

**CASE NO. 21816**

**APPLICATION OF TAP ROCK RESOURCES, LLC TO AMEND ORDER NO. R-21255,  
LEA COUNTY, NEW MEXICO**

**EXHIBITS**

1. Application and Proposed Ad
2. Landman's Affidavit (Erica Hixson)
3. Affidavit of Notice
4. Affidavit of Publication

**BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION**

**APPLICATION OF TAP ROCK RESOURCES, LLC  
TO AMEND ORDER NO. R-21255, LEA COUNTY,  
NEW MEXICO.**

Case No. 21816

**APPLICATION**

Tap Rock Resources, LLC applies for an order amending Order No. R-21255, and in support thereof states:

1. Order No. R-21255 pooled all mineral interest owners in the Bone Spring formation underlying a (proximity tract) horizontal spacing unit comprised of the W/2 of Section 4 and the W/2 of Section 9, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico
2. Applicant proposes to drill the Poseidon State Com. Well Nos. 101H, 102H, 105H, 107H, 171H, 172H, 175H, 181H, 182H, 185H, and 187H to depths sufficient to test the Bone Spring formation.
3. This matter was heard on February 20, 2020, and Order No. R-21255 was entered on April 13, 2020 using an "interim form of order." A newer, amended order template was described in a letter of the Division Director date April 9, 2020 (the "Amended Order Template").
4. Applicant requests that Order No. R-21255 be amended to conform to the Amended Order Template.
5. Paragraph 19 of Order No. R-21255 requires the operator to commence the well within one year of the date of issuance. Paragraph 20 of Order No. R-21255 provides that the

EXHIBIT **1**

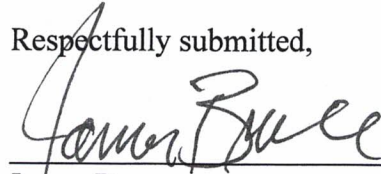
order will terminate if the well is not timely commenced, unless the operator “obtains an extension by an amendment of this Order for good cause shown.”

6. Applicant requests an extension of the drilling deadline due to market conditions which have altered drilling schedules, as well as complications caused by coronavirus. Applicant still intends to drill the subject wells. Thus good cause exists for Applicant’s request for an extension.

7. Applicant requests an extension of the well commencement deadline to April 13, 2022.

**WHEREFORE**, Applicant requests that, after notice and hearing, the Division enter its order amending Order No. R-21255 (i) to conform to the Amended Order Template, and (ii) to extend the well commencement deadline to April 13, 2022.

Respectfully submitted,



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

Attorney for Tap Tock Resources, LLC

PROPOSED ADVERTISEMENT

Case No. \_\_\_\_\_:

***Application of Tap Rock Resources, LLC to Amend Order No. R-21255, Lea County, New Mexico.*** Tap Rock Resources, LLC seeks an order amending Order No. R-21255, issued on April 13, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 13, 2022. Order No. R-21255 pooled mineral interest owners in the Bone Spring formation in a (proximity tract) horizontal spacing unit comprised of the W/2 of Section 4 and the W/2 of Section 9, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico, for the purpose of drilling the Poseidon State Com. Well Nos. 101H, 102H, 105H, 107H, 171H, 172H, 175H, 181H, 182H, 185H, and 187H. It requires the commencement of drilling within one year of the date of the order unless the operator obtains an extension by amendment of the order for good cause shown. The unit is located approximately 24 miles west-northwest of Jal, New Mexico.

