fed Com #112H, #122H, #127H, #132H, #152H, and #172H to be horizontally drilled from a surface hole location in the SE/4SW/4 of Section 14 to a bottom hole location in the NE/4NW/4 of Section 11.
- b) The completed interval for the Double Stamp Fed Com #115H will be within 330' of the quarter-quarter line separating the W/2W/2 from the E/2W/2 of Sections 11 and 14 to allow the inclusion of this acreage into a standard horizontal spacing unit.

5. **Exhibit A-2** contains Form C-102s for the Wells which demonstrate the completed intervals of the Wells will be orthodox.

6. **Exhibit A-3** contains a plat of the tracts included in the Units and includes any applicable lease numbers, a recapitulation of the ownership interests within the Units, and the interests TRO seeks to pool.

7. **Exhibit A-4** contains a sample well proposal letter and AFEs sent to working interest owners for the Wells. The estimated costs reflected on the AFEs are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

8. 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.

9. In my opinion, TRO made a good-faith effort to reach voluntary joinder of uncommitted interests in the Wells as indicated by the chronology of contact described in **Exhibit A-5**.


10. TRO requests overhead and administrative rates of \$8,000 per month while the Wells are being drilled and \$800 per month while the Wells are producing. These rates are fair and are comparable to the rates charged by TRO and other operators in the vicinity.

11. In my opinion, granting TRO's applications will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

12. The attached exhibits were either prepared by me or compiled under my direction and supervision.

13. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony in paragraphs 1 through 12 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.


Erica Shewmaker


Date

Tap Rock Operating, LLC Case No. 22934 Exhibit A-1

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

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

CASE NO. 22934

APPLICATION

Pursuant to NMSA § 70-2-17, Tap Rock Operating, LLC (“TRO”) (OGRID No. 372043) applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit (“Unit”) comprised of the W/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico. In support of its application, TRO states:

1. TRO is a working interest owner in the Unit and has the right to drill wells thereon.
2. The Unit will be dedicated to the following proposed initial wells (“Wells”) which it intends to drill simultaneously:
 - **Double Stamp Fed Com #111H, Double Stamp Fed Com #115H, Double Stamp Fed Com #121H, Double Stamp Fed Com #125H, Double Stamp Fed Com #131H, Double Stamp Fed Com #135H, Double Stamp Fed Com #151H, and Double Stamp Fed Com #171H** to be horizontally drilled from a surface hole location in the SE/4SW/4 of Section 14 to a bottom hole location in the NW/4NW/4 of Section 11, and
 - **Double Stamp Fed Com #112H, Double Stamp Fed Com #122H, Double Stamp Fed Com #127H, Double Stamp Fed Com #132H, Double Stamp Fed Com #152H, and Double Stamp Fed Com #172H** to be horizontally drilled from a surface hole location in the SE/4SW/4 of Section 14 to a bottom hole location in the NE/4NW/4 of Section 11.

3. The completed interval for the **Double Stamp Fed Com #115H** will be within 330' of the quarter-quarter line separating the W/2W/2 from the E/2W/2 of Sections 11 and 14 to allow the inclusion of this acreage into a standard horizontal spacing unit.

4. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Wells but has been unable to obtain voluntary agreements from all interest owners.

5. The pooling of uncommitted interests 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, all uncommitted interests in the Unit should be pooled and TRO should be designated the operator of the Wells and Unit.

WHEREFORE, TRO requests this application be set for hearing before an Examiner of the Oil Conservation Division on August 4, 2022, and after notice and hearing, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the initial Wells in the Unit;
- C. Designating TRO as operator of this Unit and the Wells to be drilled thereon;
- D. Authorizing TRO to recover its costs of drilling, equipping and completing the Wells;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% penalty for the risk assumed by TRO in drilling and completing the Wells against any working interest owner who does not voluntarily participate in the drilling of the Wells.

Respectfully submitted,

TAP ROCK OPERATING, LLC

/s/ Michael Rodriguez

Michael Rodriguez

523 Park Point Drive

Golden, CO 80401

(720) 245-2606

mdrodriguez@taprk.com

Attorney for Tap Rock Operating, LLC

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

Tap Rock Operating, LLC
Case No. 22934
Exhibit A-2

Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name		
⁴ Property Code		⁵ Property Name DOUBLE STAMP FED COM			⁶ Well Number 111H	
⁷ OGRID No. #372043		⁸ Operator Name TAP ROCK OPERATING, LLC.			⁹ Elevation 3535'	

¹⁰Surface Location

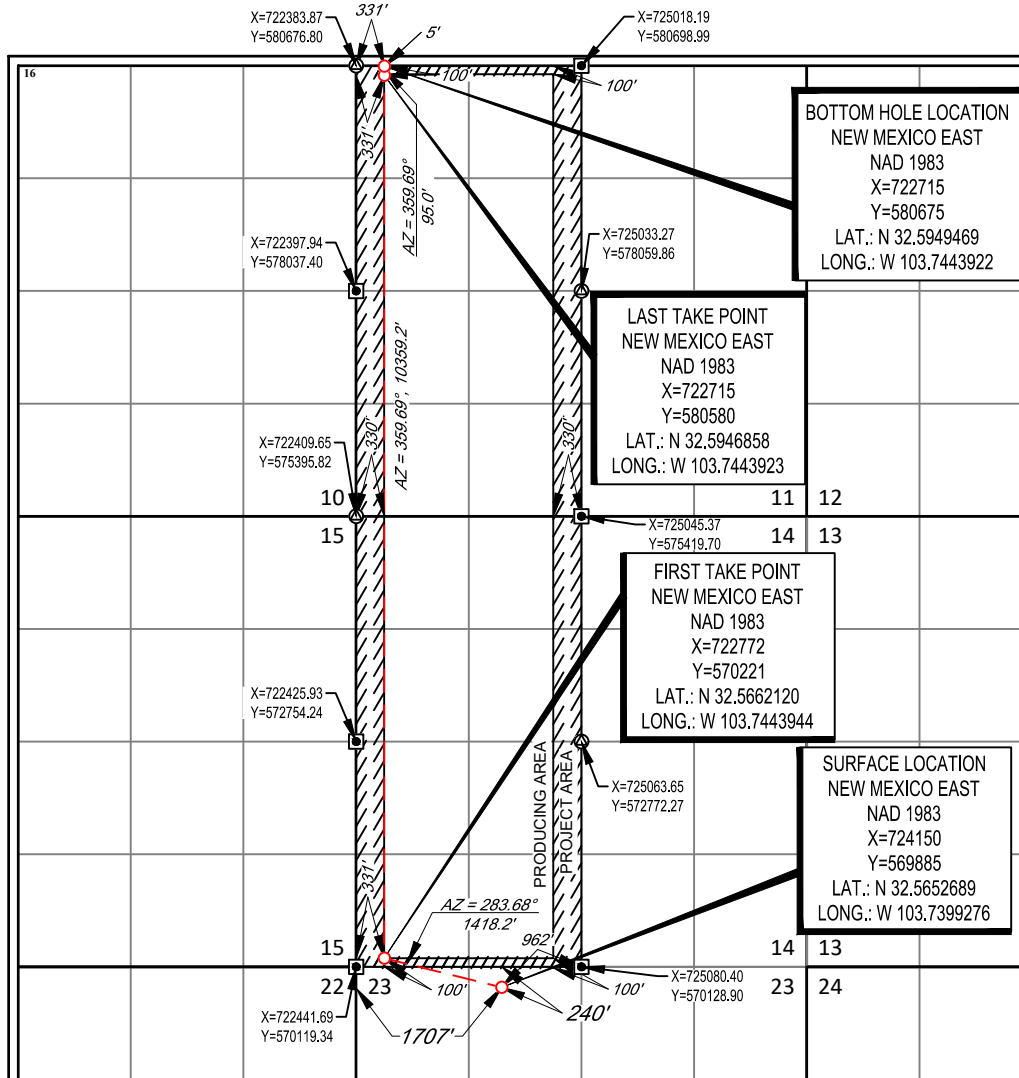
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	23	20-S	32-E	-	240'	NORTH	1707'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	20-S	32-E	-	5'	NORTH	331'	WEST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



¹⁷OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

Date of Survey 08/11/2022
Signature and Seal of Professional Surveyor

RANON A. NEW MEXICO PROFESSIONAL SURVEYOR 24508

Certificate Number _____

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
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Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name		
⁴ Property Code		⁵ Property Name DOUBLE STAMP FED COM				⁶ Well Number 112H
⁷ OGRID No. #372043		⁸ Operator Name TAP ROCK OPERATING, LLC.				⁹ Elevation 3535'

¹⁰Surface Location

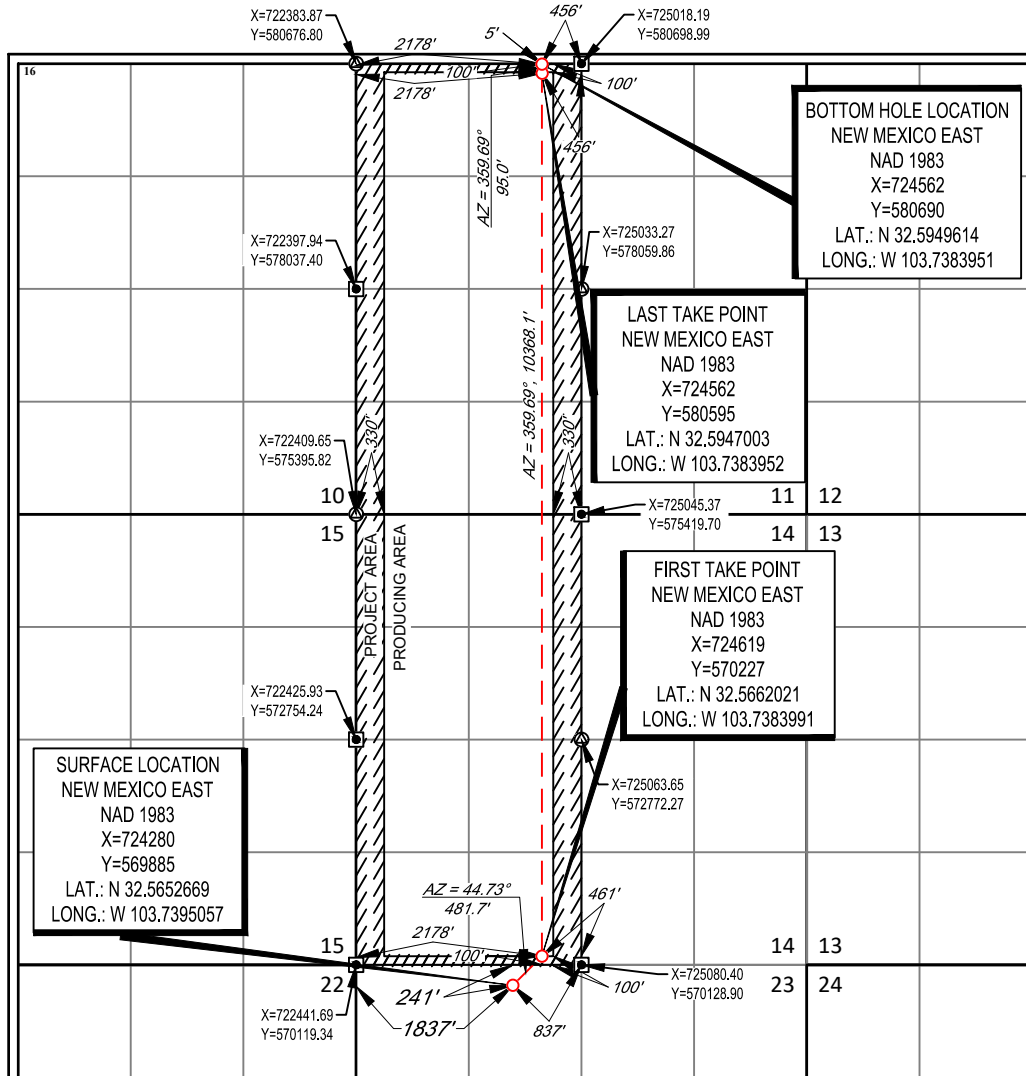
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	23	20-S	32-E	-	241'	NORTH	1837'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	11	20-S	32-E	-	5'	NORTH	2178'	WEST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



¹⁷OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

Date of Survey 08/11/2022
Signature and Seal of Professional Surveyor _____

Certificate Number _____

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State of New Mexico
Energy, Minerals & Natural Resources
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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name DOUBLE STAMP FED COM			⁶ Well Number 115H
⁷ OGRID No. #372043		⁸ Operator Name TAP ROCK OPERATING, LLC.			⁹ Elevation 3535'

¹⁰Surface Location

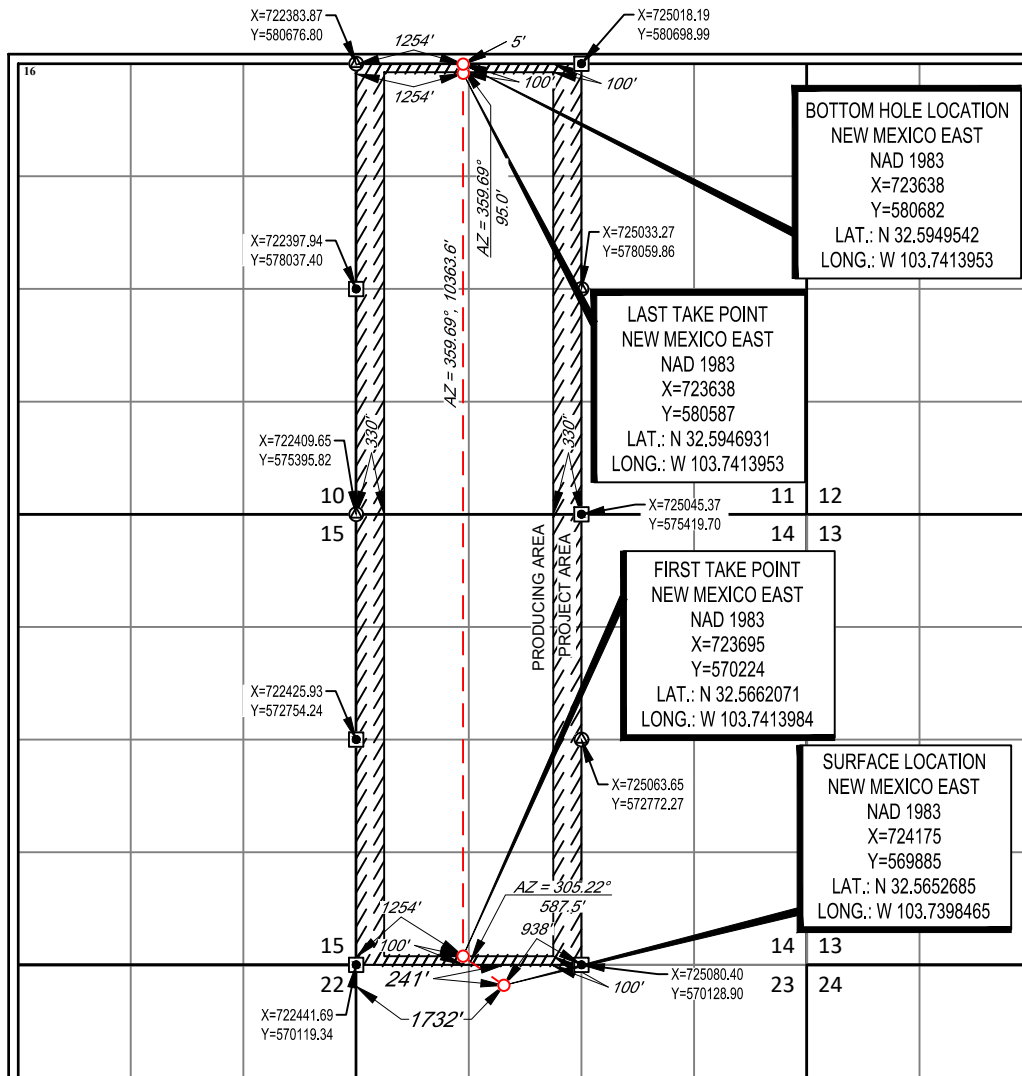
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	23	20-S	32-E	-	241'	NORTH	1732'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	20-S	32-E	-	5'	NORTH	1254'	WEST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

Date of Survey 08/11/2022
Signature and Seal of Professional Surveyor _____

Certificate Number _____

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Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name DOUBLE STAMP FED COM			⁶ Well Number 125H
⁷ OGRID No. #372043		⁸ Operator Name TAP ROCK OPERATING, LLC.			⁹ Elevation 3536'

¹⁰Surface Location

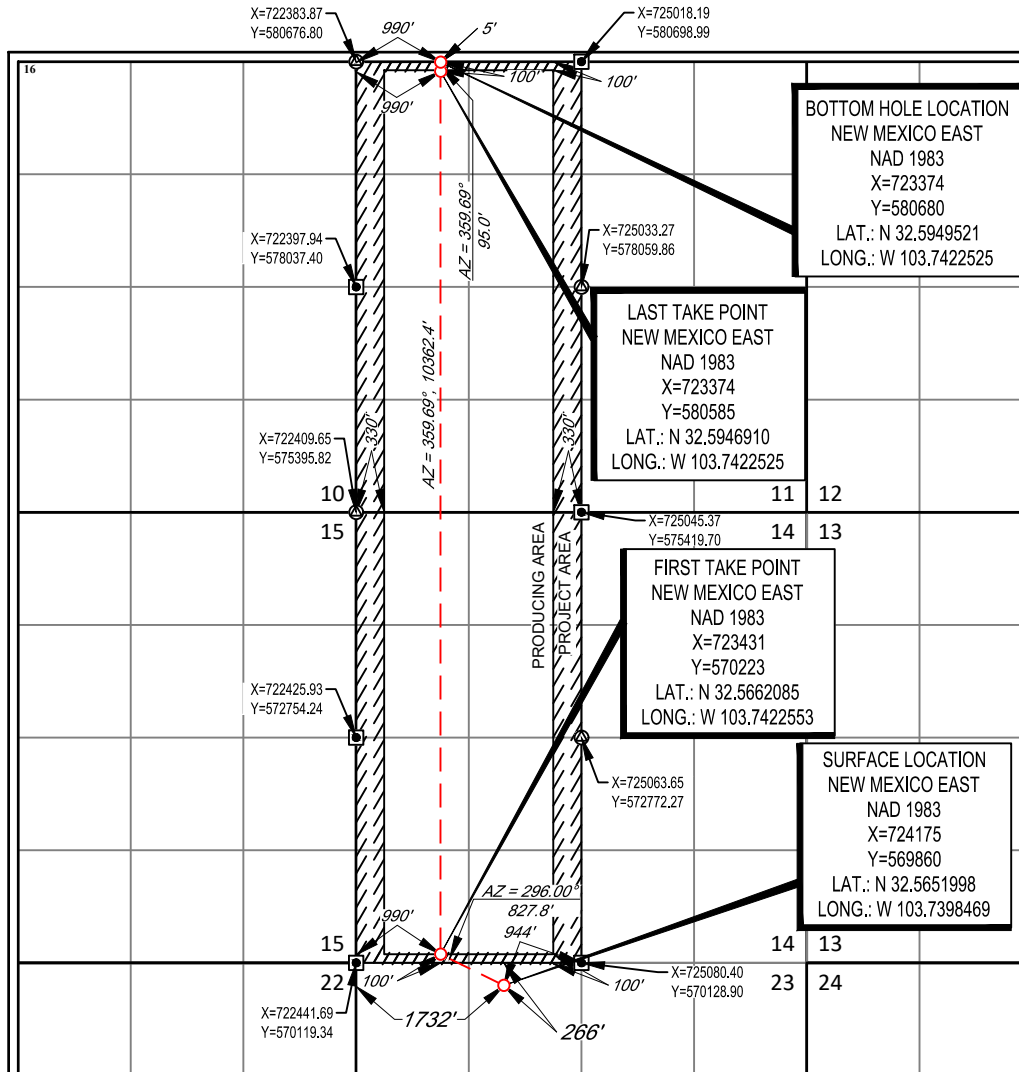
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	23	20-S	32-E	-	266'	NORTH	1732'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	20-S	32-E	-	5'	NORTH	990'	WEST	LEA

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

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.



¹⁷OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

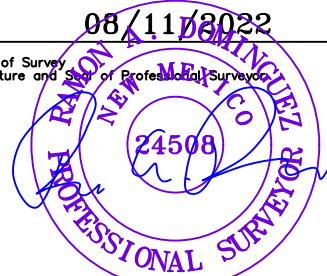
Printed Name _____

E-mail Address _____

¹⁸SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

Date of Survey 08/11/2022
Signature and Seal of Professional Surveyor _____



Certificate Number _____

District I
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1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name DOUBLE STAMP FED COM			⁶ Well Number 127H
⁷ OGRID No. #372043		⁸ Operator Name TAP ROCK OPERATING, LLC.			⁹ Elevation 3535'

¹⁰Surface Location

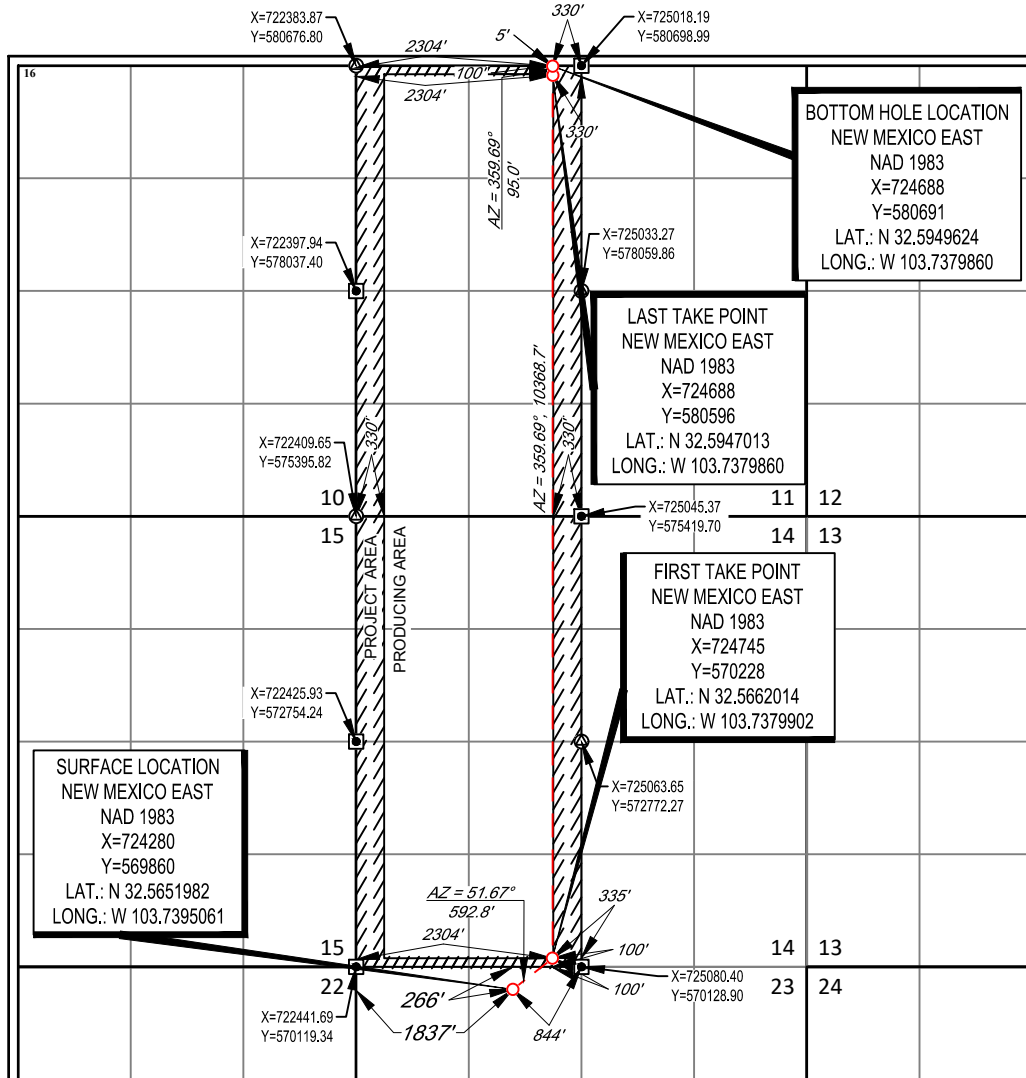
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	23	20-S	32-E	-	266'	NORTH	1837'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	11	20-S	32-E	-	5'	NORTH	2304'	WEST	LEA

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

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.



