

NSL Initial Application

RECEIVED: 09/07/21	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2125360938
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Tap Rock Operating, LLC **OGRID Number:** 372043
Well Name: Blue Marlin Fed Com #212H well **API:** 30-025-49196
Pool: Jal; Wolfcamp, West Pool **Pool Code:** 33813

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Kaitlyn A. Luck _____
 Date

Print or Type Name

Kaitlyn A. Luck

Signature

09/07/2021
 Date

505-954-7286
 Phone Number

kaluck@hollandhart.com
 e-mail Address



Kaitlyn A. Luck
Phone (505) 954-7286
KALuck@hollandhart.com

September 7, 2021

VIA ONLINE FILING

Adrienne Sandoval, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Tap Rock Operating, LLC, for administrative approval of an unorthodox well location for its Blue Marlin Fed Com #212H well in the W/2 of Sections 18 and 19, Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Sandoval:

Tap Rock Operating, LLC (“Tap Rock”) (OGRID No. 372043) seeks administrative approval of an unorthodox well location for its **Blue Marlin Fed Com #212H well** (API No. 30-025-49196) to be completed within the Jal; Wolfcamp, West Pool (33813) underlying the 640 acre, more or less, spacing unit in the W/2 of Sections 18 and 19, Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico.

This well is to be drilled at the following location:

- Surface location: 285 feet from the south line and 2,225 feet from the west line (Unit N) of Section 19;
- Bottom hole location: 5 feet from the north line and 2,530 feet from the west line (Unit C) of Section 18;
- First take point: 100 feet from the south line and 2,530 feet from the west line (Unit N) of Section 19;
- Last take point: 100 feet from the north line and 2,530 feet from the west line (Unit C) of Section 18.

Since this acreage is governed by the Division’s statewide rules, the completed interval for the **Blue Marlin Fed Com #212H well** is unorthodox because the completed interval is closer than the standard offsets to the eastern boundary of the spacing unit. Approval of the unorthodox

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

completed interval will allow Tap Rock to use its preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

Exhibit A is a Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Blue Marlin Fed Com #212H well** encroaches on the spacing unit to the east in the W/2 E/2 of Sections 18 and 19. Also included with Exhibit A are the C-102s for each of the wells in the same spacing unit, including for the **Blue Marlin Fed Com #205H well**, which is the proximity tract well for the spacing unit. The spacing unit also includes the **Blue Marlin Fed Com #201H, #202H, #211H, and #215H wells**.

Exhibit B is a land plat that shows the proposed **Blue Marlin Fed Com #212H well** in relation to the adjoining spacing units to the east in the W/2 E/2 of Sections 18 and 19.

Ownership is diverse between the subject spacing unit and the affected spacing unit to the east. **Exhibit C** includes the tracking information that reflects the “affected parties” were sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application. The following are the affected parties:

Type	Affected Party	Location	Date Sent
Operator	Tap Rock Resources II, LLC	NW/4NE/4, NW/4SE/4, SW/4SE/4, SW/4NE/4 of Section 18 and W/2E/2 of Section 19	N/A
Working Interest	The Estate of Louise Heard Kincaid c/o Eileen Heard	NW/4NE/4, SW/4NE/4 of Section 18	9/07/21
Mineral Owner	The United States of America, Department of the Interior, Bureau of Land Management	W/2E/2 of Section 19	9/07/21
Working Interest	The Ohio State University c/o Real Estate & Property Management	NW/4SE/4, SW/4SE/4 of Section 18	9/07/21
Working Interest	Allar Development Company LLC	NW/4SE/4 of Section 18	9/07/21
Working Interest	Advance Energy Partners Hat Mesa LLC	SW/4NE/4 of Section 18	9/07/21

Exhibit D is a statement from Tap Rock's petroleum engineer confirming that Tap Rock's requested unorthodox location is necessary to optimize well spacing, thereby preventing waste.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kaitlyn A. Luck", written over a horizontal line.