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

**APPLICATION OF TAP ROCK RESOURCES, LLC  
TO AMEND ORDER NO. R-21255, LEA COUNTY,  
NEW MEXICO**

**CASE NO. 21062  
(Order R-21255)**

**SELF-AFFIRMED STATEMENT OF ERICA HIXSON**

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

1. I am over the age of eighteen years and have the capacity to execute this Affidavit, which is based on my personal knowledge.
2. I am employed as a Landman with Tap Rock Operating, LLC ("Tap Rock"), and I am familiar with the subject application and the lands involved including, but not limited to, the status of the development efforts for the pooled spacing unit.
3. This affidavit is submitted in connection with the filing by Tap Rock of the above-referenced compulsory pooling application pursuant to 19.15.4.12.A(1) NMAC.
4. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
5. In Case No. 21062 the Division entered Order R-21255 on April 13, 2020 (the "Order"). The Order created a 640-acre horizontal well spacing unit in the Bone Spring formation underlying the W/2 of Section 4 and W/2 of Section 9, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico (the "Unit"). The Order further required drilling of the dedicated Well(s) (as defined in the Order) to commence within a year, on or before April 13, 2021.

EXHIBIT

**2**

6. The Order is attached hereto as Attachment 1. The Amended Order Template and the related letter from the Division Director are submitted as Attachment 2.
7. Tap Rock requests an extension of 6 months to October 13, 2021 to commence drilling the dedicated Well(s) under the Order.
8. Good cause exists for Tap Rock's request to extend its time to commence drilling. Specifically, the decline in commodity prices in 2020 caused by the global COVID 19 pandemic and related factors led Tap Rock to reduce its rig count, thereby causing a delay to its intended plans to develop the Unit pooled under the Order.
9. Tap Rock anticipates commencing drilling of the Well(s) under the Order on or around July 2021, subject to changes to the rig schedule.
10. Tap Rock has reviewed the Amended Order Template and agrees to its terms. Tap Rock requests that the Order be amended to conform to the Amended Order Template. *Attachment 2*
11. As of today's date, none of the working interest owners that are subject to the Order have been asked to make an election on a well, or to pay their estimated share of the costs to drill, complete, and equip any of the dedicated Well(s). However, approximately thirty (30) days in advance of operations to commence drilling the Well(s) an election to participate in the Well(s) will be sent to said working interest owners.
12. The granting of this application will prevent waste and protect correlative rights and there is good cause to extend the Order.
13. 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 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 Hixson*

Erica Hixson

April 5, 2021

Date

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

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

**CASE NO. 21062  
ORDER NO. R-21255**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on February 20, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

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

**CONCLUSIONS OF LAW**

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

ATTACHMENT 1



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

### **ORDER**

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

from the well. EOG shall have ninety (90) days from the date the schedule of estimated well costs is furnished to elect and pay its share of estimated well costs. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

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

the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

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

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**

  
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**ADRIENNE SANDOVAL**  
**DIRECTOR**  
AES/jag

Date: 4/13/2020

## Exhibit A

<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
<b>Case:</b>	<b>21062</b>
<b>Date</b>	<b>February 20, 2020</b>
Applicant	Tap Rock Resources, LLC
Designated Operator & OGRID (affiliation if applicable)	Tap Rock Operating, LLC/OGRID No. 372043 The operator is the operating entity for applicant
Applicant's Counsel:	James Bruce
Case Title:	Application of Tap Rock Resources, LLC for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	EOG Resources, Inc./Holland & Hart, LP
Well Family	Poseidon State Com. Well Nos. 101H, 102H, 105H, 107H, 171H, 172H, 175H, 181H, 182H, 185H, and 187H
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring formation
Pool Name and Pool Code:	Triple X; Bone Spring, West/96674
Well Location Setback Rules:	Statewide rules and current horizontal well rules
Spacing Unit Size:	Quarter-quarter Sections/40 acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640 acres
Building Blocks:	40 acres
Orientation:	South-North
Description: TRS/County	W/2 <del>94</del> and W/2 <del>9</del> 24S-33E, NMPM, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes. See above
Proximity Defining Well: if yes, description	Poseidon State Com. Well Nos. 175H
Applicant's Ownership in Each Tract	Exhibits A-3 and A-4
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Poseidon State Com. Well Nos. 101H/API No. 30-025-PENDING SHL: 706 FSL & 178 FWL <del>9</del> BHL: 30 FNL & 331 FWL <del>94</del> FTP: 100 FSL & 331 FWL <del>9</del> LTP: 100 FNL & 331 FWL <del>94</del> Avalon Bone Spring/TVD 9522 feet/MD 20182 feet
EXHIBIT <span style="font-size: 2em; color: blue;">F</span>	