¹⁷OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

Date of Survey 08/11/2022
Signature and Seal of Professional Surveyor

Certificate Number _____

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
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Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name		
⁴ Property Code		⁵ Property Name DOUBLE STAMP FED COM			⁶ Well Number 131H	
⁷ OGRID No. #372043		⁸ Operator Name TAP ROCK OPERATING, LLC.			⁹ Elevation 3536'	

¹⁰Surface Location

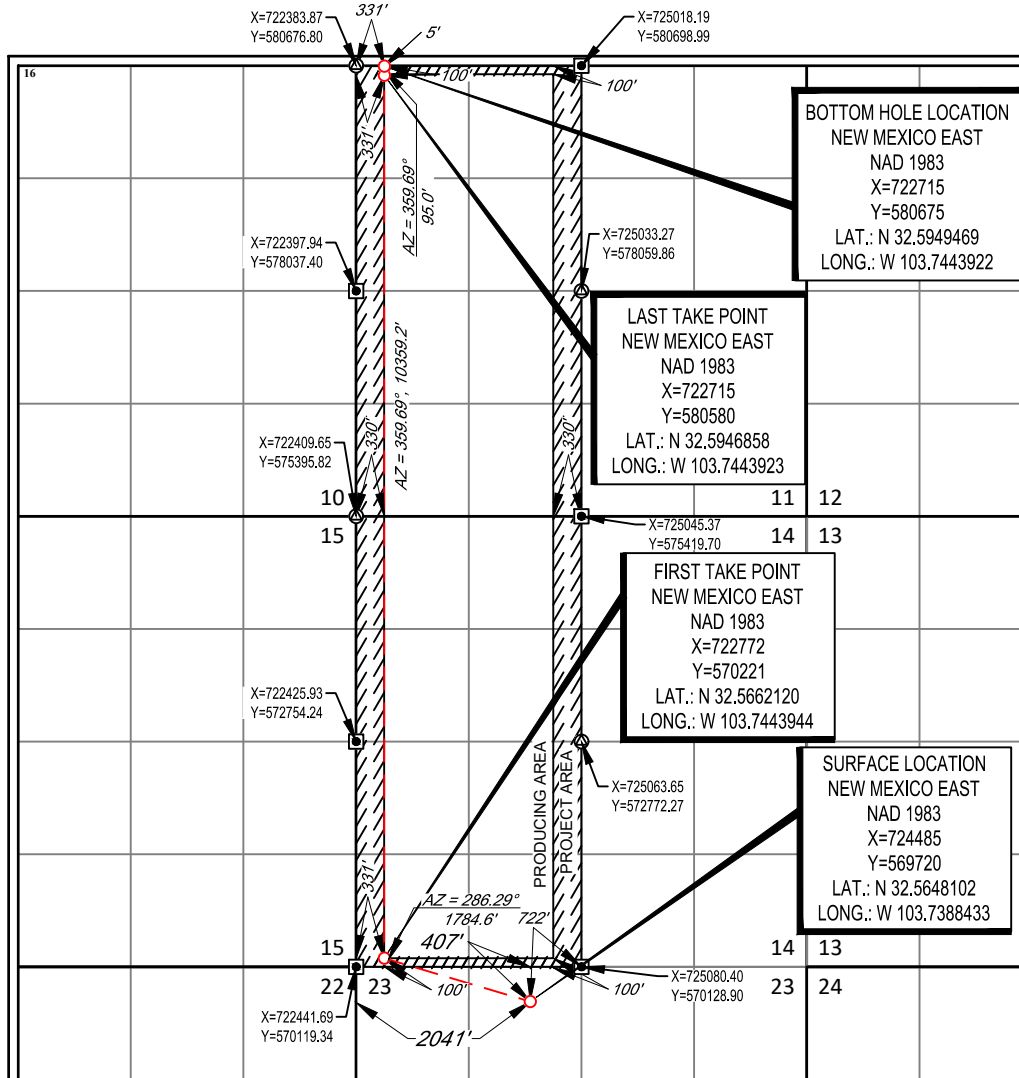
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	23	20-S	32-E	-	407'	NORTH	2041'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	20-S	32-E	-	5'	NORTH	331'	WEST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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Signature _____ Date _____

Printed Name _____

E-mail Address _____

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name DOUBLE STAMP FED COM			⁶ Well Number 132H
⁷ OGRID No. #372043		⁸ Operator Name TAP ROCK OPERATING, LLC.			⁹ Elevation 3536'

¹⁰Surface Location

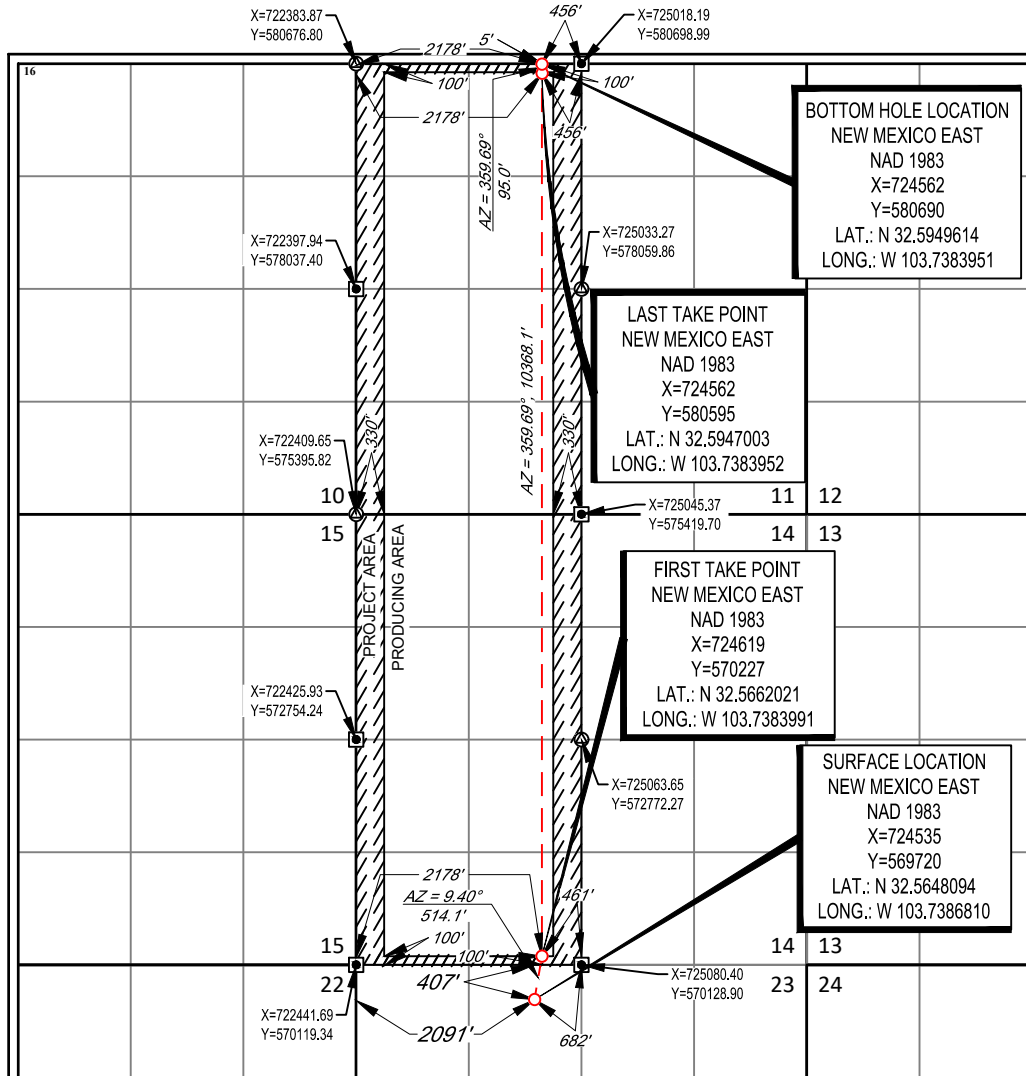
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	23	20-S	32-E	-	407'	NORTH	2091'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	11	20-S	32-E	-	5'	NORTH	2178'	WEST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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Signature _____ Date _____

Printed Name _____

E-mail Address _____

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Date of Survey 08/11/2022
Signature and Seal of Professional Surveyor

PROFESSIONAL SURVEYOR
NEW MEXICO
24508

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Santa Fe, NM 87505

FORM C-102

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name DOUBLE STAMP FED COM			⁶ Well Number 135H
⁷ OGRID No. #372043		⁸ Operator Name TAP ROCK OPERATING, LLC.			⁹ Elevation 3536'

¹⁰Surface Location

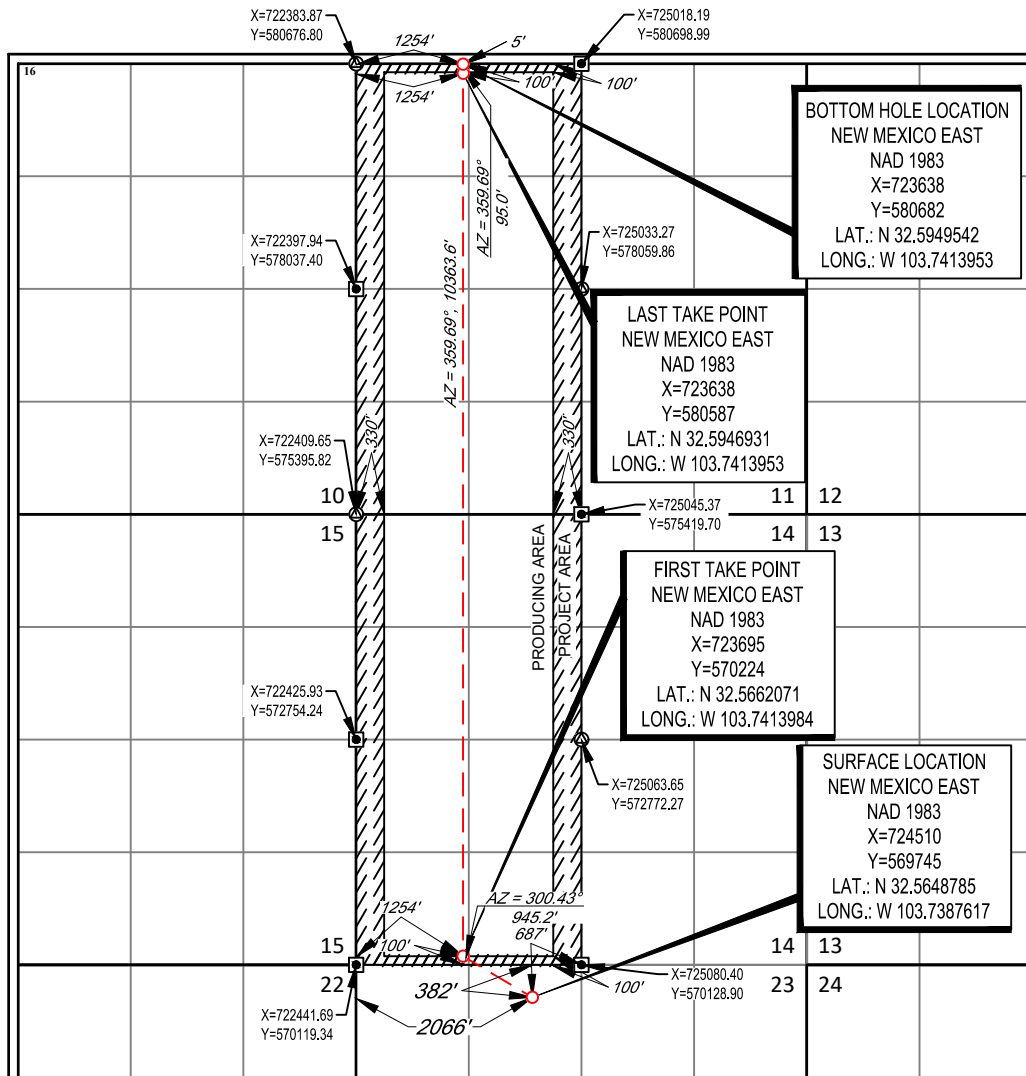
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	23	20-S	32-E	-	382'	NORTH	2066'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	20-S	32-E	-	5'	NORTH	1254'	WEST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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Signature _____ Date _____

Printed Name _____

E-mail Address _____

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FORM C-102

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name DOUBLE STAMP FED COM			⁶ Well Number 151H
⁷ OGRID No. #372043		⁸ Operator Name TAP ROCK OPERATING, LLC.			⁹ Elevation 3536'

¹⁰Surface Location

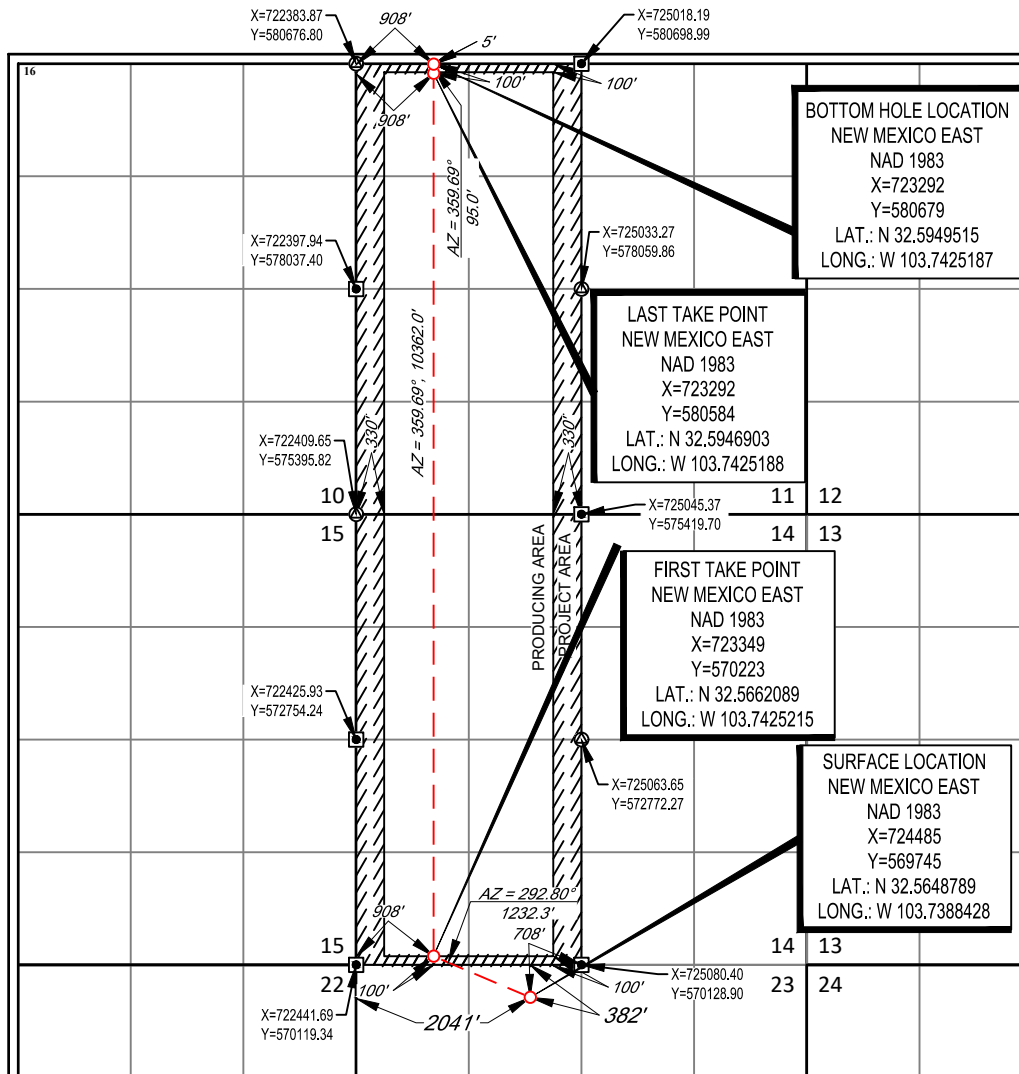
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	23	20-S	32-E	-	382'	NORTH	2041'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	20-S	32-E	-	5'	NORTH	908'	WEST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NEW MEXICO
24508

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State of New Mexico
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1220 South St. Francis Dr.
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name		
⁴ Property Code		⁵ Property Name DOUBLE STAMP FED COM			⁶ Well Number 152H	
⁷ OGRID No. #372043		⁸ Operator Name TAP ROCK OPERATING, LLC.			⁹ Elevation 3536'	

¹⁰Surface Location

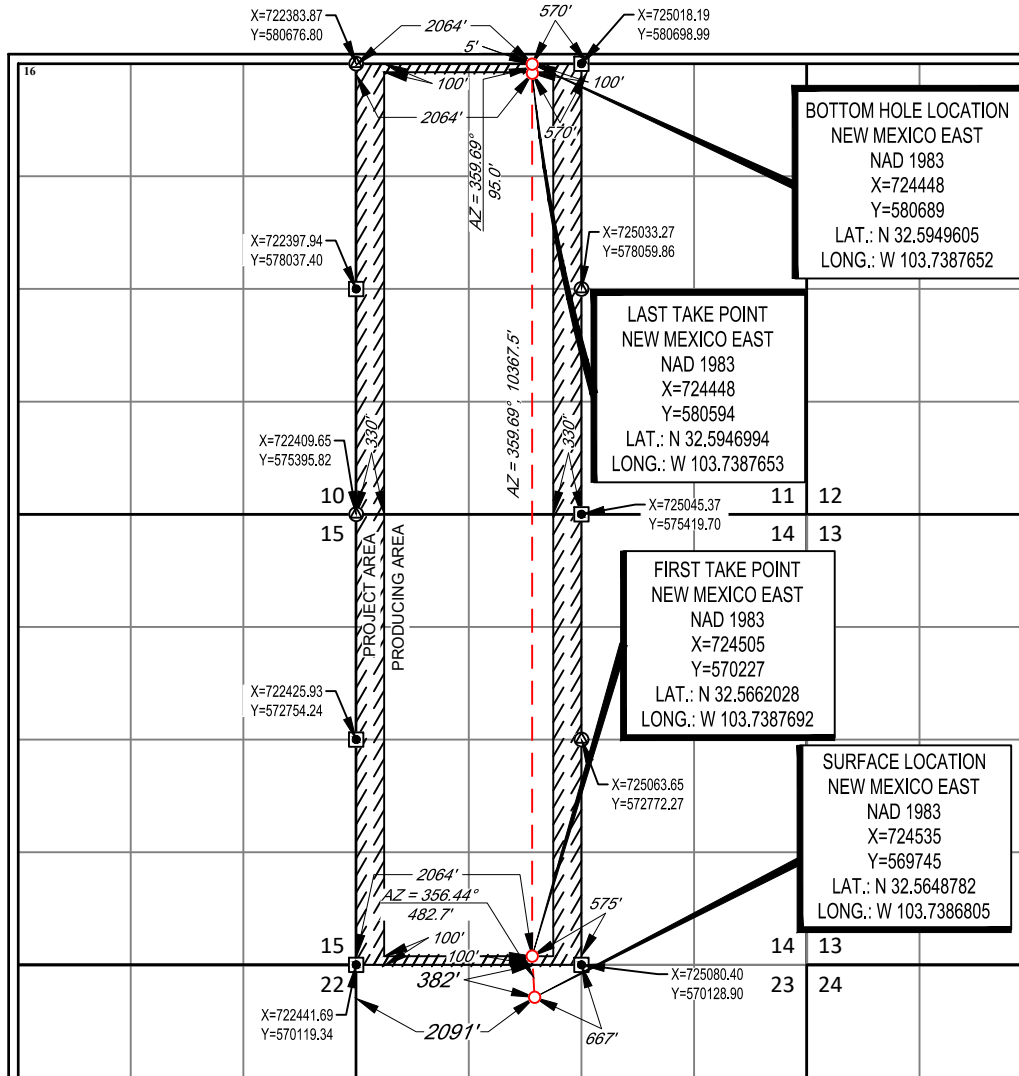
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	23	20-S	32-E	-	382'	NORTH	2091'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	11	20-S	32-E	-	5'	NORTH	2064'	WEST	LEA

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

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NEW MEXICO
24508

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State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

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District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name		
⁴ Property Code		⁵ Property Name DOUBLE STAMP FED COM			⁶ Well Number 172H	
⁷ OGRID No. #372043		⁸ Operator Name TAP ROCK OPERATING, LLC.			⁹ Elevation 3536'	

¹⁰Surface Location

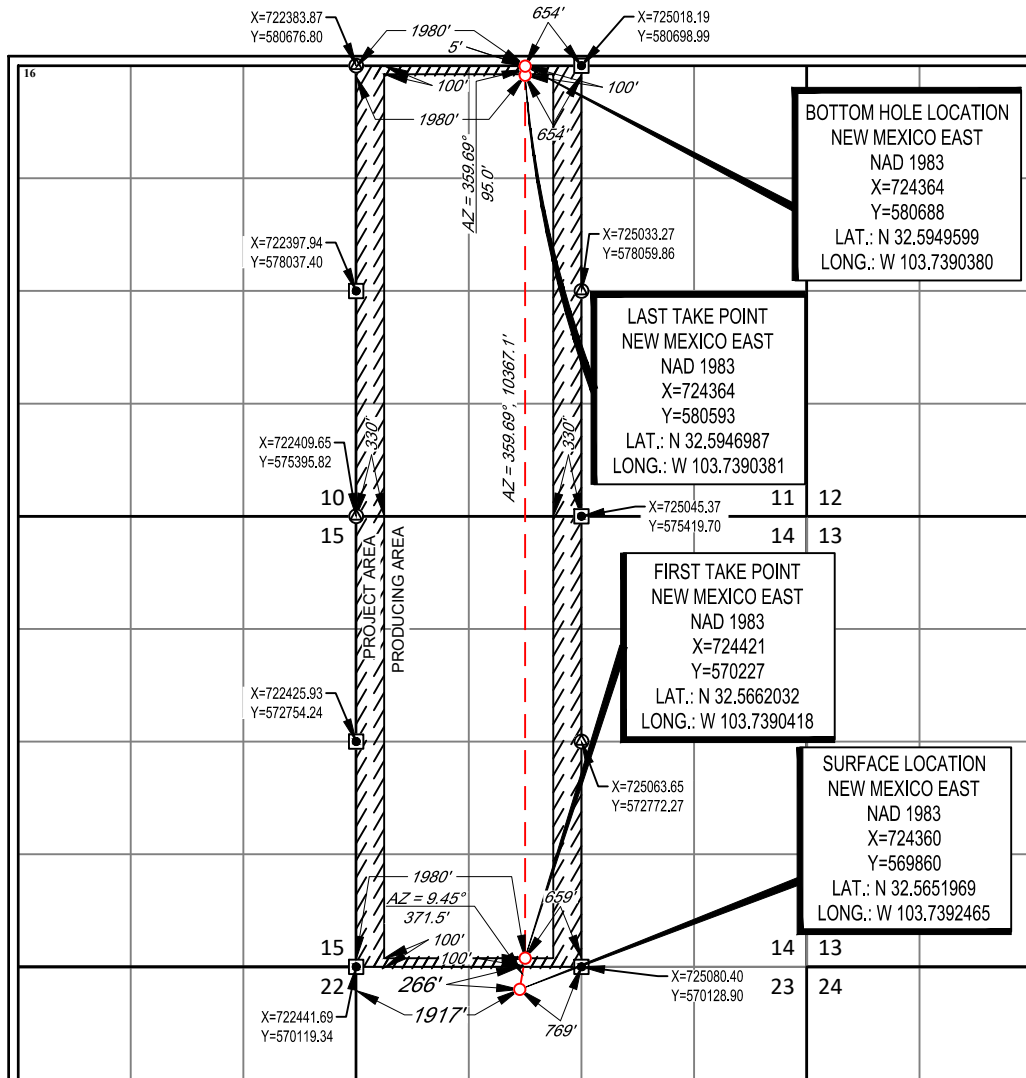
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	23	20-S	32-E	-	266'	NORTH	1917'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	11	20-S	32-E	-	5'	NORTH	1980'	WEST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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**Township 20 South, Range 32 East
Lea County New Mexico**

Tap Rock Operating, LLC
Case No. 22934
Exhibit A-3

Section 11

Tract 1
NMNM-043735



Federal Acreage

Section 14

Tract 2
NMNM-043735

Township 20 South, Range 32 East Lea County New Mexico	
Tract 1 NMNM-043735	
	Section 09
Tract 2 NMNM-063016	
	Section 16



Federal Acreage



Double Stamp W/2
HSU

Double Stamp W/2 HSU		
Tract	Legal	Party
1	Section 11, T20S R32E	Tap Rock Resources II, LLC
2	Section 14, T20S R32E	* EOG Resources, Inc. - 35% Tap Rock Resources II, LLC - 65%

Double Stamp E/2 HSU		
Tract	Legal	Party
1	Section 11, T20S R32E	Tap Rock Resources II, LLC
2	Section 14, T20S R32E	* EOG Resources, Inc. - 35% Tap Rock Resources II, LLC - 65%

* Parties Tap Rock seeks to pool.

Party	Interest Type	Working Interest	Status
* EOG Resources, Inc.	Working Interest	35.000000%	Uncommitted
Tap Rock Resources II, LLC	Working Interest	65.000000%	Committed
		<u>100.000000%</u>	

* Parties Tap Rock seeks to pool.

TAP ROCK RESOURCES, LLC

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

ERICA SHEWMAKER - LANDMAN
 ESHEWMAKER@TAPRK.COM



Tap Rock Operating, LLC
 Case No. 22934
 Exhibit A-4

May 10, 2022

Via Certified Mail

EOG RESOURCES INC
 5509 CHAMPIONS DRIVE
 MIDLAND, TX 79706

Re: Well Proposals for:

- Double Stamp Fed Com #111H
- Double Stamp Fed Com #112H
- Double Stamp Fed Com #115H
- Double Stamp Fed Com #121H
- Double Stamp Fed Com #122H
- Double Stamp Fed Com #125H
- Double Stamp Fed Com #127H
- Double Stamp Fed Com #131H
- Double Stamp Fed Com #132H
- Double Stamp Fed Com #135H
- Double Stamp Fed Com #151H
- Double Stamp Fed Com #152H
- Double Stamp Fed Com #171H
- Double Stamp Fed Com #172H

**Township 20 South, Range 32 East, Sections 11 & 14: W/2
 Lea 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
DOUBLE STAMP FED COM #111H	SE/4SW/4 of Section 14	330' FWL of Section 11	Bone Spring	9,000'	19,660'
DOUBLE STAMP FED COM #112H	SE/4SW/4 of Section 14	2,178' FWL of Section 11	Bone Spring	9,000'	19,660'
DOUBLE STAMP FED COM #115H	SE/4SW/4 of Section 14	1,254' FWL of Section 11	Bone Spring	9,000'	19,660'

TAP ROCK RESOURCES, LLC

ERICA SHEWMAKER - LANDMAN
ESHEWMAKER@TAPRK.COM

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



DOUBLE STAMP FED COM #121H	SE/4SW/4 of Section 14	330' FWL of Section 11	Bone Spring	9,700'	20,360'
DOUBLE STAMP FED COM #122H	SE/4SW/4 of Section 14	1,650' FWL of Section 11	Bone Spring	9,700'	20,360'
DOUBLE STAMP FED COM #125H	SE/4SW/4 of Section 14	990' FWL of Section 11	Bone Spring	9,700'	20,360'
DOUBLE STAMP FED COM #127H	SE/4SW/4 of Section 14	2,310' FWL of Section 11	Bone Spring	9,700'	20,360'
DOUBLE STAMP FED COM #131H	SE/4SW/4 of Section 14	330' FWL of Section 11	Bone Spring	10,350'	21,010'
DOUBLE STAMP FED COM #132H	SE/4SW/4 of Section 14	2,178' FWL of Section 11	Bone Spring	10,350'	21,010'
DOUBLE STAMP FED COM #135H	SE/4SW/4 of Section 14	1,254' FWL of Section 11	Bone Spring	10,350'	21,010'
DOUBLE STAMP FED COM #151H	SE/4SW/4 of Section 14	908' FWL of Section 11	Bone Spring	10,350'	21,010'
DOUBLE STAMP FED COM #152H	SE/4SW/4 of Section 14	2,064' FWL of Section 11	Bone Spring	10,350'	21,010'
DOUBLE STAMP FED COM #171H	SE/4SW/4 of Section 14	660' FWL of Section 11	Bone Spring	8,300'	18,960'
DOUBLE STAMP FED COM #172H	SE/4SW/4 of Section 14	1,980' FWL of Section 11	Bone Spring	8,300'	18,960'

The proposed locations and drilling plans described above are subject to change depending on surface or subsurface issues that may be encountered. Your election to participate in the drilling and completion of the proposed wells will also be considered an election to participate in the construction of the production facility.

In the event you elect to participate in the proposed Wells, please execute the enclosed AFEs and return to me within 30 days. TRO is proposing to drill these wells under the terms of the enclosed AAPL Form 610-1989 Operating Agreement. This Operating Agreement covers ALL of Sections 11 & 14, Township 20 South, Range 32 East, Lea County, New Mexico.

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

- 3 year Term Assignment
- Royalty equal to the difference between existing burdens and 20%
- \$500 per net acre bonus consideration

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

Additionally, TRO is open to discuss possible trades or other deal structures related to your interest in the proposed Wells. If an agreement cannot be reached within 30 days of 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.

TAP ROCK RESOURCES, LLC

ERICA SHEWMAKER - LANDMAN
ESHEWMAKER@TAPRK.COM

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



EOG RESOURCES INC hereby elects to:

_____ participate in the DOUBLE STAMP FED COM #111H

_____ non-consent the DOUBLE STAMP FED COM #111H

_____ participate in the DOUBLE STAMP FED COM #112H

_____ non-consent the DOUBLE STAMP FED COM #112H

_____ participate in the DOUBLE STAMP FED COM #115H

_____ non-consent the DOUBLE STAMP FED COM #115H

_____ participate in the DOUBLE STAMP FED COM #121H

_____ non-consent the DOUBLE STAMP FED COM #121H

_____ participate in the DOUBLE STAMP FED COM #122H

_____ non-consent the DOUBLE STAMP FED COM #122H

_____ participate in the DOUBLE STAMP FED COM #125H

_____ non-consent the DOUBLE STAMP FED COM #125H

_____ participate in the DOUBLE STAMP FED COM #127H

_____ non-consent the DOUBLE STAMP FED COM #127H

_____ participate in the DOUBLE STAMP FED COM #131H

_____ non-consent the DOUBLE STAMP FED COM #131H

_____ participate in the DOUBLE STAMP FED COM #132H

_____ non-consent the DOUBLE STAMP FED COM #132H

_____ participate in the DOUBLE STAMP FED COM #135H

_____ non-consent the DOUBLE STAMP FED COM #135H

_____ participate in the DOUBLE STAMP FED COM #151H

_____ non-consent the DOUBLE STAMP FED COM #151H

_____ participate in the DOUBLE STAMP FED COM #152H

_____ non-consent the DOUBLE STAMP FED COM #152H

_____ participate in the DOUBLE STAMP FED COM #171H

_____ non-consent the DOUBLE STAMP FED COM #171H

_____ participate in the DOUBLE STAMP FED COM #172H

_____ non-consent the DOUBLE STAMP FED COM #172H

By: _____

Name: _____

Title: _____

Date: _____

TAP ROCK OPERATING, LLC

523 Park Point Dr, Golden, Colorado 80401
Authorization For Expenditure

Name: **Double Stamp #111**
AFE #: **0**
County: **Lea**
State: **NM**

Date: **May 10, 2022**
MD/TVD: **19660 / 9000**
Lateral Length: **10210**
Geologic Target: **1st Bone Spring**

Well Description: **Drill, complete, and produce a horizontal 1st Bone Spring well with a 10210 foot lateral.**

INTANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
1 1	Land - Legal	10,000
1 2	Land - Regulatory	10,000
1 3	Land - Surface Damages	10,000
1 4	Land - Survey	10,000
1 5	Location/Pit Construction	78,500
1 6	Remedial Dirtwork	0
1 7	Reserve/Frac Pit Closing	0
1 8	Drilling - Contractor	474,408
1 9	Mob/Rig Up - Contractor/Trucking	50,000
1 10	Cementing Services	190,000
1 11	Cementing Equipment	33,000
1 12	Bits/Drill Out Assemblies	77,000
1 13	Fluid Circulation Equipment/Services	69,075
1 14	Fluids/Chemicals	73,163
1 15	WBM Cuttings/Wastewater Disposal	42,525
1 16	OBM Cuttings/Chemical Disposal	0
1 17	Fuel/Power	162,750
1 18	Water	54,200
1 19	Directional Drilling	210,000
1 20	Mud Logging	24,071
1 21	Open/Cased/Production Hole Logs	0
1 22	Coring	0
1 23	Geologic Supervision	0
1 24	Engineering Supervision	0
1 25	Consultant Supervision	105,600
1 26	Freight/Transportation	9,000
1 27	Labor	129,000
1 28	Supplies - Surface	2,500
1 29	Supplies - Living Quarters	1,000
1 30	Rentals - Surface	82,615
1 31	Rentals - Living Quarters	49,900
1 32	Rentals - Downhole	18,500
1 33	Rentals - Pipe & Handling Tools	97,650
1 34	Rentals - Frac Stack	0
1 35	Rentals - Frac Tanks	6,300
1 36	Coil Tubing Unit/Workover Rig	0
1 37	Wireline/Slickline/Perforating	0
1 38	Temporary Packers/Plugs	0
1 39	High Pressure Pump Truck	0
1 40	Stimulation	0
1 41	Rentals - Pressure Control	0
1 42	Flowback Services	0
1 43	Water Transfer Services	0
1 44	Flowback Water Trucking & Disposal	0
1 45	Permanent Equipment Installation	0
1 46	Pipeline Tapping Services	0
1 47	Plugging & Abandonment	0
1 53	Overhead	0
1 54	Insurance	20,000
1 55	Contingency	63,023

TOTAL INTANGIBLE DRILLING COSTS: \$2,163,779

INTANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
2 1	Land - Legal	0
2 2	Land - Regulatory	0
2 3	Land - Surface Damages	0
2 4	Land - Survey	0
2 5	Location/Pit Construction	0
2 6	Remedial Dirtwork	0
2 7	Reserve/Frac Pit Closing	0
2 8	Drilling - Contractor	0
2 9	Mob/Rig Up - Contractor/Trucking	0
2 10	Cementing Services	0
2 11	Cementing Equipment	0
2 12	Bits/Drill Out Assemblies	39,421
2 13	Fluid Circulation Equipment/Services	0
2 14	Fluids/Chemicals	35,875
2 15	WBM Cuttings/Wastewater Disposal	0
2 16	OBM Cuttings/Chemical Disposal	0
2 17	Fuel/Power	566,000
2 18	Water	434,794
2 19	Directional Drilling	0
2 20	Mud Logging	0
2 21	Open/Cased/Production Hole Logs	8,440
2 22	Coring	0
2 23	Geologic Supervision	0
2 24	Engineering Supervision	0
2 25	Consultant Supervision	82,000
2 26	Freight/Transportation	2,000
2 27	Labor	14,220
2 28	Supplies - Surface	2,000
2 29	Supplies - Living Quarters	2,000
2 30	Rentals - Surface	20,080
2 31	Rentals - Living Quarters	14,960
2 32	Rentals - Downhole	0
2 33	Rentals - Pipe & Handling Tools	0
2 34	Rentals - Frac Stack	95,787
2 35	Rentals - Frac Tanks	29,315
2 36	Coil Tubing Unit/Workover Rig	94,066
2 37	Wireline/Slickline/Perforating	303,200
2 38	Temporary Packers/Plugs	48,100
2 39	High Pressure Pump Truck	69,660
2 40	Stimulation	2,071,792
2 41	Rentals - Pressure Control	0
2 42	Flowback Services	48,681
2 43	Water Transfer Services	79,500
2 44	Flowback Water Trucking & Disposal	13,056
2 45	Permanent Equipment Installation	0
2 46	Pipeline Tapping Services	0
2 47	Plugging & Abandonment	0
2 53	Overhead	16,880
2 54	Insurance	0
2 55	Contingency	152,797

TOTAL INTANGIBLE COMPLETION COSTS: \$4,244,622

INTANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
3 1	Land - Legal	0
3 2	Land - Regulatory	0
3 3	Land - Surface Damages	0
3 4	Land - Survey	0
3 5	Location/Pit Construction	5,000
3 6	Remedial Dirtwork	0
3 7	Reserve/Frac Pit Closing	0
3 8	Drilling - Contractor	0
3 9	Mob/Rig Up - Contractor/Trucking	0
3 10	Cementing Services	0
3 11	Cementing Equipment	0
3 12	Bits/Drill Out Assemblies	0
3 13	Fluid Circulation Equipment/Services	0
3 14	Fluids/Chemicals	0
3 15	WBM Cuttings/Wastewater Disposal	0
3 16	OBM Cuttings/Chemical Disposal	0
3 17	Fuel/Power	0
3 18	Water	0
3 19	Directional Drilling	0
3 20	Mud Logging	0
3 21	Open/Cased/Production Hole Logs	0
3 22	Coring	0
3 23	Geologic Supervision	0
3 24	Engineering Supervision	0
3 25	Consultant Supervision	18,500
3 26	Freight/Transportation	15,000
3 27	Labor	38,000
3 28	Supplies - Surface	0
3 29	Supplies - Living Quarters	0
3 30	Rentals - Surface	9,800
3 31	Rentals - Living Quarters	0
3 32	Rentals - Downhole	0
3 33	Rentals - Pipe & Handling Tools	0
3 34	Rentals - Frac Stack	12,950
3 35	Rentals - Frac Tanks	15,000
3 36	Coil Tubing Unit/Workover Rig	34,500
3 37	Wireline/Slickline/Perforating	5,500
3 38	Temporary Packers/Plugs	0
3 39	High Pressure Pump Truck	0
3 40	Stimulation	0
3 41	Rentals - Pressure Control	0
3 42	Flowback Services	43,600
3 43	Water Transfer Services	0
3 44	Flowback Water Trucking & Disposal	65,960
3 45	Permanent Equipment Installation	0
3 46	Pipeline Tapping Services	0
3 47	Plugging & Abandonment	0
3 53	Overhead	0
3 54	Insurance	0
3 55	Contingency	11,778

TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588

TANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
4 60	Conductor Casing	30,000
4 61	Surface Casing	112,511
4 62	1st Intermediate Casing	178,610
4 63	2nd Intermediate Casing	194,149
4 64	Production Casing	594,816
4 65	Tubing	0
4 66	Wellhead	78,000
4 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks	0
4 69	Production Vessels	0
4 70	Compressors	0
4 71	Surface Flowlines	0
4 72	Gathering Lines	0
4 73	Valves & Controllers	0
4 74	Artificial Lift Equipment	0
4 75	Instrumentation & Measurement	0
4 76	Electrical Grounding/Safety Equipment	0
4 77	Permanent Equipment Installation	0
4 80	Other - Surface	0
4 81	Other - Downhole	15,000

TOTAL TANGIBLE DRILLING COSTS: \$1,203,085

TOTAL DRILLING COSTS: \$3,366,864

TANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
5 60	Conductor Casing	0
5 61	Surface Casing	0
5 62	1st Intermediate Casing	0
5 63	2nd Intermediate Casing	0
5 64	Production Casing	0
5 65	Tubing	0
5 66	Wellhead	0
5 67	Permanent Packers/Hangers/Plugs	0
5 68	Tanks	0
5 69	Production Vessels	0
5 70	Compressors	0
5 71	Surface Flowlines	0
5 72	Gathering Lines	0
5 73	Valves & Controllers	0
5 74	Artificial Lift Equipment	0
5 75	Instrumentation & Measurement	0
5 76	Electrical Grounding/Safety Equipment	0
5 77	Permanent Equipment Installation	0
5 80	Other - Surface	0
5 81	Other - Downhole	0

TOTAL TANGIBLE COMPLETION COSTS: \$0

TOTAL COMPLETION COSTS: \$4,244,622

TANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	0
6 61	Surface Casing	0
6 62	1st Intermediate Casing	0
6 63	2nd Intermediate Casing	0
6 64	Production Casing	0
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	0
6 69	Production Vessels	160,000
6 70	Compressors	0
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	0
6 73	Valves & Controllers	0
6 74	Artificial Lift Equipment	28,500
6 75	Instrumentation & Measurement	0
6 76	Electrical Grounding/Safety Equipment	0
6 77	Permanent Equipment Installation	5,000
6 80	Other - Surface	0
6 81	Other - Downhole	0

TOTAL TANGIBLE PRODUCTION COSTS: \$401,000

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,288,075

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: **Double Stamp #112**
AFE #: **0**
County: **Lea**
State: **NM**

Date: **May 10, 2022**
MD/TVD: **19660 / 9000**
Lateral Length: **10210**
Geologic Target: **1st Bone Spring**

Well Description: **Drill, complete, and produce a horizontal 1st Bone Spring well with a 10210 foot lateral.**

INTANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
1 1	Land - Legal	10,000
1 2	Land - Regulatory	10,000
1 3	Land - Surface Damages	10,000
1 4	Land - Survey	10,000
1 5	Location/Pit Construction	78,500
1 6	Remedial Dirtwork	0
1 7	Reserve/Frac Pit Closing	0
1 8	Drilling - Contractor	474,408
1 9	Mob/Rig Up - Contractor/Trucking	50,000
1 10	Cementing Services	190,000
1 11	Cementing Equipment	33,000
1 12	Bits/Drill Out Assemblies	77,000
1 13	Fluid Circulation Equipment/Services	69,075
1 14	Fluids/Chemicals	73,163
1 15	WBM Cuttings/Wastewater Disposal	42,525
1 16	OBM Cuttings/Chemical Disposal	0
1 17	Fuel/Power	162,750
1 18	Water	54,200
1 19	Directional Drilling	210,000
1 20	Mud Logging	24,071
1 21	Open/Cased/Production Hole Logs	0
1 22	Coring	0
1 23	Geologic Supervision	0
1 24	Engineering Supervision	0
1 25	Consultant Supervision	105,600
1 26	Freight/Transportation	9,000
1 27	Labor	129,000
1 28	Supplies - Surface	2,500
1 29	Supplies - Living Quarters	1,000
1 30	Rentals - Surface	82,615
1 31	Rentals - Living Quarters	49,900
1 32	Rentals - Downhole	18,500
1 33	Rentals - Pipe & Handling Tools	97,650
1 34	Rentals - Frac Stack	0
1 35	Rentals - Frac Tanks	6,300
1 36	Coil Tubing Unit/Workover Rig	0
1 37	Wireline/Slickline/Perforating	0
1 38	Temporary Packers/Plugs	0
1 39	High Pressure Pump Truck	0
1 40	Stimulation	0
1 41	Rentals - Pressure Control	0
1 42	Flowback Services	0
1 43	Water Transfer Services	0
1 44	Flowback Water Trucking & Disposal	0
1 45	Permanent Equipment Installation	0
1 46	Pipeline Tapping Services	0
1 47	Plugging & Abandonment	0
1 53	Overhead	0
1 54	Insurance	20,000
1 55	Contingency	63,023

TOTAL INTANGIBLE DRILLING COSTS: \$2,163,779

INTANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
2 1	Land - Legal	0
2 2	Land - Regulatory	0
2 3	Land - Surface Damages	0
2 4	Land - Survey	0
2 5	Location/Pit Construction	0
2 6	Remedial Dirtwork	0
2 7	Reserve/Frac Pit Closing	0
2 8	Drilling - Contractor	0
2 9	Mob/Rig Up - Contractor/Trucking	0
2 10	Cementing Services	0
2 11	Cementing Equipment	0
2 12	Bits/Drill Out Assemblies	39,421
2 13	Fluid Circulation Equipment/Services	0
2 14	Fluids/Chemicals	35,875
2 15	WBM Cuttings/Wastewater Disposal	0
2 16	OBM Cuttings/Chemical Disposal	0
2 17	Fuel/Power	566,000
2 18	Water	434,794
2 19	Directional Drilling	0
2 20	Mud Logging	0
2 21	Open/Cased/Production Hole Logs	8,440
2 22	Coring	0
2 23	Geologic Supervision	0
2 24	Engineering Supervision	0
2 25	Consultant Supervision	82,000
2 26	Freight/Transportation	2,000
2 27	Labor	14,220
2 28	Supplies - Surface	2,000
2 29	Supplies - Living Quarters	2,000
2 30	Rentals - Surface	20,080
2 31	Rentals - Living Quarters	14,960
2 32	Rentals - Downhole	0
2 33	Rentals - Pipe & Handling Tools	0
2 34	Rentals - Frac Stack	95,787
2 35	Rentals - Frac Tanks	29,315
2 36	Coil Tubing Unit/Workover Rig	94,066
2 37	Wireline/Slickline/Perforating	303,200
2 38	Temporary Packers/Plugs	48,100
2 39	High Pressure Pump Truck	69,660
2 40	Stimulation	2,071,792
2 41	Rentals - Pressure Control	0
2 42	Flowback Services	48,681
2 43	Water Transfer Services	79,500
2 44	Flowback Water Trucking & Disposal	13,056
2 45	Permanent Equipment Installation	0
2 46	Pipeline Tapping Services	0
2 47	Plugging & Abandonment	0
2 53	Overhead	16,880
2 54	Insurance	0
2 55	Contingency	152,797

TOTAL INTANGIBLE COMPLETION COSTS: \$4,244,622

INTANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
3 1	Land - Legal	0
3 2	Land - Regulatory	0
3 3	Land - Surface Damages	0
3 4	Land - Survey	0
3 5	Location/Pit Construction	5,000
3 6	Remedial Dirtwork	0
3 7	Reserve/Frac Pit Closing	0
3 8	Drilling - Contractor	0
3 9	Mob/Rig Up - Contractor/Trucking	0
3 10	Cementing Services	0
3 11	Cementing Equipment	0
3 12	Bits/Drill Out Assemblies	0
3 13	Fluid Circulation Equipment/Services	0
3 14	Fluids/Chemicals	0
3 15	WBM Cuttings/Wastewater Disposal	0
3 16	OBM Cuttings/Chemical Disposal	0
3 17	Fuel/Power	0
3 18	Water	0
3 19	Directional Drilling	0
3 20	Mud Logging	0
3 21	Open/Cased/Production Hole Logs	0
3 22	Coring	0
3 23	Geologic Supervision	0
3 24	Engineering Supervision	0
3 25	Consultant Supervision	18,500
3 26	Freight/Transportation	15,000
3 27	Labor	38,000
3 28	Supplies - Surface	0
3 29	Supplies - Living Quarters	0
3 30	Rentals - Surface	9,800
3 31	Rentals - Living Quarters	0
3 32	Rentals - Downhole	0
3 33	Rentals - Pipe & Handling Tools	0
3 34	Rentals - Frac Stack	12,950
3 35	Rentals - Frac Tanks	15,000
3 36	Coil Tubing Unit/Workover Rig	34,500
3 37	Wireline/Slickline/Perforating	5,500
3 38	Temporary Packers/Plugs	0
3 39	High Pressure Pump Truck	0
3 40	Stimulation	0
3 41	Rentals - Pressure Control	0
3 42	Flowback Services	43,600
3 43	Water Transfer Services	0
3 44	Flowback Water Trucking & Disposal	65,960
3 45	Permanent Equipment Installation	0
3 46	Pipeline Tapping Services	0
3 47	Plugging & Abandonment	0
3 53	Overhead	0
3 54	Insurance	0
3 55	Contingency	11,778

TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588

TANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
4 60	Conductor Casing	30,000
4 61	Surface Casing	112,511
4 62	1st Intermediate Casing	178,610
4 63	2nd Intermediate Casing	194,149
4 64	Production Casing	594,816
4 65	Tubing	0
4 66	Wellhead	78,000
4 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks	0
4 69	Production Vessels	0
4 70	Compressors	0
4 71	Surface Flowlines	0
4 72	Gathering Lines	0
4 73	Valves & Controllers	0
4 74	Artificial Lift Equipment	0
4 75	Instrumentation & Measurement	0
4 76	Electrical Grounding/Safety Equipment	0
4 77	Permanent Equipment Installation	0
4 80	Other - Surface	0
4 81	Other - Downhole	15,000

TOTAL TANGIBLE DRILLING COSTS: \$1,203,085

TOTAL DRILLING COSTS: \$3,366,864

TANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
5 60	Conductor Casing	0
5 61	Surface Casing	0
5 62	1st Intermediate Casing	0
5 63	2nd Intermediate Casing	0
5 64	Production Casing	0
5 65	Tubing	0
5 66	Wellhead	0
5 67	Permanent Packers/Hangers/Plugs	0
5 68	Tanks	0
5 69	Production Vessels	0
5 70	Compressors	0
5 71	Surface Flowlines	0
5 72	Gathering Lines	0
5 73	Valves & Controllers	0
5 74	Artificial Lift Equipment	0
5 75	Instrumentation & Measurement	0
5 76	Electrical Grounding/Safety Equipment	0
5 77	Permanent Equipment Installation	0
5 80	Other - Surface	0
5 81	Other - Downhole	0

TOTAL TANGIBLE COMPLETION COSTS: \$0

TOTAL COMPLETION COSTS: \$4,244,622

TANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	0
6 61	Surface Casing	0
6 62	1st Intermediate Casing	0
6 63	2nd Intermediate Casing	0
6 64	Production Casing	0
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	0
6 69	Production Vessels	160,000
6 70	Compressors	0
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	0
6 73	Valves & Controllers	0
6 74	Artificial Lift Equipment	28,500
6 75	Instrumentation & Measurement	0
6 76	Electrical Grounding/Safety Equipment	0
6 77	Permanent Equipment Installation	5,000
6 80	Other - Surface	0
6 81	Other - Downhole	0

TOTAL TANGIBLE PRODUCTION COSTS: \$401,000

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,288,075

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: **Double Stamp #115**
AFE #: **0**
County: **Lea**
State: **NM**

Date: **May 10, 2022**
MD/TVD: **19660 / 9000**
Lateral Length: **10210**
Geologic Target: **1st Bone Spring**

Well Description: **Drill, complete, and produce a horizontal 1st Bone Spring well with a 10210 foot lateral.**

INTANGIBLE DRILLING COSTS		
COST CODES	DESCRIPTION	AMOUNT
1 1	Land - Legal	10,000
1 2	Land - Regulatory	10,000
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1 6	Remedial Dirtwork	0
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1 8	Drilling - Contractor	474,408
1 9	Mob/Rig Up - Contractor/Trucking	50,000
1 10	Cementing Services	190,000
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1 15	WBM Cuttings/Wastewater Disposal	42,525
1 16	OBM Cuttings/Chemical Disposal	0
1 17	Fuel/Power	162,750
1 18	Water	54,200
1 19	Directional Drilling	210,000
1 20	Mud Logging	24,071
1 21	Open/Cased/Production Hole Logs	0
1 22	Coring	0
1 23	Geologic Supervision	0
1 24	Engineering Supervision	0
1 25	Consultant Supervision	105,600
1 26	Freight/Transportation	9,000
1 27	Labor	129,000
1 28	Supplies - Surface	2,500
1 29	Supplies - Living Quarters	1,000
1 30	Rentals - Surface	82,615
1 31	Rentals - Living Quarters	49,900
1 32	Rentals - Downhole	18,500
1 33	Rentals - Pipe & Handling Tools	97,650
1 34	Rentals - Frac Stack	
1 35	Rentals - Frac Tanks	6,300
1 36	Coil Tubing Unit/Workover Rig	
1 37	Wireline/Slickline/Perforating	
1 38	Temporary Packers/Plugs	
1 39	High Pressure Pump Truck	
1 40	Stimulation	
1 41	Rentals - Pressure Control	
1 42	Flowback Services	
1 43	Water Transfer Services	
1 44	Flowback Water Trucking & Disposal	
1 45	Permanent Equipment Installation	
1 46	Pipeline Tapping Services	
1 47	Plugging & Abandonment	0
1 53	Overhead	0
1 54	Insurance	20,000
1 55	Contingency	63,023