Poseidon State Com. Well Nos. 102H/API No. 30-025-PENDING  
SHL: 760 FSL & 1781 FWL §9  
BHL: 30 FNL & 1650 FWL §4  
FTP: 100 FSL & 1650 FWL §9  
LTP: 100 FNL & 1650 FWL §4  
Avalon Bone Spring/TVD 9499 feet/MD 20159 feet

Poseidon State Com. Well Nos. 105H/API No. 30-025-PENDING  
SHL: 347 FSL & 1190 FWL §9  
BHL: 30 FNL & 990 FWL §4  
FTP: 100 FSL & 990 FWL §9  
LTP: 100 FNL & 990 FWL §4  
Avalon Bone Spring/TVD 9522 feet/MD 20182 feet

Poseidon State Com. Well Nos. 107H/API No. 30-025-PENDING  
SHL: 725 FSL & 1986 FWL §9  
BHL: 30 FNL & 2305 FWL §4  
FTP: 100 FSL & 2305 FWL §9  
LTP: 100 FNL & 2305 FWL §4  
Avalon Bone Spring/TVD 9475 feet/MD 20135 feet

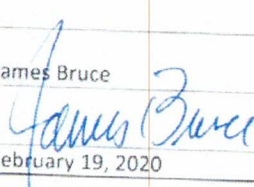
Poseidon State Com. Well Nos. 171H/API No. 30-025-PENDING  
SHL: 322 FSL & 1165 FWL §9  
BHL: 30 FNL & 660 FWL §4  
FTP: 100 FSL & 660 FWL §9  
LTP: 100 FNL & 660 FWL §4  
Avalon Bone Spring/TVD 9802 feet/MD 20462 feet

Poseidon State Com. Well Nos. 172H/API No. 30-025-PENDING  
SHL: 700 FSL & 1961 FWL §9  
BHL: 30 FNL & 1780 FWL §4  
FTP: 100 FSL & 1780 FWL §9  
LTP: 100 FNL & 1780 FWL §4  
Avalon Bone Spring/TVD 9785 feet/MD 20445 feet

Poseidon State Com. Well Nos. 175H/API No. 30-025-PENDING  
SHL: 760 FSL & 1756 FWL §9  
BHL: 30 FNL & 1320 FWL §4  
FTP: 100 FSL & 1320 FWL §9  
LTP: 100 FNL & 1320 FWL §4  
Avalon Bone Spring/TVD 9755 feet/MD 20454 feet

Poseidon State Com. Well Nos. 181H/API No. 30-025-PENDING  
SHL: 681 FSL & 178 FWL §9  
BHL: 30 FNL & 331 FWL §4  
FTP: 100 FSL & 331 FWL §9  
LTP: 100 FNL & 331 FWL §4  
Avalon Bone Spring/TVD 10104 feet/MD 20764 feet

	<p>Poseidon State Com. Well Nos. 182H/API No. 30-025-PENDING  SHL: 735 FSL &amp; 1781 FWL §9  BHL: 30 FNL &amp; 1650 FWL §4  FTP: 100 FSL &amp; 1650 FWL §9  LTP: 100 FNL &amp; 1650 FWL §4  Avalon Bone Spring/TVD 10073 feet/MD 20733 feet</p> <p>Poseidon State Com. Well Nos. 185H/API No. 30-025-PENDING  SHL: 322 FSL &amp; 1190 FWL §9  BHL: 30 FNL &amp; 990 FWL §4  FTP: 100 FSL &amp; 990 FWL §9  LTP: 100 FNL &amp; 990 FWL §4  Avalon Bone Spring/TVD 10104 feet/MD 20764 feet</p> <p>Poseidon State Com. Well Nos. 187H/API No. 30-025-PENDING  SHL: 700 FSL &amp; 1986 FWL §9  BHL: 30 FNL &amp; 2305 FWL §4  FTP: 100 FSL &amp; 2305 FWL §9  LTP: 100 FNL &amp; 2305 FWL §4  Avalon Bone Spring/TVD 10041 feet/MD 20701 feet</p>
	All completion locations expected to be standard
Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$7000
Production Supervision/Month \$	\$700
Justification for Supervision Costs	Exhibit A, page 3
Requested Risk Charge	Cost + 200%/Exhibit A, page 3
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit E
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibits A-2 and A-3
Tract List (including lease numbers and owners)	Exhibits A-2 and A-3
Pooled Parties (including ownership type)	Exhibit A-4
Unlocatable Parties to be Pooled	Not applicable
Ownership Depth Severance (including percentage above & below)	None
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-5A
List of Interest Owners (i.e. Exhibit A of	Exhibits A-2, A-3, and A-4