TOTAL INTANGIBLE DRILLING COSTS: \$2,163,779

INTANGIBLE COMPLETION COSTS		
COST CODES	DESCRIPTION	AMOUNT
2 1	Land - Legal	
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2 3	Land - Surface Damages	
2 4	Land - Survey	
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2 8	Drilling - Contractor	
2 9	Mob/Rig Up - Contractor/Trucking	
2 10	Cementing Services	
2 11	Cementing Equipment	
2 12	Bits/Drill Out Assemblies	39,421
2 13	Fluid Circulation Equipment/Services	
2 14	Fluids/Chemicals	35,875
2 15	WBM Cuttings/Wastewater Disposal	
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2 29	Supplies - Living Quarters	2,000
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2 31	Rentals - Living Quarters	14,960
2 32	Rentals - Downhole	0
2 33	Rentals - Pipe & Handling Tools	0
2 34	Rentals - Frac Stack	95,787
2 35	Rentals - Frac Tanks	29,315
2 36	Coil Tubing Unit/Workover Rig	94,066
2 37	Wireline/Slickline/Perforating	303,200
2 38	Temporary Packers/Plugs	48,100
2 39	High Pressure Pump Truck	69,660
2 40	Stimulation	2,071,792
2 41	Rentals - Pressure Control	
2 42	Flowback Services	48,681
2 43	Water Transfer Services	79,500
2 44	Flowback Water Trucking & Disposal	13,056
2 45	Permanent Equipment Installation	
2 46	Pipeline Tapping Services	
2 47	Plugging & Abandonment	
2 53	Overhead	16,880
2 54	Insurance	
2 55	Contingency	152,797

TOTAL INTANGIBLE COMPLETION COSTS: \$4,244,622

INTANGIBLE PRODUCTION COSTS		
COST CODES	DESCRIPTION	AMOUNT
3 1	Land - Legal	
3 2	Land - Regulatory	
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3 5	Location/Pit Construction	5,000
3 6	Remedial Dirtwork	
3 7	Reserve/Frac Pit Closing	
3 8	Drilling - Contractor	
3 9	Mob/Rig Up - Contractor/Trucking	
3 10	Cementing Services	
3 11	Cementing Equipment	
3 12	Bits/Drill Out Assemblies	
3 13	Fluid Circulation Equipment/Services	
3 14	Fluids/Chemicals	
3 15	WBM Cuttings/Wastewater Disposal	
3 16	OBM Cuttings/Chemical Disposal	
3 17	Fuel/Power	
3 18	Water	
3 19	Directional Drilling	
3 20	Mud Logging	
3 21	Open/Cased/Production Hole Logs	
3 22	Coring	
3 23	Geologic Supervision	
3 24	Engineering Supervision	
3 25	Consultant Supervision	18,500
3 26	Freight/Transportation	15,000
3 27	Labor	38,000
3 28	Supplies - Surface	
3 29	Supplies - Living Quarters	
3 30	Rentals - Surface	9,800
3 31	Rentals - Living Quarters	
3 32	Rentals - Downhole	
3 33	Rentals - Pipe & Handling Tools	
3 34	Rentals - Frac Stack	12,950
3 35	Rentals - Frac Tanks	15,000
3 36	Coil Tubing Unit/Workover Rig	34,500
3 37	Wireline/Slickline/Perforating	5,500
3 38	Temporary Packers/Plugs	
3 39	High Pressure Pump Truck	
3 40	Stimulation	
3 41	Rentals - Pressure Control	
3 42	Flowback Services	43,600
3 43	Water Transfer Services	
3 44	Flowback Water Trucking & Disposal	65,960
3 45	Permanent Equipment Installation	
3 46	Pipeline Tapping Services	
3 47	Plugging & Abandonment	
3 53	Overhead	0
3 54	Insurance	
3 55	Contingency	11,778

TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588

TANGIBLE DRILLING COSTS		
COST CODES	DESCRIPTION	AMOUNT
4 60	Conductor Casing	30,000
4 61	Surface Casing	112,511
4 62	1st Intermediate Casing	178,610
4 63	2nd Intermediate Casing	194,149
4 64	Production Casing	594,816
4 65	Tubing	
4 66	Wellhead	78,000
4 67	Permanent Packers/Hangers/Plugs	
4 68	Tanks	
4 69	Production Vessels	
4 70	Compressors	
4 71	Surface Flowlines	
4 72	Gathering Lines	
4 73	Valves & Controllers	
4 74	Artificial Lift Equipment	
4 75	Instrumentation & Measurement	
4 76	Electrical Grounding/Safety Equipment	
4 77	Permanent Equipment Installation	
4 80	Other - Surface	
4 81	Other - Downhole	15,000

TOTAL TANGIBLE DRILLING COSTS: \$1,203,085

TOTAL DRILLING COSTS: \$3,366,864

TANGIBLE COMPLETION COSTS		
COST CODES	DESCRIPTION	AMOUNT
5 60	Conductor Casing	
5 61	Surface Casing	
5 62	1st Intermediate Casing	
5 63	2nd Intermediate Casing	
5 64	Production Casing	0
5 65	Tubing	
5 66	Wellhead	0
5 67	Permanent Packers/Hangers/Plugs	
5 68	Tanks	
5 69	Production Vessels	
5 70	Compressors	
5 71	Surface Flowlines	
5 72	Gathering Lines	
5 73	Valves & Controllers	
5 74	Artificial Lift Equipment	
5 75	Instrumentation & Measurement	
5 76	Electrical Grounding/Safety Equipment	
5 77	Permanent Equipment Installation	
5 80	Other - Surface	
5 81	Other - Downhole	

TOTAL TANGIBLE COMPLETION COSTS: \$0

TOTAL COMPLETION COSTS: \$4,244,622

TANGIBLE PRODUCTION COSTS		
COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	
6 61	Surface Casing	
6 62	1st Intermediate Casing	
6 63	2nd Intermediate Casing	
6 64	Production Casing	
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	
6 69	Production Vessels	160,000
6 70	Compressors	
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	0
6 73	Valves & Controllers	0
6 74	Artificial Lift Equipment	28,500
6 75	Instrumentation & Measurement	
6 76	Electrical Grounding/Safety Equipment	
6 77	Permanent Equipment Installation	5,000
6 80	Other - Surface	
6 81	Other - Downhole	

TOTAL TANGIBLE PRODUCTION COSTS: \$401,000

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,288,075

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: **Double Stamp #121**
AFE #: **0**
County: **Lea**
State: **NM**

Date: **May 10, 2022**
MD/TVD: **20360 / 9700**
Lateral Length: **10210**
Geologic Target: **2nd Bone Spring**

Well Description: **Drill, complete, and produce a horizontal 2nd Bone Spring well with a 10210 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	78,500	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	474,408	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	190,000	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	33,000	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	77,000	2 12	Bits/Drill Out Assemblies	39,421	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	69,075	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	73,163	2 14	Fluids/Chemicals	35,875	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	45,675	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	0	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	162,750	2 17	Fuel/Power	566,000	3 17	Fuel/Power	
1 18	Water	54,200	2 18	Water	434,794	3 18	Water	
1 19	Directional Drilling	210,000	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	24,071	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	105,600	2 25	Consultant Supervision	82,000	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	129,000	2 27	Labor	14,220	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	79,465	2 30	Rentals - Surface	20,080	3 30	Rentals - Surface	9,800
1 31	Rentals - Living Quarters	49,900	2 31	Rentals - Living Quarters	14,960	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	18,500	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	97,650	2 33	Rentals - Pipe & Handling Tools	0	3 33	Rentals - Pipe & Handling Tools	
1 34	Rentals - Frac Stack		2 34	Rentals - Frac Stack	95,787	3 34	Rentals - Frac Stack	12,950
1 35	Rentals - Frac Tanks	6,300	2 35	Rentals - Frac Tanks	29,315	3 35	Rentals - Frac Tanks	15,000
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	94,066	3 36	Coil Tubing Unit/Workover Rig	34,500
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	303,200	3 37	Wireline/Slickline/Perforating	5,500
1 38	Temporary Packers/Plugs		2 38	Temporary Packers/Plugs	48,100	3 38	Temporary Packers/Plugs	
1 39	High Pressure Pump Truck		2 39	High Pressure Pump Truck	69,660	3 39	High Pressure Pump Truck	
1 40	Stimulation		2 40	Stimulation	2,071,792	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	48,681	3 42	Flowback Services	43,600
1 43	Water Transfer Services		2 43	Water Transfer Services	79,500	3 43	Water Transfer Services	
1 44	Flowback Water Trucking & Disposal		2 44	Flowback Water Trucking & Disposal	13,056	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	16,880	3 53	Overhead	0
1 54	Insurance	20,000	2 54	Insurance		3 54	Insurance	
1 55	Contingency	63,023	2 55	Contingency	152,797	3 55	Contingency	11,778

TOTAL INTANGIBLE DRILLING COSTS: \$2,163,779

TOTAL INTANGIBLE COMPLETION COSTS: \$4,244,622

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	29,997	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	112,511	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	178,610	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	194,149	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	616,502	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: \$1,224,768

TOTAL TANGIBLE COMPLETION COSTS: \$0

TOTAL TANGIBLE PRODUCTION COSTS: \$401,000

TOTAL DRILLING COSTS: \$3,388,547

TOTAL COMPLETION COSTS: \$4,244,622

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,309,758

TAP ROCK RESOURCES COMPANY APPROVAL:

NON OPERATING PARTNER APPROVAL:

CEO _____ VP - EXPLORATION _____

CFO _____ VP - OPERATIONS _____

VP - LAND & LEGAL _____ SENIOR GEOLOGIST _____

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: **Double Stamp #122**
AFE #: **0**
County: **Lea**
State: **NM**

Date: **May 10, 2022**
MD/TVD: **20360 / 9700**
Lateral Length: **10210**
Geologic Target: **2nd Bone Spring**

Well Description: **Drill, complete, and produce a horizontal 2nd Bone Spring well with a 10210 foot lateral.**

INTANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
1 1	Land - Legal	10,000
1 2	Land - Regulatory	10,000
1 3	Land - Surface Damages	10,000
1 4	Land - Survey	10,000
1 5	Location/Pit Construction	78,500
1 6	Remedial Dirtwork	0
1 7	Reserve/Frac Pit Closing	0
1 8	Drilling - Contractor	474,408
1 9	Mob/Rig Up - Contractor/Trucking	50,000
1 10	Cementing Services	190,000
1 11	Cementing Equipment	33,000
1 12	Bits/Drill Out Assemblies	77,000
1 13	Fluid Circulation Equipment/Services	69,075
1 14	Fluids/Chemicals	73,163
1 15	WBM Cuttings/Wastewater Disposal	45,675
1 16	OBM Cuttings/Chemical Disposal	0
1 17	Fuel/Power	162,750
1 18	Water	54,200
1 19	Directional Drilling	210,000
1 20	Mud Logging	24,071
1 21	Open/Cased/Production Hole Logs	0
1 22	Coring	0
1 23	Geologic Supervision	0
1 24	Engineering Supervision	0
1 25	Consultant Supervision	105,600
1 26	Freight/Transportation	9,000
1 27	Labor	129,000
1 28	Supplies - Surface	2,500
1 29	Supplies - Living Quarters	1,000
1 30	Rentals - Surface	79,465
1 31	Rentals - Living Quarters	49,900
1 32	Rentals - Downhole	18,500
1 33	Rentals - Pipe & Handling Tools	97,650
1 34	Rentals - Frac Stack	
1 35	Rentals - Frac Tanks	6,300
1 36	Coil Tubing Unit/Workover Rig	
1 37	Wireline/Slickline/Perforating	
1 38	Temporary Packers/Plugs	
1 39	High Pressure Pump Truck	
1 40	Stimulation	
1 41	Rentals - Pressure Control	
1 42	Flowback Services	
1 43	Water Transfer Services	
1 44	Flowback Water Trucking & Disposal	
1 45	Permanent Equipment Installation	
1 46	Pipeline Tapping Services	
1 47	Plugging & Abandonment	0
1 53	Overhead	0
1 54	Insurance	20,000
1 55	Contingency	63,023

TOTAL INTANGIBLE DRILLING COSTS: \$2,163,779

INTANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
2 1	Land - Legal	
2 2	Land - Regulatory	
2 3	Land - Surface Damages	
2 4	Land - Survey	
2 5	Location/Pit Construction	
2 6	Remedial Dirtwork	
2 7	Reserve/Frac Pit Closing	
2 8	Drilling - Contractor	
2 9	Mob/Rig Up - Contractor/Trucking	
2 10	Cementing Services	
2 11	Cementing Equipment	
2 12	Bits/Drill Out Assemblies	39,421
2 13	Fluid Circulation Equipment/Services	
2 14	Fluids/Chemicals	35,875
2 15	WBM Cuttings/Wastewater Disposal	
2 16	OBM Cuttings/Chemical Disposal	
2 17	Fuel/Power	566,000
2 18	Water	434,794
2 19	Directional Drilling	
2 20	Mud Logging	
2 21	Open/Cased/Production Hole Logs	8,440
2 22	Coring	
2 23	Geologic Supervision	
2 24	Engineering Supervision	
2 25	Consultant Supervision	82,000
2 26	Freight/Transportation	2,000
2 27	Labor	14,220
2 28	Supplies - Surface	2,000
2 29	Supplies - Living Quarters	2,000
2 30	Rentals - Surface	20,080
2 31	Rentals - Living Quarters	14,960
2 32	Rentals - Downhole	0
2 33	Rentals - Pipe & Handling Tools	0
2 34	Rentals - Frac Stack	95,787
2 35	Rentals - Frac Tanks	29,315
2 36	Coil Tubing Unit/Workover Rig	94,066
2 37	Wireline/Slickline/Perforating	303,200
2 38	Temporary Packers/Plugs	48,100
2 39	High Pressure Pump Truck	69,660
2 40	Stimulation	2,071,792
2 41	Rentals - Pressure Control	
2 42	Flowback Services	48,681
2 43	Water Transfer Services	79,500
2 44	Flowback Water Trucking & Disposal	13,056
2 45	Permanent Equipment Installation	
2 46	Pipeline Tapping Services	
2 47	Plugging & Abandonment	
2 53	Overhead	16,880
2 54	Insurance	
2 55	Contingency	152,797

TOTAL INTANGIBLE COMPLETION COSTS: \$4,244,622

INTANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
3 1	Land - Legal	
3 2	Land - Regulatory	
3 3	Land - Surface Damages	
3 4	Land - Survey	
3 5	Location/Pit Construction	5,000
3 6	Remedial Dirtwork	
3 7	Reserve/Frac Pit Closing	
3 8	Drilling - Contractor	
3 9	Mob/Rig Up - Contractor/Trucking	
3 10	Cementing Services	
3 11	Cementing Equipment	
3 12	Bits/Drill Out Assemblies	
3 13	Fluid Circulation Equipment/Services	
3 14	Fluids/Chemicals	
3 15	WBM Cuttings/Wastewater Disposal	
3 16	OBM Cuttings/Chemical Disposal	
3 17	Fuel/Power	
3 18	Water	
3 19	Directional Drilling	
3 20	Mud Logging	
3 21	Open/Cased/Production Hole Logs	
3 22	Coring	
3 23	Geologic Supervision	
3 24	Engineering Supervision	
3 25	Consultant Supervision	18,500
3 26	Freight/Transportation	15,000
3 27	Labor	38,000
3 28	Supplies - Surface	
3 29	Supplies - Living Quarters	
3 30	Rentals - Surface	9,800
3 31	Rentals - Living Quarters	
3 32	Rentals - Downhole	
3 33	Rentals - Pipe & Handling Tools	
3 34	Rentals - Frac Stack	12,950
3 35	Rentals - Frac Tanks	15,000
3 36	Coil Tubing Unit/Workover Rig	34,500
3 37	Wireline/Slickline/Perforating	5,500
3 38	Temporary Packers/Plugs	
3 39	High Pressure Pump Truck	
3 40	Stimulation	
3 41	Rentals - Pressure Control	
3 42	Flowback Services	43,600
3 43	Water Transfer Services	
3 44	Flowback Water Trucking & Disposal	65,960
3 45	Permanent Equipment Installation	
3 46	Pipeline Tapping Services	
3 47	Plugging & Abandonment	
3 53	Overhead	0
3 54	Insurance	
3 55	Contingency	11,778

TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588

TANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
4 60	Conductor Casing	29,997
4 61	Surface Casing	112,511
4 62	1st Intermediate Casing	178,610
4 63	2nd Intermediate Casing	194,149
4 64	Production Casing	616,502
4 65	Tubing	
4 66	Wellhead	78,000
4 67	Permanent Packers/Hangers/Plugs	
4 68	Tanks	
4 69	Production Vessels	
4 70	Compressors	
4 71	Surface Flowlines	
4 72	Gathering Lines	
4 73	Valves & Controllers	
4 74	Artificial Lift Equipment	
4 75	Instrumentation & Measurement	
4 76	Electrical Grounding/Safety Equipment	
4 77	Permanent Equipment Installation	
4 80	Other - Surface	
4 81	Other - Downhole	15,000

TOTAL TANGIBLE DRILLING COSTS: \$1,224,768

TOTAL DRILLING COSTS: \$3,388,547

TANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
5 60	Conductor Casing	
5 61	Surface Casing	
5 62	1st Intermediate Casing	
5 63	2nd Intermediate Casing	
5 64	Production Casing	0
5 65	Tubing	
5 66	Wellhead	0
5 67	Permanent Packers/Hangers/Plugs	
5 68	Tanks	
5 69	Production Vessels	
5 70	Compressors	
5 71	Surface Flowlines	
5 72	Gathering Lines	
5 73	Valves & Controllers	
5 74	Artificial Lift Equipment	
5 75	Instrumentation & Measurement	
5 76	Electrical Grounding/Safety Equipment	
5 77	Permanent Equipment Installation	
5 80	Other - Surface	
5 81	Other - Downhole	

TOTAL TANGIBLE COMPLETION COSTS: \$0

TOTAL COMPLETION COSTS: \$4,244,622

TANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	
6 61	Surface Casing	
6 62	1st Intermediate Casing	
6 63	2nd Intermediate Casing	
6 64	Production Casing	
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	
6 69	Production Vessels	160,000
6 70	Compressors	
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	0
6 73	Valves & Controllers	0
6 74	Artificial Lift Equipment	28,500
6 75	Instrumentation & Measurement	
6 76	Electrical Grounding/Safety Equipment	
6 77	Permanent Equipment Installation	5,000
6 80	Other - Surface	
6 81	Other - Downhole	

TOTAL TANGIBLE PRODUCTION COSTS: \$401,000

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,309,758

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: Double Stamp #125
AFE #: 0
County: Lea
State: NM

Date: May 10, 2022
MD/TVD: 20360 / 9700
Lateral Length: 10210
Geologic Target: 2nd Bone Spring

Well Description: **Drill, complete, and produce a horizontal 2nd Bone Spring well with a 10210 foot lateral.**

INTANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
1 1	Land - Legal	10,000
1 2	Land - Regulatory	10,000
1 3	Land - Surface Damages	10,000
1 4	Land - Survey	10,000
1 5	Location/Pit Construction	78,500
1 6	Remedial Dirtwork	0
1 7	Reserve/Frac Pit Closing	0
1 8	Drilling - Contractor	474,408
1 9	Mob/Rig Up - Contractor/Trucking	50,000
1 10	Cementing Services	190,000
1 11	Cementing Equipment	33,000
1 12	Bits/Drill Out Assemblies	77,000
1 13	Fluid Circulation Equipment/Services	69,075
1 14	Fluids/Chemicals	73,163
1 15	WBM Cuttings/Wastewater Disposal	45,675
1 16	OBM Cuttings/Chemical Disposal	0
1 17	Fuel/Power	162,750
1 18	Water	54,200
1 19	Directional Drilling	210,000
1 20	Mud Logging	24,071
1 21	Open/Cased/Production Hole Logs	0
1 22	Coring	0
1 23	Geologic Supervision	0
1 24	Engineering Supervision	0
1 25	Consultant Supervision	105,600
1 26	Freight/Transportation	9,000
1 27	Labor	129,000
1 28	Supplies - Surface	2,500
1 29	Supplies - Living Quarters	1,000
1 30	Rentals - Surface	79,465
1 31	Rentals - Living Quarters	49,900
1 32	Rentals - Downhole	18,500
1 33	Rentals - Pipe & Handling Tools	97,650
1 34	Rentals - Frac Stack	0
1 35	Rentals - Frac Tanks	6,300
1 36	Coil Tubing Unit/Workover Rig	0
1 37	Wireline/Slickline/Perforating	0
1 38	Temporary Packers/Plugs	0
1 39	High Pressure Pump Truck	0
1 40	Stimulation	0
1 41	Rentals - Pressure Control	0
1 42	Flowback Services	0
1 43	Water Transfer Services	0
1 44	Flowback Water Trucking & Disposal	0
1 45	Permanent Equipment Installation	0
1 46	Pipeline Tapping Services	0
1 47	Plugging & Abandonment	0
1 53	Overhead	0
1 54	Insurance	20,000
1 55	Contingency	63,023

TOTAL INTANGIBLE DRILLING COSTS: \$2,163,779

INTANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
2 1	Land - Legal	0
2 2	Land - Regulatory	0
2 3	Land - Surface Damages	0
2 4	Land - Survey	0
2 5	Location/Pit Construction	0
2 6	Remedial Dirtwork	0
2 7	Reserve/Frac Pit Closing	0
2 8	Drilling - Contractor	0
2 9	Mob/Rig Up - Contractor/Trucking	0
2 10	Cementing Services	0
2 11	Cementing Equipment	0
2 12	Bits/Drill Out Assemblies	39,421
2 13	Fluid Circulation Equipment/Services	0
2 14	Fluids/Chemicals	35,875
2 15	WBM Cuttings/Wastewater Disposal	0
2 16	OBM Cuttings/Chemical Disposal	0
2 17	Fuel/Power	566,000
2 18	Water	434,794
2 19	Directional Drilling	0
2 20	Mud Logging	0
2 21	Open/Cased/Production Hole Logs	8,440
2 22	Coring	0
2 23	Geologic Supervision	0
2 24	Engineering Supervision	0
2 25	Consultant Supervision	82,000
2 26	Freight/Transportation	2,000
2 27	Labor	14,220
2 28	Supplies - Surface	2,000
2 29	Supplies - Living Quarters	2,000
2 30	Rentals - Surface	20,080
2 31	Rentals - Living Quarters	14,960
2 32	Rentals - Downhole	0
2 33	Rentals - Pipe & Handling Tools	0
2 34	Rentals - Frac Stack	95,787
2 35	Rentals - Frac Tanks	29,315
2 36	Coil Tubing Unit/Workover Rig	94,066
2 37	Wireline/Slickline/Perforating	303,200
2 38	Temporary Packers/Plugs	48,100
2 39	High Pressure Pump Truck	69,660
2 40	Stimulation	2,071,792
2 41	Rentals - Pressure Control	0
2 42	Flowback Services	48,681
2 43	Water Transfer Services	79,500
2 44	Flowback Water Trucking & Disposal	13,056
2 45	Permanent Equipment Installation	0
2 46	Pipeline Tapping Services	0
2 47	Plugging & Abandonment	0
2 53	Overhead	16,880
2 54	Insurance	0
2 55	Contingency	152,797

TOTAL INTANGIBLE COMPLETION COSTS: \$4,244,622

INTANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
3 1	Land - Legal	0
3 2	Land - Regulatory	0
3 3	Land - Surface Damages	0
3 4	Land - Survey	0
3 5	Location/Pit Construction	5,000
3 6	Remedial Dirtwork	0
3 7	Reserve/Frac Pit Closing	0
3 8	Drilling - Contractor	0
3 9	Mob/Rig Up - Contractor/Trucking	0
3 10	Cementing Services	0
3 11	Cementing Equipment	0
3 12	Bits/Drill Out Assemblies	0
3 13	Fluid Circulation Equipment/Services	0
3 14	Fluids/Chemicals	0
3 15	WBM Cuttings/Wastewater Disposal	0
3 16	OBM Cuttings/Chemical Disposal	0
3 17	Fuel/Power	0
3 18	Water	0
3 19	Directional Drilling	0
3 20	Mud Logging	0
3 21	Open/Cased/Production Hole Logs	0
3 22	Coring	0
3 23	Geologic Supervision	0
3 24	Engineering Supervision	0
3 25	Consultant Supervision	18,500
3 26	Freight/Transportation	15,000
3 27	Labor	38,000
3 28	Supplies - Surface	0
3 29	Supplies - Living Quarters	0
3 30	Rentals - Surface	9,800
3 31	Rentals - Living Quarters	0
3 32	Rentals - Downhole	0
3 33	Rentals - Pipe & Handling Tools	0
3 34	Rentals - Frac Stack	12,950
3 35	Rentals - Frac Tanks	15,000
3 36	Coil Tubing Unit/Workover Rig	34,500
3 37	Wireline/Slickline/Perforating	5,500
3 38	Temporary Packers/Plugs	0
3 39	High Pressure Pump Truck	0
3 40	Stimulation	0
3 41	Rentals - Pressure Control	0
3 42	Flowback Services	43,600
3 43	Water Transfer Services	0
3 44	Flowback Water Trucking & Disposal	65,960
3 45	Permanent Equipment Installation	0
3 46	Pipeline Tapping Services	0
3 47	Plugging & Abandonment	0
3 53	Overhead	0
3 54	Insurance	0
3 55	Contingency	11,778

TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588

TANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
4 60	Conductor Casing	29,997
4 61	Surface Casing	112,511
4 62	1st Intermediate Casing	178,610
4 63	2nd Intermediate Casing	194,149
4 64	Production Casing	616,502
4 65	Tubing	0
4 66	Wellhead	78,000
4 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks	0
4 69	Production Vessels	0
4 70	Compressors	0
4 71	Surface Flowlines	0
4 72	Gathering Lines	0
4 73	Valves & Controllers	0
4 74	Artificial Lift Equipment	0
4 75	Instrumentation & Measurement	0
4 76	Electrical Grounding/Safety Equipment	0
4 77	Permanent Equipment Installation	0
4 80	Other - Surface	0
4 81	Other - Downhole	15,000