JOA)	
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5A
Overhead Rates In Proposal Letter	Exhibit A, page 3
Cost Estimate to Drill and Complete	Exhibit A-5B
Cost Estimate to Equip Well	Exhibit A-5B
Cost Estimate for Production Facilities	Exhibit A-5B
<b>Geology</b>	
Summary (including special considerations)	Exhibit B pages 2-4
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-2
Well Orientation (with rationale)	Standup/Exhibit B-1
Target Formation	Avalon Bone Spring
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	Not Applicable
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-4
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibits B-1, B-2, and B-4
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-4
Cross Section (including Landing Zone)	Exhibit B-4
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	
Date:	February 19, 2020

State of New Mexico  
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham  
Governor

Sarah Cottrell Propst  
Cabinet Secretary

Todd E. Leahy, JD, PhD  
Deputy Cabinet Secretary

Adrienne E. Sandoval  
Director, Oil Conservation Division



BY ELECTRONIC MAIL ONLY

April 9, 2020

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ATTACHMENT 2



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**RE: Amendments to Compulsory Pooling Order Template**

Dear Counsel:

The Oil Conservation Division ("OCD") has amended the compulsory pooling order template effective on April 1, 2020. The amended template is attached as Exhibit 1.

Prior to April 1, 2020, OCD issued compulsory pooling orders for the cases identified in Exhibit 2. To conform an order with the amended template, please file an application for a hearing.

If you have any questions about this letter, please call Eric Ames, Office of General Counsel, at (505) 476-3463.

Respectfully,



Adrienne Sandoval  
Director

cc: Gabriel Wade, Deputy Director  
Eric Ames, OGC-EMNRD  
Scott Cox, OCD Engineering Bureau

**EXHIBIT 1**

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

**IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
[OPERATOR]**

**CASE NO. \_\_\_\_\_  
ORDER NO. R-\_\_\_\_\_**

**ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on [DATE], and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

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

**CONCLUSIONS OF LAW**

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.

8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the ~~described~~ depth(s) and location(s) in the Unit described in Exhibit A.
11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

**ORDER**

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. ~~If the Surface Location or Bottom Hole Location of a well is changed from the location described in Exhibit A, Operator shall submit an amended Exhibit A, which the Division shall append to this Order.~~
- ~~19. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location before commencing production of the well in accordance with 19.15.16.15(C) NMAC.~~
- ~~19.20. The Operator shall commence drilling the Winnal well(s) within one year one (1) year after the date of this Order and complete each Well no later than one (1) year after the commencement of drilling the Well; and (b) for an infill well, no later than thirty (30) days after completion of the well.~~
- ~~20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.~~

CASE NO. \_\_\_\_\_  
ORDER NO. R-

- ~~21.~~ ~~Operator shall comply with the~~ The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- ~~22. This Order shall terminate automatically if Operator fails to comply with Paragraphs 20 or 21.~~
- ~~23.~~ Operator shall submit ~~to OCD and~~ each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs") no later than: (a) for an initial well, no later than thirty (30) days after the date of this Order; (b) for an infill well proposed by Operator, no later than (40) days after the later of the initial notice period pursuant to 19.15.13.10(B) NMAC or the extension granted by the O&G Director pursuant to 19.15.13.10(D) NMAC; or (c) for an infill well proposed by an owner of a Pooled Working Interest, no later than thirty (30) days after expiration of the last action required by 19.15.13.11 NMAC.
24. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
245. No later than ~~within~~ one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
256. No later than sixty (60) days after ~~the later of~~ the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share

CASE NO. \_\_\_\_\_  
ORDER NO. R-\_\_\_\_\_

of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.

277. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
278. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
289. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
3029. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
323. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.

CASE NO. \_\_\_\_\_  
ORDER NO.   R-

33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL  
DIRECTOR  
AES/xxx

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

CASE NO. \_\_\_\_\_  
ORDER NO. R-

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

**APPLICATIONS OF TAP ROCK RESOURCES,  
LLC TO AMEND POOLING ORDER NO.  
R-21225, LEA COUNTY, NEW MEXICO.**

**Case No. 21816**

**SELF-AFFIRMED STATEMENT OF NOTICE**

COUNTY OF SANTA FE    )  
  ) ss.  
STATE OF NEW MEXICO    )

James Bruce deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for Tap Rock Resources, LLC.
3. Tap Rock Resources, LLC has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the applications filed herein.
4. Notice of the applications was provided to the interest owners, at their last known addresses, by certified mail. Copies of the notice letters and certified return receipts are attached hereto as Attachment A.
5. Matador Production has complied with the notice provisions of Division Rules.
6. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 5 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

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

4/16/21

\_\_\_\_\_  
James Bruce

*James Bruce*

EXHIBIT

3



**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)  
(505) 660-6612 (Cell)  
(505) 982-2151 (Fax)

[jamesbruc@aol.com](mailto:jamesbruc@aol.com)

March 18, 2021

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is an application, filed with the New Mexico Oil Conservation Division by Tap Rock Resources, LLC (Case No. 21816), seeking to amend pooling Order No. R-21255, pertaining to Bone Spring wells in the W/2 of Sections 4 and 9, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, April 8, 2021. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to [emnrd.state.nm.us/OCD/hearings](http://emnrd.state.nm.us/OCD/hearings) or see the instructions posted on the Division's website, <http://emnrd.state.nm.us/OCD/announcements.html>.

You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, April 1, 2021. This statement may be filed online with the Division at [ocd.hearings@state.nm.us](mailto:ocd.hearings@state.nm.us), and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

  
James Bruce

Attorney for Tap Rock Resources, LLC

ATTACHMENT 

EXHIBIT A

Murchison Oil & Gas, Inc.  
JD Murchison Interests, Inc.  
Legacy Tower One  
Suite 1400  
7250 Dallas Parkway  
Plano, Texas 75024

MEC Petroleum Corp.  
P.O. Box 11265  
Midland, Texas 79702

EOG Resources, Inc.  
5509 Champions Drive  
Midland, Texas 79706

Fulfer Oil & Cattle Company, LLC  
P.O. Box 1224  
Jal, New Mexico 88252

Mesa Southwest Energy, LLC  
Suite 260W  
8117 Preston Road  
Dallas, Texas 75225

Devon Energy Production Company, L.P.  
333 West Sheridan  
Oklahoma City, Oklahoma 73102

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Devon Energy Production Company, L.P.  
333 West Sheridan  
Oklahoma City, Oklahoma 73102



2. Article Number (Transfer from *sender's L.P.*)  
7020 0640 0000 1405 0812 (over \$500)

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

Domestic Return Receipt

TRP

**COMPLETE THIS SECTION ON DELIVERY**

- A. Signature  Agent  Addressee
- B. Received by (Printed Name) AS Ford C. Date of Delivery 08-19
- D. Is delivery address different from item 1?  Yes  No  
if YES, enter delivery address below:



3. Service Type
- Priority Mail Express®
  - Adult Signature
  - Registered Mail™
  - Certified Mail®
  - Registered Mail Restricted Delivery
  - Return Receipt for Merchandise
  - Signature Confirmation™
  - Restricted Delivery