TOTAL TANGIBLE DRILLING COSTS: \$1,224,768

TOTAL DRILLING COSTS: \$3,388,547

TANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
5 60	Conductor Casing	0
5 61	Surface Casing	0
5 62	1st Intermediate Casing	0
5 63	2nd Intermediate Casing	0
5 64	Production Casing	0
5 65	Tubing	0
5 66	Wellhead	0
5 67	Permanent Packers/Hangers/Plugs	0
5 68	Tanks	0
5 69	Production Vessels	0
5 70	Compressors	0
5 71	Surface Flowlines	0
5 72	Gathering Lines	0
5 73	Valves & Controllers	0
5 74	Artificial Lift Equipment	0
5 75	Instrumentation & Measurement	0
5 76	Electrical Grounding/Safety Equipment	0
5 77	Permanent Equipment Installation	0
5 80	Other - Surface	0
5 81	Other - Downhole	0

TOTAL TANGIBLE COMPLETION COSTS: \$0

TOTAL COMPLETION COSTS: \$4,244,622

TANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	0
6 61	Surface Casing	0
6 62	1st Intermediate Casing	0
6 63	2nd Intermediate Casing	0
6 64	Production Casing	0
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	0
6 69	Production Vessels	160,000
6 70	Compressors	0
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	0
6 73	Valves & Controllers	0
6 74	Artificial Lift Equipment	28,500
6 75	Instrumentation & Measurement	0
6 76	Electrical Grounding/Safety Equipment	0
6 77	Permanent Equipment Installation	5,000
6 80	Other - Surface	0
6 81	Other - Downhole	0

TOTAL TANGIBLE PRODUCTION COSTS: \$401,000

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,309,758

TAP ROCK RESOURCES COMPANY APPROVAL:

NON OPERATING PARTNER APPROVAL:

CEO _____ VP - EXPLORATION _____

CFO _____ VP - OPERATIONS _____

VP - LAND & LEGAL _____ SENIOR GEOLOGIST _____

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: **Double Stamp #127**
AFE #: **0**
County: **Lea**
State: **NM**

Date: **May 10, 2022**
MD/TVD: **20360 / 9700**
Lateral Length: **10210**
Geologic Target: **2nd Bone Spring**

Well Description: **Drill, complete, and produce a horizontal 2nd Bone Spring well with a 10210 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	78,500	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	474,408	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	190,000	2 10	Cementing Services		3 10	Cementing Services	
1 11	Cementing Equipment	33,000	2 11	Cementing Equipment		3 11	Cementing Equipment	
1 12	Bits/Drill Out Assemblies	77,000	2 12	Bits/Drill Out Assemblies	39,421	3 12	Bits/Drill Out Assemblies	
1 13	Fluid Circulation Equipment/Services	69,075	2 13	Fluid Circulation Equipment/Services		3 13	Fluid Circulation Equipment/Services	
1 14	Fluids/Chemicals	73,163	2 14	Fluids/Chemicals	35,875	3 14	Fluids/Chemicals	
1 15	WBM Cuttings/Wastewater Disposal	45,675	2 15	WBM Cuttings/Wastewater Disposal		3 15	WBM Cuttings/Wastewater Disposal	
1 16	OBM Cuttings/Chemical Disposal	0	2 16	OBM Cuttings/Chemical Disposal		3 16	OBM Cuttings/Chemical Disposal	
1 17	Fuel/Power	162,750	2 17	Fuel/Power	566,000	3 17	Fuel/Power	
1 18	Water	54,200	2 18	Water	434,794	3 18	Water	
1 19	Directional Drilling	210,000	2 19	Directional Drilling		3 19	Directional Drilling	
1 20	Mud Logging	24,071	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	105,600	2 25	Consultant Supervision	82,000	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	129,000	2 27	Labor	14,220	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	79,465	2 30	Rentals - Surface	20,080	3 30	Rentals - Surface	9,800
1 31	Rentals - Living Quarters	49,900	2 31	Rentals - Living Quarters	14,960	3 31	Rentals - Living Quarters	
1 32	Rentals - Downhole	18,500	2 32	Rentals - Downhole	0	3 32	Rentals - Downhole	
1 33	Rentals - Pipe & Handling Tools	97,650	2 33	Rentals - Pipe & Handling Tools	0	3 33	Rentals - Pipe & Handling Tools	
1 34	Rentals - Frac Stack		2 34	Rentals - Frac Stack	95,787	3 34	Rentals - Frac Stack	12,950
1 35	Rentals - Frac Tanks	6,300	2 35	Rentals - Frac Tanks	29,315	3 35	Rentals - Frac Tanks	15,000
1 36	Coil Tubing Unit/Workover Rig		2 36	Coil Tubing Unit/Workover Rig	94,066	3 36	Coil Tubing Unit/Workover Rig	34,500
1 37	Wireline/Slickline/Perforating		2 37	Wireline/Slickline/Perforating	303,200	3 37	Wireline/Slickline/Perforating	5,500
1 38	Temporary Packers/Plugs		2 38	Temporary Packers/Plugs	48,100	3 38	Temporary Packers/Plugs	
1 39	High Pressure Pump Truck		2 39	High Pressure Pump Truck	69,660	3 39	High Pressure Pump Truck	
1 40	Stimulation		2 40	Stimulation	2,071,792	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	48,681	3 42	Flowback Services	43,600
1 43	Water Transfer Services		2 43	Water Transfer Services	79,500	3 43	Water Transfer Services	
1 44	Flowback Water Trucking & Disposal		2 44	Flowback Water Trucking & Disposal	13,056	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	16,880	3 53	Overhead	0
1 54	Insurance	20,000	2 54	Insurance		3 54	Insurance	
1 55	Contingency	63,023	2 55	Contingency	152,797	3 55	Contingency	11,778

TOTAL INTANGIBLE DRILLING COSTS: \$2,163,779

TOTAL INTANGIBLE COMPLETION COSTS: \$4,244,622

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	29,997	5 60	Conductor Casing		6 60	Conductor Casing	
4 61	Surface Casing	112,511	5 61	Surface Casing		6 61	Surface Casing	
4 62	1st Intermediate Casing	178,610	5 62	1st Intermediate Casing		6 62	1st Intermediate Casing	
4 63	2nd Intermediate Casing	194,149	5 63	2nd Intermediate Casing		6 63	2nd Intermediate Casing	
4 64	Production Casing	616,502	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: \$1,224,768

TOTAL TANGIBLE COMPLETION COSTS: \$0

TOTAL TANGIBLE PRODUCTION COSTS: \$401,000

TOTAL DRILLING COSTS: \$3,388,547

TOTAL COMPLETION COSTS: \$4,244,622

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,309,758

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: Double Stamp #131
AFE #: 0
County: Lea
State: NM

Date: May 10, 2022
MD/TVD: 21010 / 10350
Lateral Length: 10210
Geologic Target: 3rd Bone Spring

Well Description: Drill, complete, and produce a horizontal 3rd Bone Spring well with a 10210 foot lateral.

INTANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
1 1	Land - Legal	10,000
1 2	Land - Regulatory	10,000
1 3	Land - Surface Damages	10,000
1 4	Land - Survey	10,000
1 5	Location/Pit Construction	78,500
1 6	Remedial Dirtwork	0
1 7	Reserve/Frac Pit Closing	0
1 8	Drilling - Contractor	521,426
1 9	Mob/Rig Up - Contractor/Trucking	50,000
1 10	Cementing Services	190,000
1 11	Cementing Equipment	33,000
1 12	Bits/Drill Out Assemblies	87,500
1 13	Fluid Circulation Equipment/Services	75,513
1 14	Fluids/Chemicals	90,000
1 15	WBM Cuttings/Wastewater Disposal	54,000
1 16	OBM Cuttings/Chemical Disposal	0
1 17	Fuel/Power	182,125
1 18	Water	65,000
1 19	Directional Drilling	235,000
1 20	Mud Logging	24,071
1 21	Open/Cased/Production Hole Logs	0
1 22	Coring	0
1 23	Geologic Supervision	0
1 24	Engineering Supervision	0
1 25	Consultant Supervision	116,600
1 26	Freight/Transportation	9,000
1 27	Labor	129,000
1 28	Supplies - Surface	2,500
1 29	Supplies - Living Quarters	1,000
1 30	Rentals - Surface	83,500
1 31	Rentals - Living Quarters	54,525
1 32	Rentals - Downhole	18,500
1 33	Rentals - Pipe & Handling Tools	110,820
1 34	Rentals - Frac Stack	0
1 35	Rentals - Frac Tanks	10,000
1 36	Coil Tubing Unit/Workover Rig	0
1 37	Wireline/Slickline/Perforating	0
1 38	Temporary Packers/Plugs	0
1 39	High Pressure Pump Truck	0
1 40	Stimulation	0
1 41	Rentals - Pressure Control	0
1 42	Flowback Services	0
1 43	Water Transfer Services	0
1 44	Flowback Water Trucking & Disposal	0
1 45	Permanent Equipment Installation	0
1 46	Pipeline Tapping Services	0
1 47	Plugging & Abandonment	0
1 53	Overhead	0
1 54	Insurance	20,000
1 55	Contingency	68,447

TOTAL INTANGIBLE DRILLING COSTS: \$2,350,026

INTANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
2 1	Land - Legal	
2 2	Land - Regulatory	
2 3	Land - Surface Damages	
2 4	Land - Survey	
2 5	Location/Pit Construction	
2 6	Remedial Dirtwork	
2 7	Reserve/Frac Pit Closing	
2 8	Drilling - Contractor	
2 9	Mob/Rig Up - Contractor/Trucking	
2 10	Cementing Services	
2 11	Cementing Equipment	
2 12	Bits/Drill Out Assemblies	39,421
2 13	Fluid Circulation Equipment/Services	
2 14	Fluids/Chemicals	35,875
2 15	WBM Cuttings/Wastewater Disposal	
2 16	OBM Cuttings/Chemical Disposal	
2 17	Fuel/Power	566,000
2 18	Water	311,253
2 19	Directional Drilling	
2 20	Mud Logging	
2 21	Open/Cased/Production Hole Logs	8,440
2 22	Coring	
2 23	Geologic Supervision	
2 24	Engineering Supervision	
2 25	Consultant Supervision	82,000
2 26	Freight/Transportation	2,000
2 27	Labor	14,220
2 28	Supplies - Surface	2,000
2 29	Supplies - Living Quarters	2,000
2 30	Rentals - Surface	20,080
2 31	Rentals - Living Quarters	14,960
2 32	Rentals - Downhole	0
2 33	Rentals - Pipe & Handling Tools	0
2 34	Rentals - Frac Stack	92,688
2 35	Rentals - Frac Tanks	29,315
2 36	Coil Tubing Unit/Workover Rig	94,066
2 37	Wireline/Slickline/Perforating	239,064
2 38	Temporary Packers/Plugs	41,600
2 39	High Pressure Pump Truck	58,300
2 40	Stimulation	2,518,603
2 41	Rentals - Pressure Control	
2 42	Flowback Services	48,681
2 43	Water Transfer Services	79,500
2 44	Flowback Water Trucking & Disposal	13,056
2 45	Permanent Equipment Installation	
2 46	Pipeline Tapping Services	
2 47	Plugging & Abandonment	
2 53	Overhead	16,880
2 54	Insurance	
2 55	Contingency	153,535

TOTAL INTANGIBLE COMPLETION COSTS: \$4,483,536

INTANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
3 1	Land - Legal	
3 2	Land - Regulatory	
3 3	Land - Surface Damages	
3 4	Land - Survey	
3 5	Location/Pit Construction	5,000
3 6	Remedial Dirtwork	
3 7	Reserve/Frac Pit Closing	
3 8	Drilling - Contractor	
3 9	Mob/Rig Up - Contractor/Trucking	
3 10	Cementing Services	
3 11	Cementing Equipment	
3 12	Bits/Drill Out Assemblies	
3 13	Fluid Circulation Equipment/Services	
3 14	Fluids/Chemicals	
3 15	WBM Cuttings/Wastewater Disposal	
3 16	OBM Cuttings/Chemical Disposal	
3 17	Fuel/Power	
3 18	Water	
3 19	Directional Drilling	
3 20	Mud Logging	
3 21	Open/Cased/Production Hole Logs	
3 22	Coring	
3 23	Geologic Supervision	
3 24	Engineering Supervision	
3 25	Consultant Supervision	18,500
3 26	Freight/Transportation	15,000
3 27	Labor	38,000
3 28	Supplies - Surface	
3 29	Supplies - Living Quarters	
3 30	Rentals - Surface	9,800
3 31	Rentals - Living Quarters	
3 32	Rentals - Downhole	
3 33	Rentals - Pipe & Handling Tools	
3 34	Rentals - Frac Stack	12,950
3 35	Rentals - Frac Tanks	15,000
3 36	Coil Tubing Unit/Workover Rig	34,500
3 37	Wireline/Slickline/Perforating	5,500
3 38	Temporary Packers/Plugs	
3 39	High Pressure Pump Truck	
3 40	Stimulation	
3 41	Rentals - Pressure Control	
3 42	Flowback Services	43,600
3 43	Water Transfer Services	
3 44	Flowback Water Trucking & Disposal	65,960
3 45	Permanent Equipment Installation	
3 46	Pipeline Tapping Services	
3 47	Plugging & Abandonment	
3 53	Overhead	0
3 54	Insurance	
3 55	Contingency	11,778

TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588

TANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
4 60	Conductor Casing	29,997
4 61	Surface Casing	112,511
4 62	1st Intermediate Casing	178,610
4 63	2nd Intermediate Casing	194,149
4 64	Production Casing	636,639
4 65	Tubing	
4 66	Wellhead	78,000
4 67	Permanent Packers/Hangers/Plugs	
4 68	Tanks	
4 69	Production Vessels	
4 70	Compressors	
4 71	Surface Flowlines	
4 72	Gathering Lines	
4 73	Valves & Controllers	
4 74	Artificial Lift Equipment	
4 75	Instrumentation & Measurement	
4 76	Electrical Grounding/Safety Equipment	
4 77	Permanent Equipment Installation	
4 80	Other - Surface	
4 81	Other - Downhole	15,000

TOTAL TANGIBLE DRILLING COSTS: \$1,244,905

TOTAL DRILLING COSTS: \$3,594,931

TANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
5 60	Conductor Casing	
5 61	Surface Casing	
5 62	1st Intermediate Casing	
5 63	2nd Intermediate Casing	
5 64	Production Casing	0
5 65	Tubing	
5 66	Wellhead	0
5 67	Permanent Packers/Hangers/Plugs	
5 68	Tanks	
5 69	Production Vessels	
5 70	Compressors	
5 71	Surface Flowlines	
5 72	Gathering Lines	
5 73	Valves & Controllers	
5 74	Artificial Lift Equipment	
5 75	Instrumentation & Measurement	
5 76	Electrical Grounding/Safety Equipment	
5 77	Permanent Equipment Installation	
5 80	Other - Surface	
5 81	Other - Downhole	

TOTAL TANGIBLE COMPLETION COSTS: \$0

TOTAL COMPLETION COSTS: \$4,483,536

TANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	
6 61	Surface Casing	
6 62	1st Intermediate Casing	
6 63	2nd Intermediate Casing	
6 64	Production Casing	
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	
6 69	Production Vessels	160,000
6 70	Compressors	
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	0
6 73	Valves & Controllers	0
6 74	Artificial Lift Equipment	28,500
6 75	Instrumentation & Measurement	
6 76	Electrical Grounding/Safety Equipment	
6 77	Permanent Equipment Installation	5,000
6 80	Other - Surface	
6 81	Other - Downhole	

TOTAL TANGIBLE PRODUCTION COSTS: \$401,000

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,755,056

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: Double Stamp #132
AFE #: 0
County: Lea
State: NM

Date: May 10, 2022
MD/TVD: 21010 / 10350
Lateral Length: 10210
Geologic Target: 3rd Bone Spring

Well Description: Drill, complete, and produce a horizontal 3rd Bone Spring well with a 10210 foot lateral.

INTANGIBLE DRILLING COSTS		
COST CODES	DESCRIPTION	AMOUNT
1 1	Land - Legal	10,000
1 2	Land - Regulatory	10,000
1 3	Land - Surface Damages	10,000
1 4	Land - Survey	10,000
1 5	Location/Pit Construction	78,500
1 6	Remedial Dirtwork	0
1 7	Reserve/Frac Pit Closing	0
1 8	Drilling - Contractor	521,426
1 9	Mob/Rig Up - Contractor/Trucking	50,000
1 10	Cementing Services	190,000
1 11	Cementing Equipment	33,000
1 12	Bits/Drill Out Assemblies	87,500
1 13	Fluid Circulation Equipment/Services	75,513
1 14	Fluids/Chemicals	90,000
1 15	WBM Cuttings/Wastewater Disposal	54,000
1 16	OBM Cuttings/Chemical Disposal	0
1 17	Fuel/Power	182,125
1 18	Water	65,000
1 19	Directional Drilling	235,000
1 20	Mud Logging	24,071
1 21	Open/Cased/Production Hole Logs	0
1 22	Coring	0
1 23	Geologic Supervision	0
1 24	Engineering Supervision	0
1 25	Consultant Supervision	116,600
1 26	Freight/Transportation	9,000
1 27	Labor	129,000
1 28	Supplies - Surface	2,500
1 29	Supplies - Living Quarters	1,000
1 30	Rentals - Surface	83,500
1 31	Rentals - Living Quarters	54,525
1 32	Rentals - Downhole	18,500
1 33	Rentals - Pipe & Handling Tools	110,820
1 34	Rentals - Frac Stack	0
1 35	Rentals - Frac Tanks	10,000
1 36	Coil Tubing Unit/Workover Rig	0
1 37	Wireline/Slickline/Perforating	0
1 38	Temporary Packers/Plugs	0
1 39	High Pressure Pump Truck	0
1 40	Stimulation	0
1 41	Rentals - Pressure Control	0
1 42	Flowback Services	0
1 43	Water Transfer Services	0
1 44	Flowback Water Trucking & Disposal	0
1 45	Permanent Equipment Installation	0
1 46	Pipeline Tapping Services	0
1 47	Plugging & Abandonment	0
1 53	Overhead	0
1 54	Insurance	20,000
1 55	Contingency	68,447
TOTAL INTANGIBLE DRILLING COSTS:		\$2,350,026

INTANGIBLE COMPLETION COSTS		
COST CODES	DESCRIPTION	AMOUNT
2 1	Land - Legal	
2 2	Land - Regulatory	
2 3	Land - Surface Damages	
2 4	Land - Survey	
2 5	Location/Pit Construction	
2 6	Remedial Dirtwork	
2 7	Reserve/Frac Pit Closing	
2 8	Drilling - Contractor	
2 9	Mob/Rig Up - Contractor/Trucking	
2 10	Cementing Services	
2 11	Cementing Equipment	
2 12	Bits/Drill Out Assemblies	39,421
2 13	Fluid Circulation Equipment/Services	
2 14	Fluids/Chemicals	35,875
2 15	WBM Cuttings/Wastewater Disposal	
2 16	OBM Cuttings/Chemical Disposal	
2 17	Fuel/Power	566,000
2 18	Water	311,253
2 19	Directional Drilling	
2 20	Mud Logging	
2 21	Open/Cased/Production Hole Logs	8,440
2 22	Coring	
2 23	Geologic Supervision	
2 24	Engineering Supervision	
2 25	Consultant Supervision	82,000
2 26	Freight/Transportation	2,000
2 27	Labor	14,220
2 28	Supplies - Surface	2,000
2 29	Supplies - Living Quarters	2,000
2 30	Rentals - Surface	20,080
2 31	Rentals - Living Quarters	14,960
2 32	Rentals - Downhole	0
2 33	Rentals - Pipe & Handling Tools	0
2 34	Rentals - Frac Stack	92,688
2 35	Rentals - Frac Tanks	29,315
2 36	Coil Tubing Unit/Workover Rig	94,066
2 37	Wireline/Slickline/Perforating	239,064
2 38	Temporary Packers/Plugs	41,600
2 39	High Pressure Pump Truck	58,300
2 40	Stimulation	2,518,603
2 41	Rentals - Pressure Control	
2 42	Flowback Services	48,681
2 43	Water Transfer Services	79,500
2 44	Flowback Water Trucking & Disposal	13,056
2 45	Permanent Equipment Installation	
2 46	Pipeline Tapping Services	
2 47	Plugging & Abandonment	
2 53	Overhead	16,880
2 54	Insurance	
2 55	Contingency	153,535
TOTAL INTANGIBLE COMPLETION COSTS:		\$4,483,536

INTANGIBLE PRODUCTION COSTS		
COST CODES	DESCRIPTION	AMOUNT
3 1	Land - Legal	
3 2	Land - Regulatory	
3 3	Land - Surface Damages	
3 4	Land - Survey	
3 5	Location/Pit Construction	5,000
3 6	Remedial Dirtwork	
3 7	Reserve/Frac Pit Closing	
3 8	Drilling - Contractor	
3 9	Mob/Rig Up - Contractor/Trucking	
3 10	Cementing Services	
3 11	Cementing Equipment	
3 12	Bits/Drill Out Assemblies	
3 13	Fluid Circulation Equipment/Services	
3 14	Fluids/Chemicals	
3 15	WBM Cuttings/Wastewater Disposal	
3 16	OBM Cuttings/Chemical Disposal	
3 17	Fuel/Power	
3 18	Water	
3 19	Directional Drilling	
3 20	Mud Logging	
3 21	Open/Cased/Production Hole Logs	
3 22	Coring	
3 23	Geologic Supervision	
3 24	Engineering Supervision	
3 25	Consultant Supervision	18,500
3 26	Freight/Transportation	15,000
3 27	Labor	38,000
3 28	Supplies - Surface	
3 29	Supplies - Living Quarters	
3 30	Rentals - Surface	9,800
3 31	Rentals - Living Quarters	
3 32	Rentals - Downhole	
3 33	Rentals - Pipe & Handling Tools	
3 34	Rentals - Frac Stack	12,950
3 35	Rentals - Frac Tanks	15,000
3 36	Coil Tubing Unit/Workover Rig	34,500
3 37	Wireline/Slickline/Perforating	5,500
3 38	Temporary Packers/Plugs	
3 39	High Pressure Pump Truck	
3 40	Stimulation	
3 41	Rentals - Pressure Control	
3 42	Flowback Services	43,600
3 43	Water Transfer Services	
3 44	Flowback Water Trucking & Disposal	65,960
3 45	Permanent Equipment Installation	
3 46	Pipeline Tapping Services	
3 47	Plugging & Abandonment	
3 53	Overhead	0
3 54	Insurance	
3 55	Contingency	11,778
TOTAL INTANGIBLE PRODUCTION COSTS:		\$275,588

TANGIBLE DRILLING COSTS		
COST CODES	DESCRIPTION	AMOUNT
4 60	Conductor Casing	29,997
4 61	Surface Casing	112,511
4 62	1st Intermediate Casing	178,610
4 63	2nd Intermediate Casing	194,149
4 64	Production Casing	636,639
4 65	Tubing	
4 66	Wellhead	78,000
4 67	Permanent Packers/Hangers/Plugs	
4 68	Tanks	
4 69	Production Vessels	
4 70	Compressors	
4 71	Surface Flowlines	
4 72	Gathering Lines	
4 73	Valves & Controllers	
4 74	Artificial Lift Equipment	
4 75	Instrumentation & Measurement	
4 76	Electrical Grounding/Safety Equipment	
4 77	Permanent Equipment Installation	
4 80	Other - Surface	
4 81	Other - Downhole	15,000
TOTAL TANGIBLE DRILLING COSTS:		\$1,244,905
TOTAL DRILLING COSTS:		\$3,594,931

TANGIBLE COMPLETION COSTS		
COST CODES	DESCRIPTION	AMOUNT
5 60	Conductor Casing	
5 61	Surface Casing	
5 62	1st Intermediate Casing	
5 63	2nd Intermediate Casing	
5 64	Production Casing	0
5 65	Tubing	
5 66	Wellhead	0
5 67	Permanent Packers/Hangers/Plugs	
5 68	Tanks	
5 69	Production Vessels	
5 70	Compressors	
5 71	Surface Flowlines	
5 72	Gathering Lines	
5 73	Valves & Controllers	
5 74	Artificial Lift Equipment	
5 75	Instrumentation & Measurement	
5 76	Electrical Grounding/Safety Equipment	
5 77	Permanent Equipment Installation	
5 80	Other - Surface	
5 81	Other - Downhole	
TOTAL TANGIBLE COMPLETION COSTS:		\$0
TOTAL COMPLETION COSTS:		\$4,483,536

TANGIBLE PRODUCTION COSTS		
COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	
6 61	Surface Casing	
6 62	1st Intermediate Casing	
6 63	2nd Intermediate Casing	
6 64	Production Casing	
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	
6 69	Production Vessels	160,000
6 70	Compressors	
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	0
6 73	Valves & Controllers	0
6 74	Artificial Lift Equipment	28,500
6 75	Instrumentation & Measurement	
6 76	Electrical Grounding/Safety Equipment	
6 77	Permanent Equipment Installation	5,000
6 80	Other - Surface	
6 81	Other - Downhole	
TOTAL TANGIBLE PRODUCTION COSTS:		\$401,000
TOTAL PRODUCTION COSTS:		\$676,588

TOTAL WELL COST: \$8,755,056

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: Double Stamp #135
AFE #: 0
County: Lea
State: NM

Date: May 10, 2022
MD/TVD: 21010 / 10350
Lateral Length: 10210
Geologic Target: 3rd Bone Spring

Well Description: Drill, complete, and produce a horizontal 3rd Bone Spring well with a 10210 foot lateral.

INTANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
1 1	Land - Legal	10,000
1 2	Land - Regulatory	10,000
1 3	Land - Surface Damages	10,000
1 4	Land - Survey	10,000
1 5	Location/Pit Construction	78,500
1 6	Remedial Dirtwork	0
1 7	Reserve/Frac Pit Closing	0
1 8	Drilling - Contractor	521,426
1 9	Mob/Rig Up - Contractor/Trucking	50,000
1 10	Cementing Services	190,000
1 11	Cementing Equipment	33,000
1 12	Bits/Drill Out Assemblies	87,500
1 13	Fluid Circulation Equipment/Services	75,513
1 14	Fluids/Chemicals	90,000
1 15	WBM Cuttings/Wastewater Disposal	54,000
1 16	OBM Cuttings/Chemical Disposal	0
1 17	Fuel/Power	182,125
1 18	Water	65,000
1 19	Directional Drilling	235,000
1 20	Mud Logging	24,071
1 21	Open/Cased/Production Hole Logs	0
1 22	Coring	0
1 23	Geologic Supervision	0
1 24	Engineering Supervision	0
1 25	Consultant Supervision	116,600
1 26	Freight/Transportation	9,000
1 27	Labor	129,000
1 28	Supplies - Surface	2,500
1 29	Supplies - Living Quarters	1,000
1 30	Rentals - Surface	83,500
1 31	Rentals - Living Quarters	54,525
1 32	Rentals - Downhole	18,500
1 33	Rentals - Pipe & Handling Tools	110,820
1 34	Rentals - Frac Stack	0
1 35	Rentals - Frac Tanks	10,000
1 36	Coil Tubing Unit/Workover Rig	0
1 37	Wireline/Slickline/Perforating	0
1 38	Temporary Packers/Plugs	0
1 39	High Pressure Pump Truck	0
1 40	Stimulation	0
1 41	Rentals - Pressure Control	0
1 42	Flowback Services	0
1 43	Water Transfer Services	0
1 44	Flowback Water Trucking & Disposal	0
1 45	Permanent Equipment Installation	0
1 46	Pipeline Tapping Services	0
1 47	Plugging & Abandonment	0
1 53	Overhead	0
1 54	Insurance	20,000
1 55	Contingency	68,447

TOTAL INTANGIBLE DRILLING COSTS: \$2,350,026

INTANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
2 1	Land - Legal	
2 2	Land - Regulatory	
2 3	Land - Surface Damages	
2 4	Land - Survey	
2 5	Location/Pit Construction	
2 6	Remedial Dirtwork	
2 7	Reserve/Frac Pit Closing	
2 8	Drilling - Contractor	
2 9	Mob/Rig Up - Contractor/Trucking	
2 10	Cementing Services	
2 11	Cementing Equipment	
2 12	Bits/Drill Out Assemblies	39,421
2 13	Fluid Circulation Equipment/Services	
2 14	Fluids/Chemicals	35,875
2 15	WBM Cuttings/Wastewater Disposal	
2 16	OBM Cuttings/Chemical Disposal	
2 17	Fuel/Power	300,800
2 18	Water	311,253
2 19	Directional Drilling	
2 20	Mud Logging	
2 21	Open/Cased/Production Hole Logs	8,440
2 22	Coring	
2 23	Geologic Supervision	
2 24	Engineering Supervision	
2 25	Consultant Supervision	82,000
2 26	Freight/Transportation	2,000
2 27	Labor	14,220
2 28	Supplies - Surface	2,000
2 29	Supplies - Living Quarters	2,000
2 30	Rentals - Surface	20,080
2 31	Rentals - Living Quarters	14,960
2 32	Rentals - Downhole	0
2 33	Rentals - Pipe & Handling Tools	0
2 34	Rentals - Frac Stack	92,688
2 35	Rentals - Frac Tanks	29,315
2 36	Coil Tubing Unit/Workover Rig	94,066
2 37	Wireline/Slickline/Perforating	239,064
2 38	Temporary Packers/Plugs	41,600
2 39	High Pressure Pump Truck	58,300
2 40	Stimulation	2,341,181
2 41	Rentals - Pressure Control	
2 42	Flowback Services	48,681
2 43	Water Transfer Services	79,500
2 44	Flowback Water Trucking & Disposal	13,056
2 45	Permanent Equipment Installation	
2 46	Pipeline Tapping Services	
2 47	Plugging & Abandonment	
2 53	Overhead	16,880
2 54	Insurance	
2 55	Contingency	135,840

TOTAL INTANGIBLE COMPLETION COSTS: \$4,023,218

INTANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
3 1	Land - Legal	
3 2	Land - Regulatory	
3 3	Land - Surface Damages	
3 4	Land - Survey	
3 5	Location/Pit Construction	5,000
3 6	Remedial Dirtwork	
3 7	Reserve/Frac Pit Closing	
3 8	Drilling - Contractor	
3 9	Mob/Rig Up - Contractor/Trucking	
3 10	Cementing Services	
3 11	Cementing Equipment	
3 12	Bits/Drill Out Assemblies	
3 13	Fluid Circulation Equipment/Services	
3 14	Fluids/Chemicals	
3 15	WBM Cuttings/Wastewater Disposal	
3 16	OBM Cuttings/Chemical Disposal	
3 17	Fuel/Power	
3 18	Water	
3 19	Directional Drilling	
3 20	Mud Logging	
3 21	Open/Cased/Production Hole Logs	
3 22	Coring	
3 23	Geologic Supervision	
3 24	Engineering Supervision	
3 25	Consultant Supervision	18,500
3 26	Freight/Transportation	15,000
3 27	Labor	38,000
3 28	Supplies - Surface	
3 29	Supplies - Living Quarters	
3 30	Rentals - Surface	9,800
3 31	Rentals - Living Quarters	
3 32	Rentals - Downhole	
3 33	Rentals - Pipe & Handling Tools	
3 34	Rentals - Frac Stack	12,950
3 35	Rentals - Frac Tanks	15,000
3 36	Coil Tubing Unit/Workover Rig	34,500
3 37	Wireline/Slickline/Perforating	5,500
3 38	Temporary Packers/Plugs	
3 39	High Pressure Pump Truck	
3 40	Stimulation	
3 41	Rentals - Pressure Control	
3 42	Flowback Services	43,600
3 43	Water Transfer Services	
3 44	Flowback Water Trucking & Disposal	65,960
3 45	Permanent Equipment Installation	
3 46	Pipeline Tapping Services	
3 47	Plugging & Abandonment	
3 53	Overhead	0
3 54	Insurance	
3 55	Contingency	11,778

TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588

TANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
4 60	Conductor Casing	29,997
4 61	Surface Casing	112,511
4 62	1st Intermediate Casing	178,610
4 63	2nd Intermediate Casing	194,149
4 64	Production Casing	636,639
4 65	Tubing	
4 66	Wellhead	78,000
4 67	Permanent Packers/Hangers/Plugs	
4 68	Tanks	
4 69	Production Vessels	
4 70	Compressors	
4 71	Surface Flowlines	
4 72	Gathering Lines	
4 73	Valves & Controllers	
4 74	Artificial Lift Equipment	
4 75	Instrumentation & Measurement	
4 76	Electrical Grounding/Safety Equipment	
4 77	Permanent Equipment Installation	
4 80	Other - Surface	
4 81	Other - Downhole	15,000

TOTAL TANGIBLE DRILLING COSTS: \$1,244,905

TOTAL DRILLING COSTS: \$3,594,931

TANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
5 60	Conductor Casing	
5 61	Surface Casing	
5 62	1st Intermediate Casing	
5 63	2nd Intermediate Casing	
5 64	Production Casing	0
5 65	Tubing	
5 66	Wellhead	0
5 67	Permanent Packers/Hangers/Plugs	
5 68	Tanks	
5 69	Production Vessels	
5 70	Compressors	
5 71	Surface Flowlines	
5 72	Gathering Lines	
5 73	Valves & Controllers	
5 74	Artificial Lift Equipment	
5 75	Instrumentation & Measurement	
5 76	Electrical Grounding/Safety Equipment	
5 77	Permanent Equipment Installation	
5 80	Other - Surface	
5 81	Other - Downhole	

TOTAL TANGIBLE COMPLETION COSTS: \$0

TOTAL COMPLETION COSTS: \$4,023,218

TANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	
6 61	Surface Casing	
6 62	1st Intermediate Casing	
6 63	2nd Intermediate Casing	
6 64	Production Casing	
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	
6 69	Production Vessels	160,000
6 70	Compressors	
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	0
6 73	Valves & Controllers	0
6 74	Artificial Lift Equipment	28,500
6 75	Instrumentation & Measurement	
6 76	Electrical Grounding/Safety Equipment	
6 77	Permanent Equipment Installation	5,000
6 80	Other - Surface	
6 81	Other - Downhole	

TOTAL TANGIBLE PRODUCTION COSTS: \$401,000

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,294,738

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: Double Stamp #151
AFE #: 0
County: Lea
State: NM

Date: May 10, 2022
MD/TVD: 21010 / 10350
Lateral Length: 10210
Geologic Target: 3rd Bone Spring

Well Description: Drill, complete, and produce a horizontal 3rd Bone Spring well with a 10210 foot lateral.

INTANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
1 1	Land - Legal	10,000
1 2	Land - Regulatory	10,000
1 3	Land - Surface Damages	10,000
1 4	Land - Survey	10,000
1 5	Location/Pit Construction	78,500
1 6	Remedial Dirtwork	0
1 7	Reserve/Frac Pit Closing	0
1 8	Drilling - Contractor	521,426
1 9	Mob/Rig Up - Contractor/Trucking	50,000
1 10	Cementing Services	190,000
1 11	Cementing Equipment	33,000
1 12	Bits/Drill Out Assemblies	87,500
1 13	Fluid Circulation Equipment/Services	75,513
1 14	Fluids/Chemicals	90,000
1 15	WBM Cuttings/Wastewater Disposal	54,000
1 16	OBM Cuttings/Chemical Disposal	0
1 17	Fuel/Power	182,125
1 18	Water	65,000
1 19	Directional Drilling	235,000
1 20	Mud Logging	24,071
1 21	Open/Cased/Production Hole Logs	0
1 22	Coring	0
1 23	Geologic Supervision	0
1 24	Engineering Supervision	0
1 25	Consultant Supervision	116,600
1 26	Freight/Transportation	9,000
1 27	Labor	129,000
1 28	Supplies - Surface	2,500
1 29	Supplies - Living Quarters	1,000
1 30	Rentals - Surface	83,500
1 31	Rentals - Living Quarters	54,525
1 32	Rentals - Downhole	18,500
1 33	Rentals - Pipe & Handling Tools	110,820
1 34	Rentals - Frac Stack	0
1 35	Rentals - Frac Tanks	10,000
1 36	Coil Tubing Unit/Workover Rig	0
1 37	Wireline/Slickline/Perforating	0
1 38	Temporary Packers/Plugs	0
1 39	High Pressure Pump Truck	0
1 40	Stimulation	0
1 41	Rentals - Pressure Control	0
1 42	Flowback Services	0
1 43	Water Transfer Services	0
1 44	Flowback Water Trucking & Disposal	0
1 45	Permanent Equipment Installation	0
1 46	Pipeline Tapping Services	0
1 47	Plugging & Abandonment	0
1 53	Overhead	0
1 54	Insurance	20,000
1 55	Contingency	68,447

TOTAL INTANGIBLE DRILLING COSTS: \$2,350,026

INTANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
2 1	Land - Legal	0
2 2	Land - Regulatory	0
2 3	Land - Surface Damages	0
2 4	Land - Survey	0
2 5	Location/Pit Construction	0
2 6	Remedial Dirtwork	0
2 7	Reserve/Frac Pit Closing	0
2 8	Drilling - Contractor	0
2 9	Mob/Rig Up - Contractor/Trucking	0
2 10	Cementing Services	0
2 11	Cementing Equipment	0
2 12	Bits/Drill Out Assemblies	39,421
2 13	Fluid Circulation Equipment/Services	0
2 14	Fluids/Chemicals	35,875
2 15	WBM Cuttings/Wastewater Disposal	0
2 16	OBM Cuttings/Chemical Disposal	0
2 17	Fuel/Power	566,000
2 18	Water	311,253
2 19	Directional Drilling	0
2 20	Mud Logging	0
2 21	Open/Cased/Production Hole Logs	8,440
2 22	Coring	0
2 23	Geologic Supervision	0
2 24	Engineering Supervision	0
2 25	Consultant Supervision	82,000
2 26	Freight/Transportation	2,000
2 27	Labor	14,220
2 28	Supplies - Surface	2,000
2 29	Supplies - Living Quarters	2,000
2 30	Rentals - Surface	20,080
2 31	Rentals - Living Quarters	14,960
2 32	Rentals - Downhole	0
2 33	Rentals - Pipe & Handling Tools	0
2 34	Rentals - Frac Stack	92,688
2 35	Rentals - Frac Tanks	29,315
2 36	Coil Tubing Unit/Workover Rig	94,066
2 37	Wireline/Slickline/Perforating	239,064
2 38	Temporary Packers/Plugs	41,600
2 39	High Pressure Pump Truck	58,300
2 40	Stimulation	2,285,517
2 41	Rentals - Pressure Control	0
2 42	Flowback Services	48,681
2 43	Water Transfer Services	79,500
2 44	Flowback Water Trucking & Disposal	13,056
2 45	Permanent Equipment Installation	0
2 46	Pipeline Tapping Services	0
2 47	Plugging & Abandonment	0
2 53	Overhead	16,880
2 54	Insurance	0
2 55	Contingency	147,708

TOTAL INTANGIBLE COMPLETION COSTS: \$4,244,622

INTANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
3 1	Land - Legal	0
3 2	Land - Regulatory	0
3 3	Land - Surface Damages	0
3 4	Land - Survey	0
3 5	Location/Pit Construction	5,000
3 6	Remedial Dirtwork	0
3 7	Reserve/Frac Pit Closing	0
3 8	Drilling - Contractor	0
3 9	Mob/Rig Up - Contractor/Trucking	0
3 10	Cementing Services	0
3 11	Cementing Equipment	0
3 12	Bits/Drill Out Assemblies	0
3 13	Fluid Circulation Equipment/Services	0
3 14	Fluids/Chemicals	0
3 15	WBM Cuttings/Wastewater Disposal	0
3 16	OBM Cuttings/Chemical Disposal	0
3 17	Fuel/Power	0
3 18	Water	0
3 19	Directional Drilling	0
3 20	Mud Logging	0
3 21	Open/Cased/Production Hole Logs	0
3 22	Coring	0
3 23	Geologic Supervision	0
3 24	Engineering Supervision	0
3 25	Consultant Supervision	18,500
3 26	Freight/Transportation	15,000
3 27	Labor	38,000
3 28	Supplies - Surface	0
3 29	Supplies - Living Quarters	0
3 30	Rentals - Surface	9,800
3 31	Rentals - Living Quarters	0
3 32	Rentals - Downhole	0
3 33	Rentals - Pipe & Handling Tools	0
3 34	Rentals - Frac Stack	12,950
3 35	Rentals - Frac Tanks	15,000
3 36	Coil Tubing Unit/Workover Rig	34,500
3 37	Wireline/Slickline/Perforating	5,500
3 38	Temporary Packers/Plugs	0
3 39	High Pressure Pump Truck	0
3 40	Stimulation	0
3 41	Rentals - Pressure Control	0
3 42	Flowback Services	43,600
3 43	Water Transfer Services	0
3 44	Flowback Water Trucking & Disposal	65,960
3 45	Permanent Equipment Installation	0
3 46	Pipeline Tapping Services	0
3 47	Plugging & Abandonment	0
3 53	Overhead	0
3 54	Insurance	0
3 55	Contingency	11,778

TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588

TANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
4 60	Conductor Casing	29,997
4 61	Surface Casing	112,511
4 62	1st Intermediate Casing	178,610
4 63	2nd Intermediate Casing	194,149
4 64	Production Casing	636,639
4 65	Tubing	0
4 66	Wellhead	78,000
4 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks	0
4 69	Production Vessels	0
4 70	Compressors	0
4 71	Surface Flowlines	0
4 72	Gathering Lines	0
4 73	Valves & Controllers	0
4 74	Artificial Lift Equipment	0
4 75	Instrumentation & Measurement	0
4 76	Electrical Grounding/Safety Equipment	0
4 77	Permanent Equipment Installation	0
4 80	Other - Surface	0
4 81	Other - Downhole	15,000

TOTAL TANGIBLE DRILLING COSTS: \$1,244,905

TANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
5 60	Conductor Casing	0
5 61	Surface Casing	0
5 62	1st Intermediate Casing	0
5 63	2nd Intermediate Casing	0
5 64	Production Casing	0
5 65	Tubing	0
5 66	Wellhead	0
5 67	Permanent Packers/Hangers/Plugs	0
5 68	Tanks	0
5 69	Production Vessels	0
5 70	Compressors	0
5 71	Surface Flowlines	0
5 72	Gathering Lines	0
5 73	Valves & Controllers	0
5 74	Artificial Lift Equipment	0
5 75	Instrumentation & Measurement	0
5 76	Electrical Grounding/Safety Equipment	0
5 77	Permanent Equipment Installation	0
5 80	Other - Surface	0
5 81	Other - Downhole	0

TOTAL TANGIBLE COMPLETION COSTS: \$0

TANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	0
6 61	Surface Casing	0
6 62	1st Intermediate Casing	0
6 63	2nd Intermediate Casing	0
6 64	Production Casing	0
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	0
6 69	Production Vessels	160,000
6 70	Compressors	0
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	0
6 73	Valves & Controllers	0
6 74	Artificial Lift Equipment	28,500
6 75	Instrumentation & Measurement	0
6 76	Electrical Grounding/Safety Equipment	0
6 77	Permanent Equipment Installation	5,000
6 80	Other - Surface	0
6 81	Other - Downhole	0

TOTAL TANGIBLE PRODUCTION COSTS: \$401,000

TOTAL DRILLING COSTS: \$3,594,931

TOTAL COMPLETION COSTS: \$4,244,622

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,516,142

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: Double Stamp #152
AFE #: 0
County: Lea
State: NM

Date: May 10, 2022
MD/TVD: 21010 / 10350
Lateral Length: 10210
Geologic Target: 3rd Bone Spring

Well Description: Drill, complete, and produce a horizontal 3rd Bone Spring well with a 10210 foot lateral.

INTANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
1 1	Land - Legal	10,000
1 2	Land - Regulatory	10,000
1 3	Land - Surface Damages	10,000
1 4	Land - Survey	10,000
1 5	Location/Pit Construction	78,500
1 6	Remedial Dirtwork	0
1 7	Reserve/Frac Pit Closing	0
1 8	Drilling - Contractor	521,426
1 9	Mob/Rig Up - Contractor/Trucking	50,000
1 10	Cementing Services	190,000
1 11	Cementing Equipment	33,000
1 12	Bits/Drill Out Assemblies	87,500
1 13	Fluid Circulation Equipment/Services	75,513
1 14	Fluids/Chemicals	90,000
1 15	WBM Cuttings/Wastewater Disposal	54,000
1 16	OBM Cuttings/Chemical Disposal	0
1 17	Fuel/Power	182,125
1 18	Water	65,000
1 19	Directional Drilling	235,000
1 20	Mud Logging	24,071
1 21	Open/Cased/Production Hole Logs	0
1 22	Coring	0
1 23	Geologic Supervision	0
1 24	Engineering Supervision	0
1 25	Consultant Supervision	116,600
1 26	Freight/Transportation	9,000
1 27	Labor	129,000
1 28	Supplies - Surface	2,500
1 29	Supplies - Living Quarters	1,000
1 30	Rentals - Surface	83,500
1 31	Rentals - Living Quarters	54,525
1 32	Rentals - Downhole	18,500
1 33	Rentals - Pipe & Handling Tools	110,820
1 34	Rentals - Frac Stack	0
1 35	Rentals - Frac Tanks	10,000
1 36	Coil Tubing Unit/Workover Rig	0
1 37	Wireline/Slickline/Perforating	0
1 38	Temporary Packers/Plugs	0
1 39	High Pressure Pump Truck	0
1 40	Stimulation	0
1 41	Rentals - Pressure Control	0
1 42	Flowback Services	0
1 43	Water Transfer Services	0
1 44	Flowback Water Trucking & Disposal	0
1 45	Permanent Equipment Installation	0
1 46	Pipeline Tapping Services	0
1 47	Plugging & Abandonment	0
1 53	Overhead	0
1 54	Insurance	20,000
1 55	Contingency	68,447

TOTAL INTANGIBLE DRILLING COSTS: \$2,350,026

INTANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
2 1	Land - Legal	
2 2	Land - Regulatory	
2 3	Land - Surface Damages	
2 4	Land - Survey	
2 5	Location/Pit Construction	
2 6	Remedial Dirtwork	
2 7	Reserve/Frac Pit Closing	
2 8	Drilling - Contractor	
2 9	Mob/Rig Up - Contractor/Trucking	
2 10	Cementing Services	
2 11	Cementing Equipment	
2 12	Bits/Drill Out Assemblies	39,421
2 13	Fluid Circulation Equipment/Services	
2 14	Fluids/Chemicals	35,875
2 15	WBM Cuttings/Wastewater Disposal	
2 16	OBM Cuttings/Chemical Disposal	
2 17	Fuel/Power	566,000
2 18	Water	311,253
2 19	Directional Drilling	
2 20	Mud Logging	
2 21	Open/Cased/Production Hole Logs	8,440
2 22	Coring	
2 23	Geologic Supervision	
2 24	Engineering Supervision	
2 25	Consultant Supervision	82,000
2 26	Freight/Transportation	2,000
2 27	Labor	14,220
2 28	Supplies - Surface	2,000
2 29	Supplies - Living Quarters	2,000
2 30	Rentals - Surface	20,080
2 31	Rentals - Living Quarters	14,960
2 32	Rentals - Downhole	0
2 33	Rentals - Pipe & Handling Tools	0
2 34	Rentals - Frac Stack	92,688
2 35	Rentals - Frac Tanks	29,315
2 36	Coil Tubing Unit/Workover Rig	94,066
2 37	Wireline/Slickline/Perforating	239,064
2 38	Temporary Packers/Plugs	41,600
2 39	High Pressure Pump Truck	58,300
2 40	Stimulation	2,285,517
2 41	Rentals - Pressure Control	
2 42	Flowback Services	48,681
2 43	Water Transfer Services	79,500
2 44	Flowback Water Trucking & Disposal	13,056
2 45	Permanent Equipment Installation	
2 46	Pipeline Tapping Services	
2 47	Plugging & Abandonment	
2 53	Overhead	16,880
2 54	Insurance	
2 55	Contingency	147,708

TOTAL INTANGIBLE COMPLETION COSTS: \$4,244,622

INTANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
3 1	Land - Legal	
3 2	Land - Regulatory	
3 3	Land - Surface Damages	
3 4	Land - Survey	
3 5	Location/Pit Construction	5,000
3 6	Remedial Dirtwork	
3 7	Reserve/Frac Pit Closing	
3 8	Drilling - Contractor	
3 9	Mob/Rig Up - Contractor/Trucking	
3 10	Cementing Services	
3 11	Cementing Equipment	
3 12	Bits/Drill Out Assemblies	
3 13	Fluid Circulation Equipment/Services	
3 14	Fluids/Chemicals	
3 15	WBM Cuttings/Wastewater Disposal	
3 16	OBM Cuttings/Chemical Disposal	
3 17	Fuel/Power	
3 18	Water	
3 19	Directional Drilling	
3 20	Mud Logging	
3 21	Open/Cased/Production Hole Logs	
3 22	Coring	
3 23	Geologic Supervision	
3 24	Engineering Supervision	
3 25	Consultant Supervision	18,500
3 26	Freight/Transportation	15,000
3 27	Labor	38,000
3 28	Supplies - Surface	
3 29	Supplies - Living Quarters	
3 30	Rentals - Surface	9,800
3 31	Rentals - Living Quarters	
3 32	Rentals - Downhole	
3 33	Rentals - Pipe & Handling Tools	
3 34	Rentals - Frac Stack	12,950
3 35	Rentals - Frac Tanks	15,000
3 36	Coil Tubing Unit/Workover Rig	34,500
3 37	Wireline/Slickline/Perforating	5,500
3 38	Temporary Packers/Plugs	
3 39	High Pressure Pump Truck	
3 40	Stimulation	
3 41	Rentals - Pressure Control	
3 42	Flowback Services	43,600
3 43	Water Transfer Services	
3 44	Flowback Water Trucking & Disposal	65,960
3 45	Permanent Equipment Installation	
3 46	Pipeline Tapping Services	
3 47	Plugging & Abandonment	
3 53	Overhead	0
3 54	Insurance	
3 55	Contingency	11,778

TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588

TANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
4 60	Conductor Casing	29,997
4 61	Surface Casing	112,511
4 62	1st Intermediate Casing	178,610
4 63	2nd Intermediate Casing	194,149
4 64	Production Casing	636,639
4 65	Tubing	
4 66	Wellhead	78,000
4 67	Permanent Packers/Hangers/Plugs	
4 68	Tanks	
4 69	Production Vessels	
4 70	Compressors	
4 71	Surface Flowlines	
4 72	Gathering Lines	
4 73	Valves & Controllers	
4 74	Artificial Lift Equipment	
4 75	Instrumentation & Measurement	
4 76	Electrical Grounding/Safety Equipment	
4 77	Permanent Equipment Installation	
4 80	Other - Surface	
4 81	Other - Downhole	15,000

TOTAL TANGIBLE DRILLING COSTS: \$1,244,905

TOTAL DRILLING COSTS: \$3,594,931

TANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
5 60	Conductor Casing	
5 61	Surface Casing	
5 62	1st Intermediate Casing	
5 63	2nd Intermediate Casing	
5 64	Production Casing	0
5 65	Tubing	
5 66	Wellhead	0
5 67	Permanent Packers/Hangers/Plugs	
5 68	Tanks	
5 69	Production Vessels	
5 70	Compressors	
5 71	Surface Flowlines	
5 72	Gathering Lines	
5 73	Valves & Controllers	
5 74	Artificial Lift Equipment	
5 75	Instrumentation & Measurement	
5 76	Electrical Grounding/Safety Equipment	
5 77	Permanent Equipment Installation	
5 80	Other - Surface	
5 81	Other - Downhole	

TOTAL TANGIBLE COMPLETION COSTS: \$0

TOTAL COMPLETION COSTS: \$4,244,622

TANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	
6 61	Surface Casing	
6 62	1st Intermediate Casing	
6 63	2nd Intermediate Casing	
6 64	Production Casing	
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	
6 69	Production Vessels	160,000
6 70	Compressors	
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	0
6 73	Valves & Controllers	0
6 74	Artificial Lift Equipment	28,500
6 75	Instrumentation & Measurement	
6 76	Electrical Grounding/Safety Equipment	
6 77	Permanent Equipment Installation	5,000
6 80	Other - Surface	
6 81	Other - Downhole	

TOTAL TANGIBLE PRODUCTION COSTS: \$401,000

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,516,142

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: Double Stamp #171
AFE #: 0
County: Lea
State: NM

Date: May 10, 2022
MD/TVD: 18960 / 8300
Lateral Length: 10210
Geologic Target: Avalon

Well Description: Drill, complete, and produce a horizontal Avalon well with a 10210 foot lateral.

INTANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
1 1	Land - Legal	10,000
1 2	Land - Regulatory	10,000
1 3	Land - Surface Damages	10,000
1 4	Land - Survey	10,000
1 5	Location/Pit Construction	78,500
1 6	Remedial Dirtwork	0
1 7	Reserve/Frac Pit Closing	0
1 8	Drilling - Contractor	450,899
1 9	Mob/Rig Up - Contractor/Trucking	50,000
1 10	Cementing Services	185,000
1 11	Cementing Equipment	33,000
1 12	Bits/Drill Out Assemblies	77,000
1 13	Fluid Circulation Equipment/Services	65,856
1 14	Fluids/Chemicals	90,000
1 15	WBM Cuttings/Wastewater Disposal	43,750
1 16	OBM Cuttings/Chemical Disposal	0
1 17	Fuel/Power	123,438
1 18	Water	65,000
1 19	Directional Drilling	180,000
1 20	Mud Logging	24,071
1 21	Open/Cased/Production Hole Logs	0
1 22	Coring	0
1 23	Geologic Supervision	0
1 24	Engineering Supervision	0
1 25	Consultant Supervision	100,100
1 26	Freight/Transportation	9,000
1 27	Labor	110,000
1 28	Supplies - Surface	2,500
1 29	Supplies - Living Quarters	1,000
1 30	Rentals - Surface	83,500
1 31	Rentals - Living Quarters	47,588
1 32	Rentals - Downhole	18,500
1 33	Rentals - Pipe & Handling Tools	105,724
1 34	Rentals - Frac Stack	0
1 35	Rentals - Frac Tanks	5,925
1 36	Coil Tubing Unit/Workover Rig	0
1 37	Wireline/Slickline/Perforating	0
1 38	Temporary Packers/Plugs	0
1 39	High Pressure Pump Truck	0
1 40	Stimulation	0
1 41	Rentals - Pressure Control	0
1 42	Flowback Services	0
1 43	Water Transfer Services	0
1 44	Flowback Water Trucking & Disposal	0
1 45	Permanent Equipment Installation	0
1 46	Pipeline Tapping Services	0
1 47	Plugging & Abandonment	0
1 53	Overhead	0
1 54	Insurance	20,000
1 55	Contingency	60,311

TOTAL INTANGIBLE DRILLING COSTS: \$2,070,661

INTANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
2 1	Land - Legal	0
2 2	Land - Regulatory	0
2 3	Land - Surface Damages	0
2 4	Land - Survey	0
2 5	Location/Pit Construction	0
2 6	Remedial Dirtwork	0
2 7	Reserve/Frac Pit Closing	0
2 8	Drilling - Contractor	0
2 9	Mob/Rig Up - Contractor/Trucking	0
2 10	Cementing Services	0
2 11	Cementing Equipment	0
2 12	Bits/Drill Out Assemblies	39,421
2 13	Fluid Circulation Equipment/Services	0
2 14	Fluids/Chemicals	35,875
2 15	WBM Cuttings/Wastewater Disposal	0
2 16	OBM Cuttings/Chemical Disposal	0
2 17	Fuel/Power	566,000
2 18	Water	311,253
2 19	Directional Drilling	0
2 20	Mud Logging	0
2 21	Open/Cased/Production Hole Logs	8,440
2 22	Coring	0
2 23	Geologic Supervision	0
2 24	Engineering Supervision	0
2 25	Consultant Supervision	82,000
2 26	Freight/Transportation	2,000
2 27	Labor	14,220
2 28	Supplies - Surface	2,000
2 29	Supplies - Living Quarters	2,000
2 30	Rentals - Surface	20,080
2 31	Rentals - Living Quarters	14,960
2 32	Rentals - Downhole	0
2 33	Rentals - Pipe & Handling Tools	0
2 34	Rentals - Frac Stack	92,688
2 35	Rentals - Frac Tanks	29,315
2 36	Coil Tubing Unit/Workover Rig	94,066
2 37	Wireline/Slickline/Perforating	239,064
2 38	Temporary Packers/Plugs	41,600
2 39	High Pressure Pump Truck	58,300
2 40	Stimulation	2,285,517
2 41	Rentals - Pressure Control	0
2 42	Flowback Services	48,681
2 43	Water Transfer Services	79,500
2 44	Flowback Water Trucking & Disposal	13,056
2 45	Permanent Equipment Installation	0
2 46	Pipeline Tapping Services	0
2 47	Plugging & Abandonment	0
2 53	Overhead	16,880
2 54	Insurance	0
2 55	Contingency	147,708

TOTAL INTANGIBLE COMPLETION COSTS: \$4,244,622

INTANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
3 1	Land - Legal	0
3 2	Land - Regulatory	0
3 3	Land - Surface Damages	0
3 4	Land - Survey	0
3 5	Location/Pit Construction	5,000
3 6	Remedial Dirtwork	0
3 7	Reserve/Frac Pit Closing	0
3 8	Drilling - Contractor	0
3 9	Mob/Rig Up - Contractor/Trucking	0
3 10	Cementing Services	0
3 11	Cementing Equipment	0
3 12	Bits/Drill Out Assemblies	0
3 13	Fluid Circulation Equipment/Services	0
3 14	Fluids/Chemicals	0
3 15	WBM Cuttings/Wastewater Disposal	0
3 16	OBM Cuttings/Chemical Disposal	0
3 17	Fuel/Power	0
3 18	Water	0
3 19	Directional Drilling	0
3 20	Mud Logging	0
3 21	Open/Cased/Production Hole Logs	0
3 22	Coring	0
3 23	Geologic Supervision	0
3 24	Engineering Supervision	0
3 25	Consultant Supervision	18,500
3 26	Freight/Transportation	15,000
3 27	Labor	38,000
3 28	Supplies - Surface	0
3 29	Supplies - Living Quarters	0
3 30	Rentals - Surface	9,800
3 31	Rentals - Living Quarters	0
3 32	Rentals - Downhole	0
3 33	Rentals - Pipe & Handling Tools	0
3 34	Rentals - Frac Stack	12,950
3 35	Rentals - Frac Tanks	15,000
3 36	Coil Tubing Unit/Workover Rig	34,500
3 37	Wireline/Slickline/Perforating	5,500
3 38	Temporary Packers/Plugs	0
3 39	High Pressure Pump Truck	0
3 40	Stimulation	0
3 41	Rentals - Pressure Control	0
3 42	Flowback Services	43,600
3 43	Water Transfer Services	0
3 44	Flowback Water Trucking & Disposal	65,960
3 45	Permanent Equipment Installation	0
3 46	Pipeline Tapping Services	0
3 47	Plugging & Abandonment	0
3 53	Overhead	0
3 54	Insurance	0
3 55	Contingency	11,778

TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588

TANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
4 60	Conductor Casing	29,997
4 61	Surface Casing	112,511
4 62	1st Intermediate Casing	178,610
4 63	2nd Intermediate Casing	194,149
4 64	Production Casing	573,130
4 65	Tubing	0
4 66	Wellhead	78,000
4 67	Permanent Packers/Hangers/Plugs	0
4 68	Tanks	0
4 69	Production Vessels	0
4 70	Compressors	0
4 71	Surface Flowlines	0
4 72	Gathering Lines	0
4 73	Valves & Controllers	0
4 74	Artificial Lift Equipment	0
4 75	Instrumentation & Measurement	0
4 76	Electrical Grounding/Safety Equipment	0
4 77	Permanent Equipment Installation	0
4 80	Other - Surface	0
4 81	Other - Downhole	15,000

TOTAL TANGIBLE DRILLING COSTS: \$1,181,396

TOTAL DRILLING COSTS: \$3,252,057

TANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
5 60	Conductor Casing	0
5 61	Surface Casing	0
5 62	1st Intermediate Casing	0
5 63	2nd Intermediate Casing	0
5 64	Production Casing	0
5 65	Tubing	0
5 66	Wellhead	0
5 67	Permanent Packers/Hangers/Plugs	0
5 68	Tanks	0
5 69	Production Vessels	0
5 70	Compressors	0
5 71	Surface Flowlines	0
5 72	Gathering Lines	0
5 73	Valves & Controllers	0
5 74	Artificial Lift Equipment	0
5 75	Instrumentation & Measurement	0
5 76	Electrical Grounding/Safety Equipment	0
5 77	Permanent Equipment Installation	0
5 80	Other - Surface	0
5 81	Other - Downhole	0

TOTAL TANGIBLE COMPLETION COSTS: \$0

TOTAL COMPLETION COSTS: \$4,244,622

TANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	0
6 61	Surface Casing	0
6 62	1st Intermediate Casing	0
6 63	2nd Intermediate Casing	0
6 64	Production Casing	0
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	0
6 69	Production Vessels	160,000
6 70	Compressors	0
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	0
6 73	Valves & Controllers	0
6 74	Artificial Lift Equipment	28,500
6 75	Instrumentation & Measurement	0
6 76	Electrical Grounding/Safety Equipment	0
6 77	Permanent Equipment Installation	5,000
6 80	Other - Surface	0
6 81	Other - Downhole	0

TOTAL TANGIBLE PRODUCTION COSTS: \$401,000

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,173,267

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: **Double Stamp #172**
AFE #: **0**
County: **Lea**
State: **NM**

Date: **May 10, 2022**
MD/TVD: **18960 / 8300**
Lateral Length: **10210**
Geologic Target: **Avalon**

Well Description: **Drill, complete, and produce a horizontal Avalon well with a 10210 foot lateral.**

INTANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
1 1	Land - Legal	10,000
1 2	Land - Regulatory	10,000
1 3	Land - Surface Damages	10,000
1 4	Land - Survey	10,000
1 5	Location/Pit Construction	78,500
1 6	Remedial Dirtwork	0
1 7	Reserve/Frac Pit Closing	0
1 8	Drilling - Contractor	450,899
1 9	Mob/Rig Up - Contractor/Trucking	50,000
1 10	Cementing Services	185,000
1 11	Cementing Equipment	33,000
1 12	Bits/Drill Out Assemblies	77,000
1 13	Fluid Circulation Equipment/Services	65,856
1 14	Fluids/Chemicals	90,000
1 15	WBM Cuttings/Wastewater Disposal	43,750
1 16	OBM Cuttings/Chemical Disposal	0
1 17	Fuel/Power	123,438
1 18	Water	65,000
1 19	Directional Drilling	180,000
1 20	Mud Logging	24,071
1 21	Open/Cased/Production Hole Logs	0
1 22	Coring	0
1 23	Geologic Supervision	0
1 24	Engineering Supervision	0
1 25	Consultant Supervision	100,100
1 26	Freight/Transportation	9,000
1 27	Labor	110,000
1 28	Supplies - Surface	2,500
1 29	Supplies - Living Quarters	1,000
1 30	Rentals - Surface	83,500
1 31	Rentals - Living Quarters	47,588
1 32	Rentals - Downhole	18,500
1 33	Rentals - Pipe & Handling Tools	105,724
1 34	Rentals - Frac Stack	0
1 35	Rentals - Frac Tanks	5,925
1 36	Coil Tubing Unit/Workover Rig	0
1 37	Wireline/Slickline/Perforating	0
1 38	Temporary Packers/Plugs	0
1 39	High Pressure Pump Truck	0
1 40	Stimulation	0
1 41	Rentals - Pressure Control	0
1 42	Flowback Services	0
1 43	Water Transfer Services	0
1 44	Flowback Water Trucking & Disposal	0
1 45	Permanent Equipment Installation	0
1 46	Pipeline Tapping Services	0
1 47	Plugging & Abandonment	0
1 53	Overhead	0
1 54	Insurance	20,000
1 55	Contingency	60,311

TOTAL INTANGIBLE DRILLING COSTS: \$2,070,661

INTANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
2 1	Land - Legal	
2 2	Land - Regulatory	
2 3	Land - Surface Damages	
2 4	Land - Survey	
2 5	Location/Pit Construction	
2 6	Remedial Dirtwork	
2 7	Reserve/Frac Pit Closing	
2 8	Drilling - Contractor	
2 9	Mob/Rig Up - Contractor/Trucking	
2 10	Cementing Services	
2 11	Cementing Equipment	
2 12	Bits/Drill Out Assemblies	39,421
2 13	Fluid Circulation Equipment/Services	
2 14	Fluids/Chemicals	35,875
2 15	WBM Cuttings/Wastewater Disposal	
2 16	OBM Cuttings/Chemical Disposal	
2 17	Fuel/Power	566,000
2 18	Water	311,253
2 19	Directional Drilling	
2 20	Mud Logging	
2 21	Open/Cased/Production Hole Logs	8,440
2 22	Coring	
2 23	Geologic Supervision	
2 24	Engineering Supervision	
2 25	Consultant Supervision	82,000
2 26	Freight/Transportation	2,000
2 27	Labor	14,220
2 28	Supplies - Surface	2,000
2 29	Supplies - Living Quarters	2,000
2 30	Rentals - Surface	20,080
2 31	Rentals - Living Quarters	14,960
2 32	Rentals - Downhole	0
2 33	Rentals - Pipe & Handling Tools	0
2 34	Rentals - Frac Stack	92,688
2 35	Rentals - Frac Tanks	29,315
2 36	Coil Tubing Unit/Workover Rig	94,066
2 37	Wireline/Slickline/Perforating	239,064
2 38	Temporary Packers/Plugs	41,600
2 39	High Pressure Pump Truck	58,300
2 40	Stimulation	2,285,517
2 41	Rentals - Pressure Control	
2 42	Flowback Services	48,681
2 43	Water Transfer Services	79,500
2 44	Flowback Water Trucking & Disposal	13,056
2 45	Permanent Equipment Installation	
2 46	Pipeline Tapping Services	
2 47	Plugging & Abandonment	
2 53	Overhead	16,880
2 54	Insurance	
2 55	Contingency	147,708

TOTAL INTANGIBLE COMPLETION COSTS: \$4,244,622

INTANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
3 1	Land - Legal	
3 2	Land - Regulatory	
3 3	Land - Surface Damages	
3 4	Land - Survey	
3 5	Location/Pit Construction	5,000
3 6	Remedial Dirtwork	
3 7	Reserve/Frac Pit Closing	
3 8	Drilling - Contractor	
3 9	Mob/Rig Up - Contractor/Trucking	
3 10	Cementing Services	
3 11	Cementing Equipment	
3 12	Bits/Drill Out Assemblies	
3 13	Fluid Circulation Equipment/Services	
3 14	Fluids/Chemicals	
3 15	WBM Cuttings/Wastewater Disposal	
3 16	OBM Cuttings/Chemical Disposal	
3 17	Fuel/Power	
3 18	Water	
3 19	Directional Drilling	
3 20	Mud Logging	
3 21	Open/Cased/Production Hole Logs	
3 22	Coring	
3 23	Geologic Supervision	
3 24	Engineering Supervision	
3 25	Consultant Supervision	18,500
3 26	Freight/Transportation	15,000
3 27	Labor	38,000
3 28	Supplies - Surface	
3 29	Supplies - Living Quarters	
3 30	Rentals - Surface	9,800
3 31	Rentals - Living Quarters	
3 32	Rentals - Downhole	
3 33	Rentals - Pipe & Handling Tools	
3 34	Rentals - Frac Stack	12,950
3 35	Rentals - Frac Tanks	15,000
3 36	Coil Tubing Unit/Workover Rig	34,500
3 37	Wireline/Slickline/Perforating	5,500
3 38	Temporary Packers/Plugs	
3 39	High Pressure Pump Truck	
3 40	Stimulation	
3 41	Rentals - Pressure Control	
3 42	Flowback Services	43,600
3 43	Water Transfer Services	
3 44	Flowback Water Trucking & Disposal	65,960
3 45	Permanent Equipment Installation	
3 46	Pipeline Tapping Services	
3 47	Plugging & Abandonment	
3 53	Overhead	0
3 54	Insurance	
3 55	Contingency	11,778

TOTAL INTANGIBLE PRODUCTION COSTS: \$275,588

TANGIBLE DRILLING COSTS

COST CODES	DESCRIPTION	AMOUNT
4 60	Conductor Casing	29,997
4 61	Surface Casing	112,511
4 62	1st Intermediate Casing	178,610
4 63	2nd Intermediate Casing	194,149
4 64	Production Casing	573,130
4 65	Tubing	
4 66	Wellhead	78,000
4 67	Permanent Packers/Hangers/Plugs	
4 68	Tanks	
4 69	Production Vessels	
4 70	Compressors	
4 71	Surface Flowlines	
4 72	Gathering Lines	
4 73	Valves & Controllers	
4 74	Artificial Lift Equipment	
4 75	Instrumentation & Measurement	
4 76	Electrical Grounding/Safety Equipment	
4 77	Permanent Equipment Installation	
4 80	Other - Surface	
4 81	Other - Downhole	15,000

TOTAL TANGIBLE DRILLING COSTS: \$1,181,396

TANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
5 60	Conductor Casing	
5 61	Surface Casing	
5 62	1st Intermediate Casing	
5 63	2nd Intermediate Casing	
5 64	Production Casing	0
5 65	Tubing	
5 66	Wellhead	0
5 67	Permanent Packers/Hangers/Plugs	
5 68	Tanks	
5 69	Production Vessels	
5 70	Compressors	
5 71	Surface Flowlines	
5 72	Gathering Lines	
5 73	Valves & Controllers	
5 74	Artificial Lift Equipment	
5 75	Instrumentation & Measurement	
5 76	Electrical Grounding/Safety Equipment	
5 77	Permanent Equipment Installation	
5 80	Other - Surface	
5 81	Other - Downhole	

TOTAL TANGIBLE COMPLETION COSTS: \$0

TANGIBLE PRODUCTION COSTS

COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	
6 61	Surface Casing	
6 62	1st Intermediate Casing	
6 63	2nd Intermediate Casing	
6 64	Production Casing	
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	
6 69	Production Vessels	160,000
6 70	Compressors	
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	0
6 73	Valves & Controllers	0
6 74	Artificial Lift Equipment	28,500
6 75	Instrumentation & Measurement	
6 76	Electrical Grounding/Safety Equipment	
6 77	Permanent Equipment Installation	5,000
6 80	Other - Surface	
6 81	Other - Downhole	

TOTAL TANGIBLE PRODUCTION COSTS: \$401,000

TOTAL DRILLING COSTS: \$3,252,057

TOTAL COMPLETION COSTS: \$4,244,622

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,173,267

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
Case No. 22934
Exhibit A-5

Party

EOG Resources, Inc.

Communication

05/10/2022 - Tap Rock mailed well proposals, AFEs, and a proposed JOA form
11/1/2022 - Tap Rock and EOG execute Letter agreement to allow Tap Rock to move forward with a hearing on its applications.

Tap Rock Operating, LLC Case No. 22934 Exhibit B

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

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

CASE NOS. 22933, 22934

SELF-AFFIRMED STATEMENT OF ELI DENBESTEN

1. I am over the age of 18 and have personal knowledge of the matters stated herein. I am employed as a petroleum geologist for Tap Rock Operating, LLC (“Tap Rock”) and am familiar with the subject application and the geology matters involved. I have testified before the New Mexico Oil Conservation Division in the past and my credentials as an expert in petroleum geology matters was accepted and made a matter of record.

2. **Exhibit B-1** is a Project Locator Map depicting the location of the Horizontal Spacing Units (“Units”) in the Delaware Basin within Sections 11 and 14, Township 20 South, Range 32 East in Lea County, New Mexico, dedicated to the:

a. Double Stamp Fed Com #111H #115H, #121H, #125H, #131H, #135H, #151H, #171H, #112H, #122H, #127H, #132H, #152H, and #172H wells within the W/2 Unit (the “Wells”)

3. **Exhibit B-2** is a Gun Barrel Diagram showing the planned Bone Spring horizontal spacing for the Wells. A nearby type log has been included to show approximate depths and reservoir quality of the landing zones.

4. **Exhibit B-3** is a Bone Spring structure map in subsea vertical depth. This map shows the location of the Units outlined by the red box. The surface/bottom hole locations of the Wells are shown, zoomed in, to the right. The contour intervals are 25 feet each. Structure is down dipping from west to east through the Units. The orientation of the Wells will be approximately parallel to the down dipping structure. All wells on the map marked with a

yellow dot targeted the 2nd Bone Spring Sand. The vertical wells controlling the structure map have the subsea vertical depth posted in red. The subsequent cross-section from A-A' is also identified. I do not observe any faulting, pinch-outs, or other geologic impediments or hazards to developing this targeted interval utilizing horizontal wells.

5. **Exhibit B-4** is a Bone Spring Stratigraphic Cross Section (flattened on the 2nd Bone Spring Sand). The exhibit contains a gamma ray log and deep resistivity log for two of the wells, and a gamma ray log, deep resistivity log, and porosity track for the third well. This exhibit identifies the key tops used to evaluate reservoirs and landing targets for the Wells. The peach circles on the depth track of Well 3 shows the landing target intervals for the Wells.

6. **Exhibit B-5** is an Isopach Map of the Bone Spring interval. This map shows the location of the Units outlined by the red box. The surface/bottom hole location of the Wells are shown, zoomed in, to the right. The anticipated gross thickness of the interval is 3050' throughout the Units. The contour intervals are 25'. The location of the previous cross-section from A-A' is also shown on this map.


7. The preferred well orientation in this area is south-north since the inferred orientation of the maximum horizontal stress is roughly west-east.

8. Based on my geologic study of the area, I conclude that the Units are justified from a geologic standpoint and each quarter-quarter section in the Units will contribute more or less equally to production.

9. The attached Exhibits were either prepared by me, compiled under my direction and supervision, or compiled from company business records.