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CERTIFIED MAIL® RECEIPT**  
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For delivery information, visit our website at [www.usps.com](http://www.usps.com)®

**OFFICIAL USE**

Certified Mail Fee \$

- Extra Services & Fees (check box, add fee as appropriate)
- Return Receipt (hardcopy) \$
  - Return Receipt (electronic) \$
  - Certified Mail Restricted Delivery \$
  - Adult Signature Required \$
  - Adult Signature Restricted Delivery \$
- Postage \$

Postmark Here

Total Postage and Fees \$

Sent To

Devon Energy Production Company, L.P.  
333 West Sheridan  
Oklahoma City, Oklahoma 73102

City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047

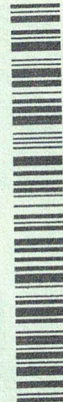
See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Murchison Oil & Gas, Inc.  
JD Murchison Interests, Inc.  
Legacy Tower One  
Suite 1400  
7250 Dallas Parkway  
Plano, Texas 75024



2. Article Number (over \$500)  
7020 0640 0000 1405 0867

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

Domestic Return Receipt

Delivery

(over \$500)

7020 0640 0000 1405 0867

**COMPLETE THIS SECTION ON DELIVERY**

- A. Signature  Agent  Addressee
- B. Received by (Printed Name) AS Ford C. Date of Delivery 08-19
- D. Is delivery address different from item 1?  Yes  No  
if YES, enter delivery address below:

3. Service Type
- Priority Mail Express®
  - Adult Signature
  - Registered Mail™
  - Certified Mail®
  - Registered Mail Restricted Delivery
  - Return Receipt for Merchandise
  - Signature Confirmation™
  - Restricted Delivery

Delivery

(over \$500)

7020 0640 0000 1405 0867

See Reverse for Instructions

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**OFFICIAL USE**

Certified Mail Fee \$

- Extra Services & Fees (check box, add fee as appropriate)
- Return Receipt (hardcopy) \$
  - Return Receipt (electronic) \$
  - Certified Mail Restricted Delivery \$
  - Adult Signature Required \$
  - Adult Signature Restricted Delivery \$
- Postage \$

Postmark Here

Total Postage and Fees \$

Sent To

Murchison Oil & Gas, Inc.  
JD Murchison Interests, Inc.  
Legacy Tower One  
Suite 1400  
7250 Dallas Parkway  
Plano, Texas 75024

City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

7020 0640 0000 1405 0867

7020 0640 0000 1405 0867

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Fulfer Oil & Cattle Company, LLC  
P.O. Box 1224  
Jal., New Mexico 88252



9590 9402 5941 0062 9327 84

2. Article Number (Transfer from service label)

7020 0640 0000 1405 0836

(over \$500)

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

Domestic Return Receipt

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  
 B. Received by (Printed Name)  Addressee  
 C. Date of Delivery  
 D. Is delivery address different from item 1?  Yes  No  
 If YES, enter delivery address below:

3. Service Type

Adult Signature Restricted Delivery  
 Certified Mail®  
 Certified Mail Restricted Delivery  
 Collect on Delivery  
 Registered Mail™  
 Registered Mail Restricted Delivery  
 Return Receipt for Merchandise  
 Signature Confirmation™  
 Signature Confirmation Restricted Delivery

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Certified Mail Fee \$ \_\_\_\_\_

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

Return Receipt (hardcopy) \$ \_\_\_\_\_

Return Receipt (electronic) \$ \_\_\_\_\_

Certified Mail Restricted Delivery \$ \_\_\_\_\_

Adult Signature Required \$ \_\_\_\_\_

Adult Signature Restricted Delivery \$ \_\_\_\_\_

Postage \$ \_\_\_\_\_

Total Postage and Fees \$ \_\_\_\_\_

Sent To Fulfer Oil & Cattle Company, LLC  
 P.O. Box 1224  
 Street and Apt. No., Jal., New Mexico 88252  
 City, State, ZIP+4® \_\_\_\_\_