10. The granting of the subject applications will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

11. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony in paragraphs 1 through 10 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

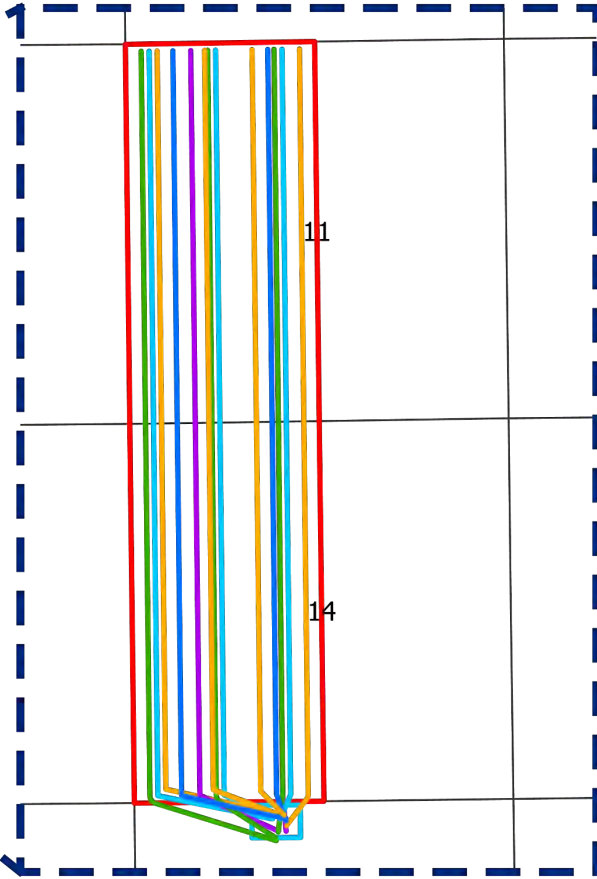
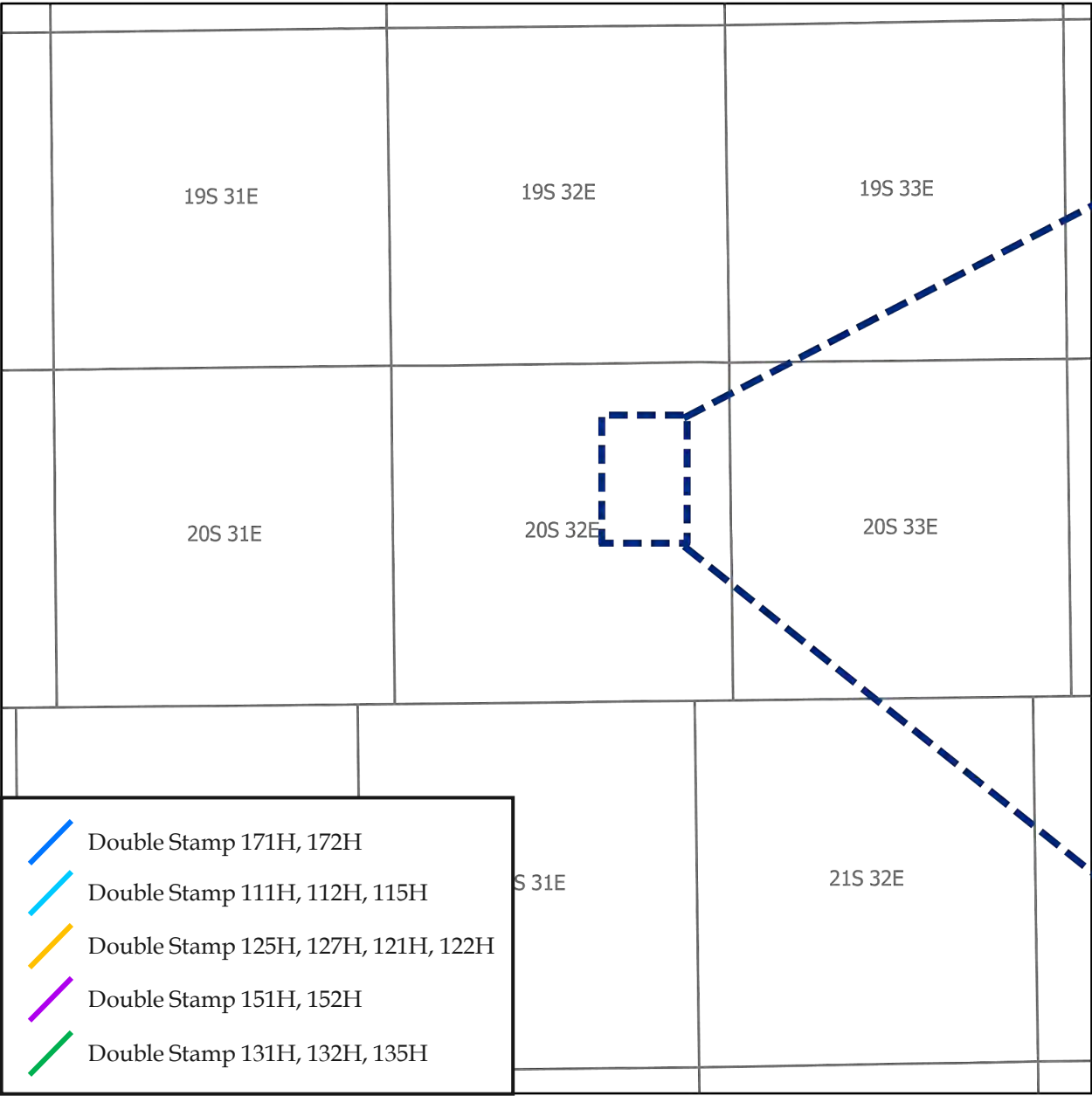


Eli DenBesten

11-10-2022
Date

Project Locator Map - Double Stamp W2 Unit

Tap Rock Operating, LLC
Case No. 22934
Exhibit B-1



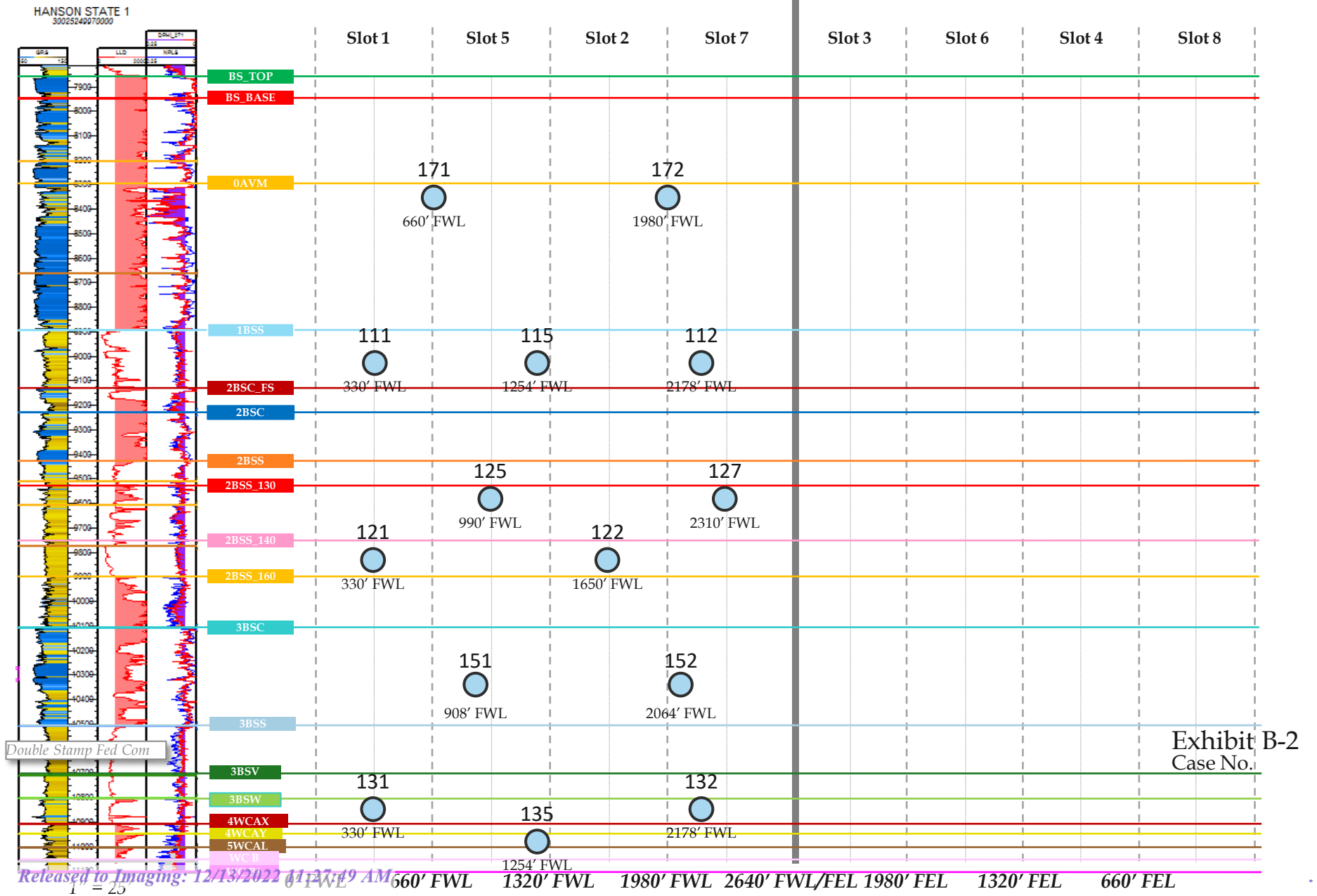
- Double Stamp 171H, 172H
- Double Stamp 111H, 112H, 115H
- Double Stamp 125H, 127H, 121H, 122H
- Double Stamp 151H, 152H
- Double Stamp 131H, 132H, 135H

Exhibit B-1

Case No.

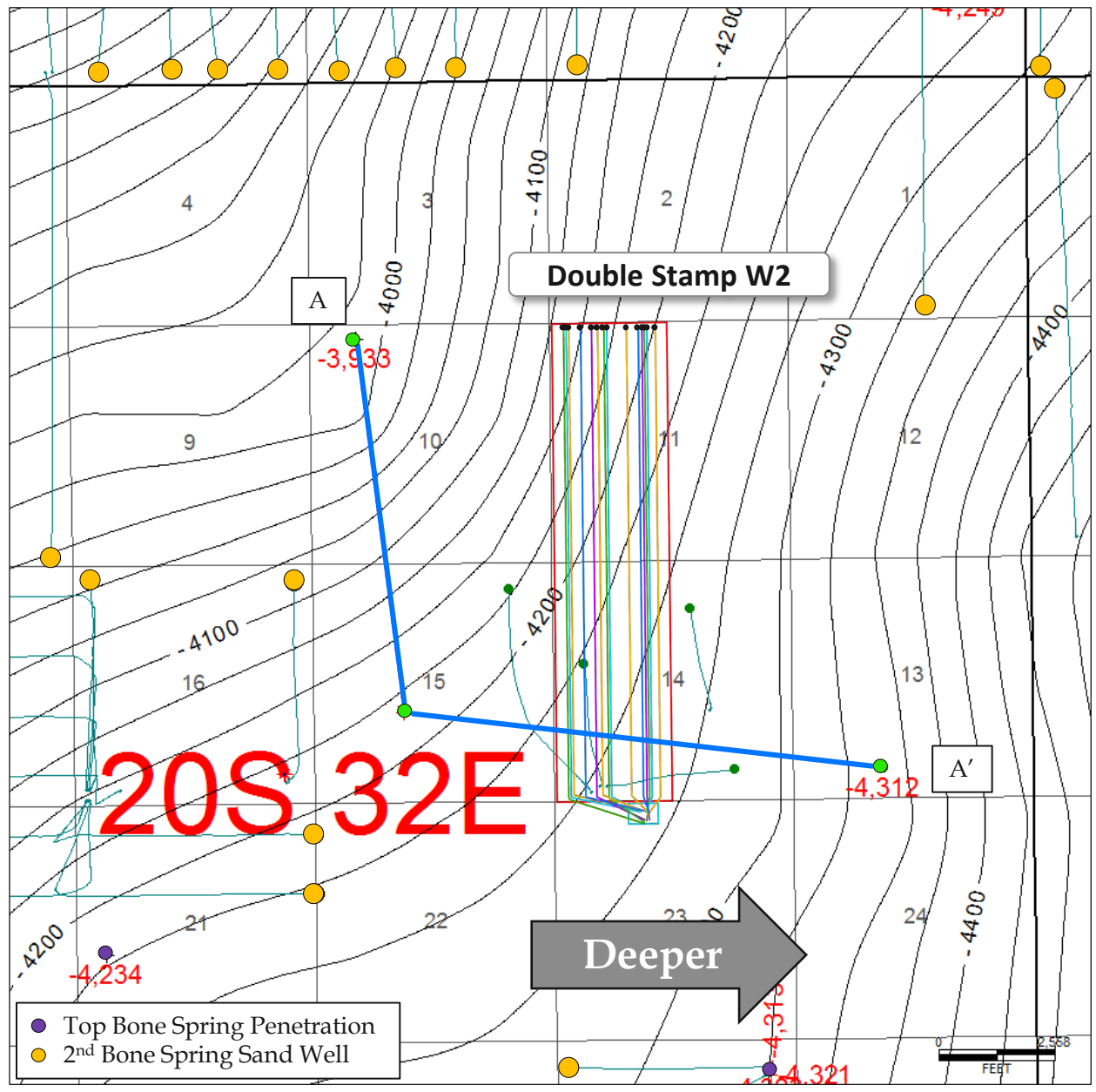
Double Stamp (W/2 Sec 11/14)

Double Stamp (E/2 Sec 11/14)





Top Bone Spring Sand [Subsea Structure Map; CI=25']

Tap Rock Operating, LLC
Case No. 22934
Exhibit B-3



Map Legend

SHL  Tap Rock –
Horizontal Locator

BHL 

 Spacing Unit

C.I. = 25'

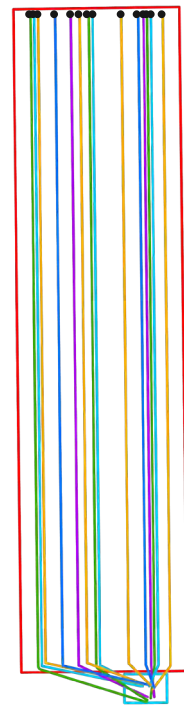


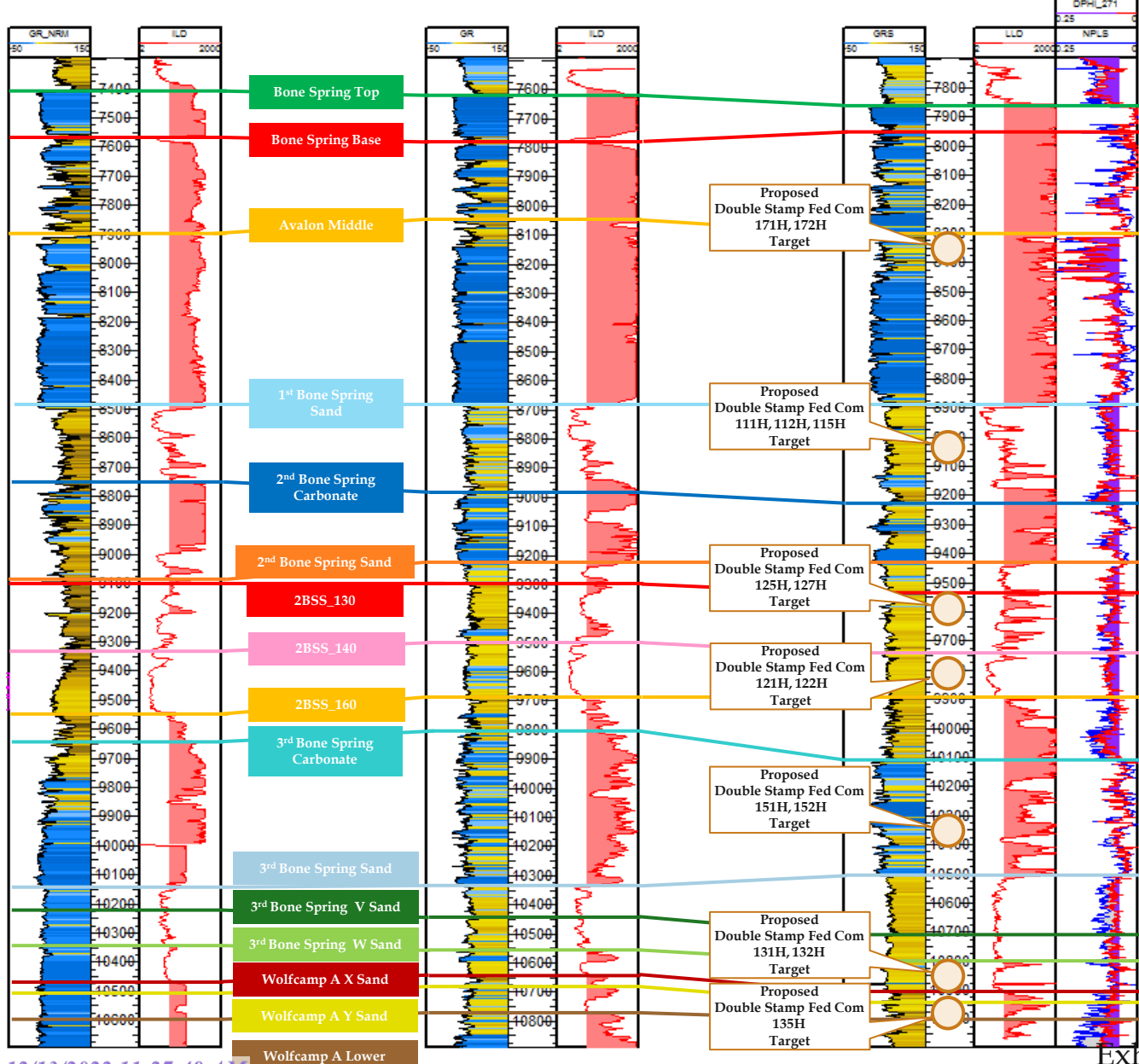
Exhibit B-3
Case No.

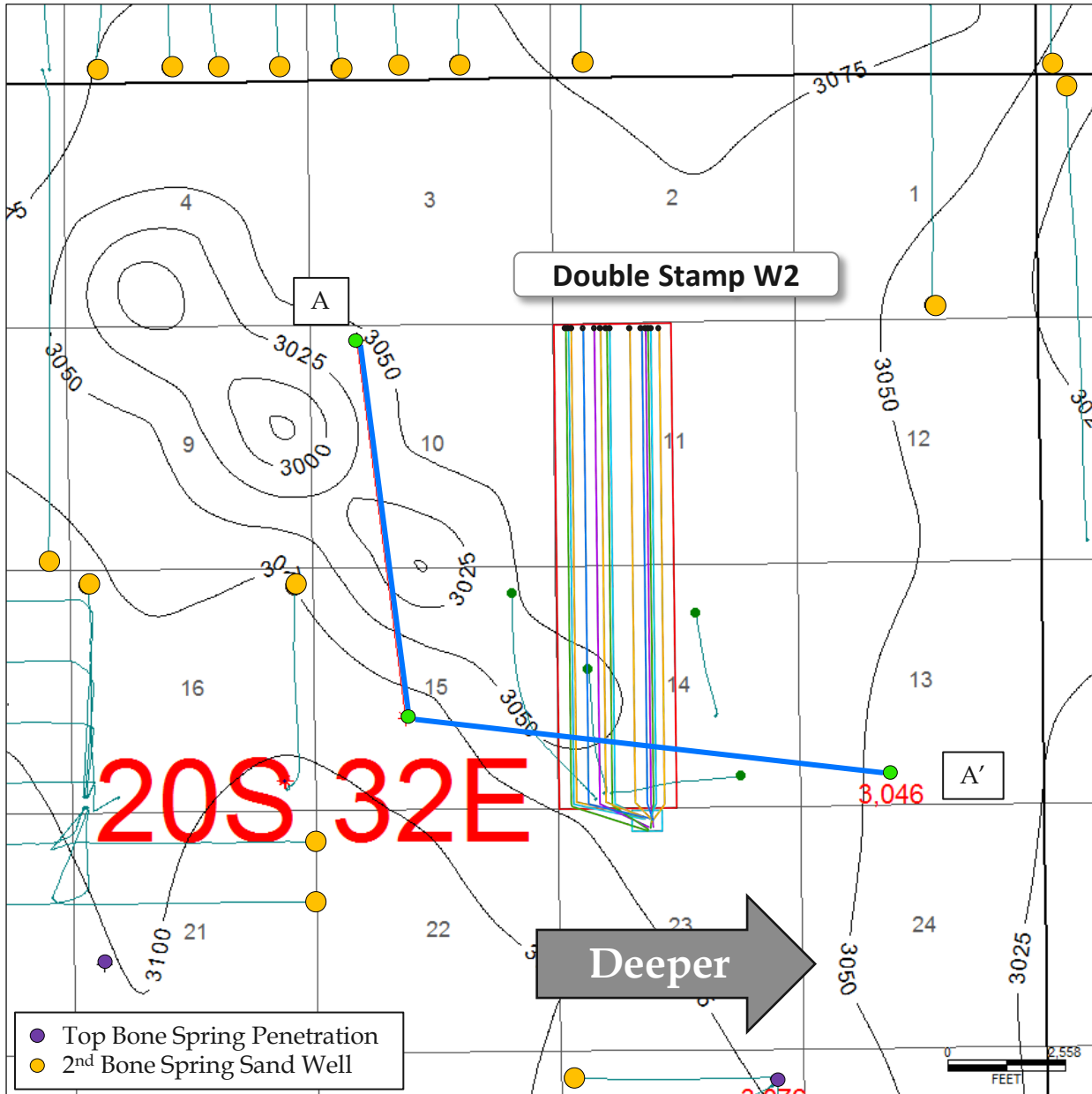
Stratigraphic Cross-Section - A-A'

DOROTHY B PERRY 1
30025009350000

PLATA DEEP UNIT 1
30025235760000

HANSON STATE 1
30025249970000



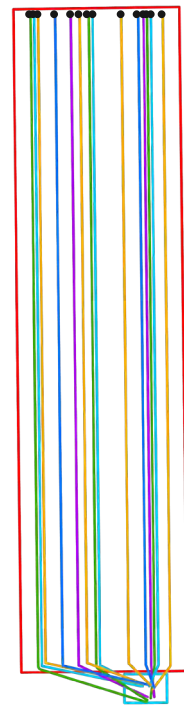


Map Legend

- SHL Tap Rock – Horizontal Locator
- BHL



C.I. = 25'



- Top Bone Spring Penetration
- 2nd Bone Spring Sand Well

Tap Rock Operating, LLC
Case No. 22934
Exhibit C

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

APPLICATIONS OF TAP ROCK
OPERATING, LLC FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22933, 22934

SELF-AFFIRMED STATEMENT OF
MICHAEL RODRIGUEZ

1. I am attorney in fact and authorized representative of Tap Rock Operating, LLC, the Applicant herein.
2. On July 14, 2022, I caused notice of the applications for the captioned cases to be sent by certified mail through the United States Postal Service to all interest owners entitled to receive notice of the applications filed herein.
3. The notice letter attached as **Exhibit C-1**, along with the applications in these cases, were sent to the uncommitted interest owners in these cases. This exhibit also contains a tracking sheet that identifies the parties and addresses that notice was sent to and the status of receipt.
4. On July 15, 2022, notice was also directed to all interested parties by publication in the Carlsbad Current Argus. An Affidavit of Publication from the Legal Clerk of the Carlsbad Current Argus, along with a copy of the notice publication, is attached as **Exhibit C-2**.
5. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 4 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.



Michael Rodriguez

12/6/2022

Date

TAP ROCK OPERATING, LLC

MICHAEL RODRIGUEZ – ATTORNEY
MDRODRIGUEZ@TAPRK.COM

523 PARK POINT DRIVE, SUITE 200 - GOLDEN

Tap Rock Operating, LLC
Case No. 22934
Exhibit C-1



December 12, 2022

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL INTERESTED PARTIES SUBJECT TO NOTICE

Re: Case Nos. 22933, 22934 - Applications of Tap Rock Operating, LLC for Compulsory Pooling, Lea 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 August 4, 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 the subject applications, please contact the following:

Erica Shewmaker
Tap Rock Operating, LLC
720-987-7446
eshewmaker@taprk.com

Thank you,

/s/ Michael Rodriguez

Michael Rodriguez

ATTORNEY FOR TAP ROCK OPERATING, LLC

TrackingNo	ToCompanyName	ToName	DeliveryAddress	City	State	Zip	MailDate	USPS_Status
9414811898765876291341		EOG Resources, Inc.	5509 Champions Dr	Midland	TX	79706-2843	07/14/2022	Your item was picked up at a postal facility at 7:46 am on July 19, 2022 in MIDLAND, TX 79702. Your item was delivered to an individual at the address at 2:16 pm on July 18, 2022 in MIDLAND, TX 79701.
9414811898765876291389		Colgate Royalties, LP	300 N Marienfeld St Ste 1000	Midland	TX	79701-4688	07/14/2022	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765876291051	Anadarko E&P Onshore LLC /	Anadarko Petroleum Corporation	1201 Lake Robbins Dr	The Woodlands	TX	77380-1181	07/14/2022	Your item was delivered to an individual at the address at 1:37 pm on July 18, 2022 in SANTA FE, NM 87508.
9414811898765876291006		Bureau of Land Management	PO Box 27115	Santa Fe	NM	87502-0115	07/14/2022	

Tap Rock Operating, LLC
Case No. 22934
Exhibit C-2

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

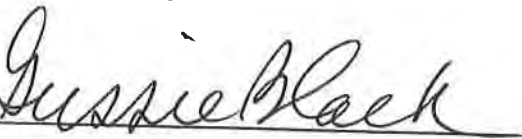
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
July 15, 2022
and ending with the issue dated
July 15, 2022.



Publisher

Sworn and subscribed to before me this
15th day of July 2022.



Business Manager

My commission expires
January 29, 2023
(Seal)

GUSSIE BLACK
Notary Public - State of New Mexico
Commission # 1087526
My Comm. Expires Jan 29, 2023

LEGAL NOTICE
July 15, 2022

To all interested parties subject to notice including: EOG Resources, Inc.; Colgate Royalties, LP; Anadarko E&P Onshore LLC; Anadarko Petroleum Corporation; Bureau of Land Management; and their successors or assigns. On August 4, 2022, the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Tap Rock Operating, LLC in Case No. 22934. 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/>. Tap Rock Operating, LLC ("TRO") applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the W/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico. The Unit will be dedicated to the following proposed initial wells ("Wells") which it intends to drill simultaneously:

- Double Stamp Fed Com #111H, Double Stamp Fed Com #115H, Double Stamp Fed Com #121H, Double Stamp Fed Com #125H, Double Stamp Fed Com #131H, Double Stamp Fed Com #135H, Double Stamp Fed Com #151H, and Double Stamp Fed Com #171H to be horizontally drilled from a surface hole location in the SE/4SW/4 of Section 14 to a bottom hole location in the NW/4NW/4 of Section 11, and
- Double Stamp Fed Com #112H, Double Stamp Fed Com #122H, Double Stamp Fed Com #127H, Double Stamp Fed Com #132H, Double Stamp Fed Com #152H, and Double Stamp Fed Com #172H to be horizontally drilled from a surface hole location in the SE/4SW/4 of Section 14 to a bottom hole location in the NE/4NW/4 of Section 11.

The completed interval for the Double Stamp Fed Com #115H will be within 330' of the quarter-quarter line separating the W/2W/2 from the E/2W/2 of Sections 11 and 14 to allow the inclusion of this acreage into a standard horizontal spacing unit. Also, to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Tap Rock Operating, LLC as operator of the Unit and Wells, and a 200% charge for risk involved in drilling and completing the Wells. The Unit is located approximately 35 miles southwest of Hobbs, New Mexico.
#37854

MAILED
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MICHAEL RODRIGUEZ
TAP ROCK OPERATING LLC
523 PARK POINT DR
GOLDEN, CO 80401