Postmark Here

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

9590 9402 5941 0062 9327 84

7020 0640 0000 1405 0843

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Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

Postmark  
Here

Postage	\$
<b>Total Postage and Fees</b>	\$

Sent To EOG Resources, Inc.  
5509 Champions Drive  
Midland, Texas 79706

Street and Apt. No.,

City, State, ZIP+4®

7020 0640 0000 1405 0850

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Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

Postmark  
Here

Postage	\$
<b>Total Postage and Fees</b>	\$

Sent To MEC Petroleum Corp.  
P.O. Box 11265  
Midland, Texas 79702

Street and Apt. No., or P

City, State, ZIP+4®

7020 0640 0000 1405 0829

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Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

Postmark  
Here

Postage	\$
<b>Total Postage and Fees</b>	\$

Sent To Mesa Southwest Energy, LLC  
Suite 260W  
8117 Preston Road  
Dallas, Texas 75225

Street and Apt. No., or PO Box N

City, State, ZIP+4®

7020 0640 0000 1405 0874

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OFFICIAL USE

Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

Postmark  
Here

Postage	\$
<b>Total Postage and Fees</b>	\$

Sent To ConocoPhillips Company  
925 North Eldridge Parkway  
Houston, Texas 77079

Street and Apt. No., or P

City, State, ZIP+4®

# Affidavit of Publication

STATE OF NEW MEXICO  
COUNTY OF LEA

I, Todd Bailey, Editor 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).

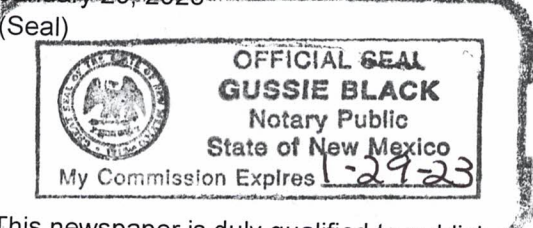
Beginning with the issue dated  
March 25, 2021  
and ending with the issue dated  
March 25, 2021.

*Todd Bailey*  
\_\_\_\_\_  
Editor

Sworn and subscribed to before me this  
25th day of March 2021.

*Gussie Black*  
\_\_\_\_\_  
Business Manager

My commission expires  
~~January 29, 2023~~



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

**LEGAL**                      **LEGAL**

**LEGAL NOTICE**  
March 25, 2021

**NOTICE**

To: Murchison Oil & Gas, Inc., JD Murchison Interests, Inc., MEC Petroleum Corp., EOG Resources, Inc., Fulfer Oil & Cattle Company, LLC, Mesa Southwest Energy, LLC, and Devon Energy Production Company, L.P., or your successors or assigns: Tap Rock Resources, LLC seeks an order from the Oil Conservation Division amending Order No. R-21255, issued on April 13, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 13, 2022. Order No. R-21255 pooled mineral interest owners in the Bone Spring formation in a (proximity tract) horizontal spacing unit comprised of the W/2 of Section 4 and the W/2 of Section 9, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico, for the purpose of drilling the Poseidon State Com. Well Nos. 101H, 102H, 105H, 107H, 171H, 172H, 175H, 181H, 182H, 185H, and 187H. It requires the commencement of drilling within one year of the date of the order unless the operator obtains an extension by amendment of the order for good cause shown. The application is scheduled to be heard at 8:15 a.m. on April 8, 2021. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to [emnrd.state.nm.us/OCD/hearings](http://emnrd.state.nm.us/OCD/hearings) or see the instructions posted on the Division's website, <http://emnrd.state.nm.us/OCD/announcements.html>. You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date. A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, April 1, 2021. This statement may be filed online with the Division at [ocd.hearings@state.nm.us](mailto:ocd.hearings@state.nm.us), and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504. The unit is located approximately 24 miles west-northwest of Jal, New Mexico.

#36329

01101711

00252378

JAMES BRUCE  
JAMES BRUCE, ATTORNEY AT LAW  
P.O. BOX 1056  
SANTA FE, NM 87504

4  
**EXHIBIT**