Kaitlyn A. Luck

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

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 30-025-49117		² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name BLUE MARLIN FED COM		⁶ Well Number 201H
⁷ OGRID No. #372043	⁸ Operator Name TAP ROCK OPERATING, LLC.		⁹ Elevation 3073'

¹⁰Surface Location

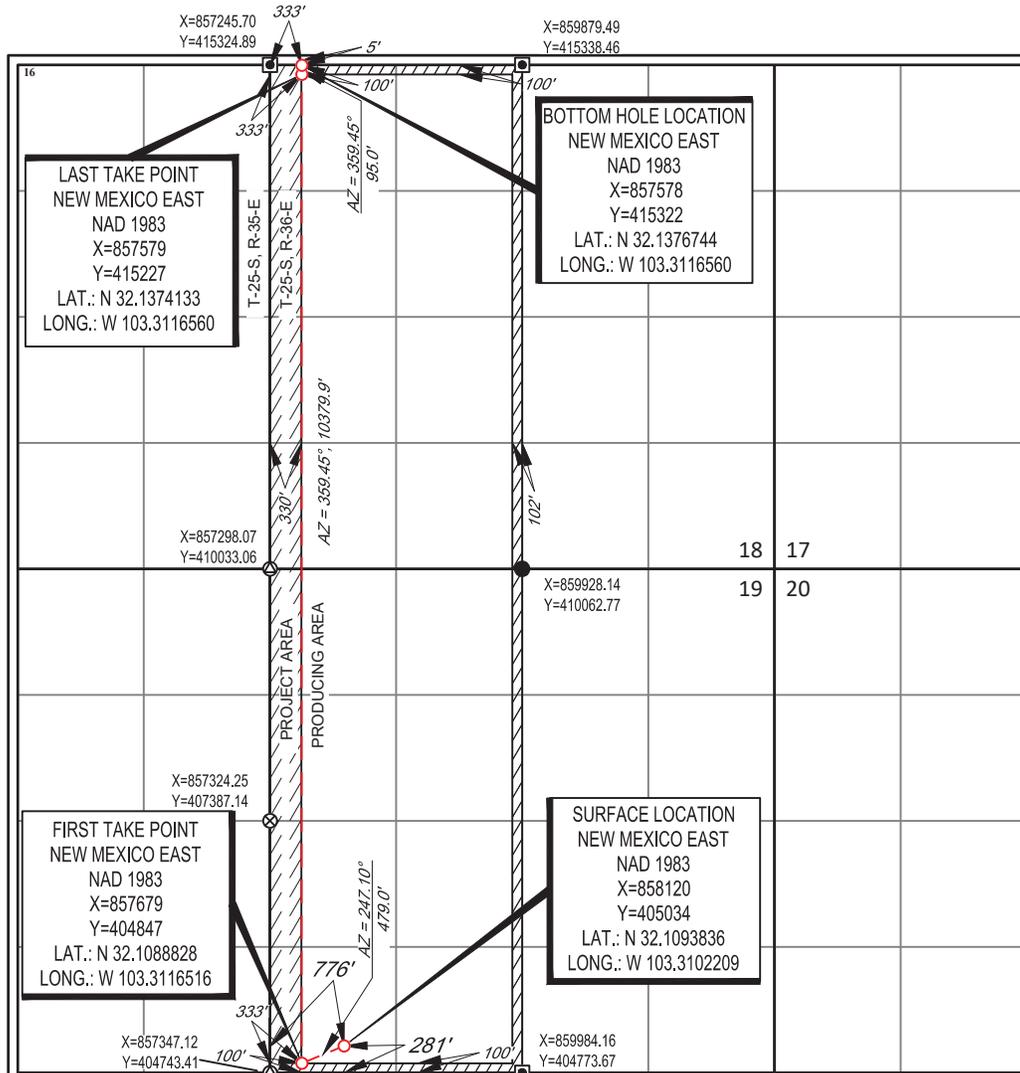
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	19	25-S	36-E	-	281'	SOUTH	776'	WEST	LEA

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	18	25-S	36-E	-	5'	NORTH	333'	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: 05/05/2020
Signature and Seal of Professional Surveyor: [Seal of Ramon A. Minquez, Professional Surveyor No. 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
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
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1220 South St. Francis Dr.
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Revised August 1, 2011

Submit one copy to appropriate

District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-49119		² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name BLUE MARLIN FED COM		⁶ Well Number 205H
⁷ OGRID No. #372043	⁸ Operator Name TAP ROCK OPERATING, LLC.		⁹ Elevation 3073'

¹⁰Surface Location

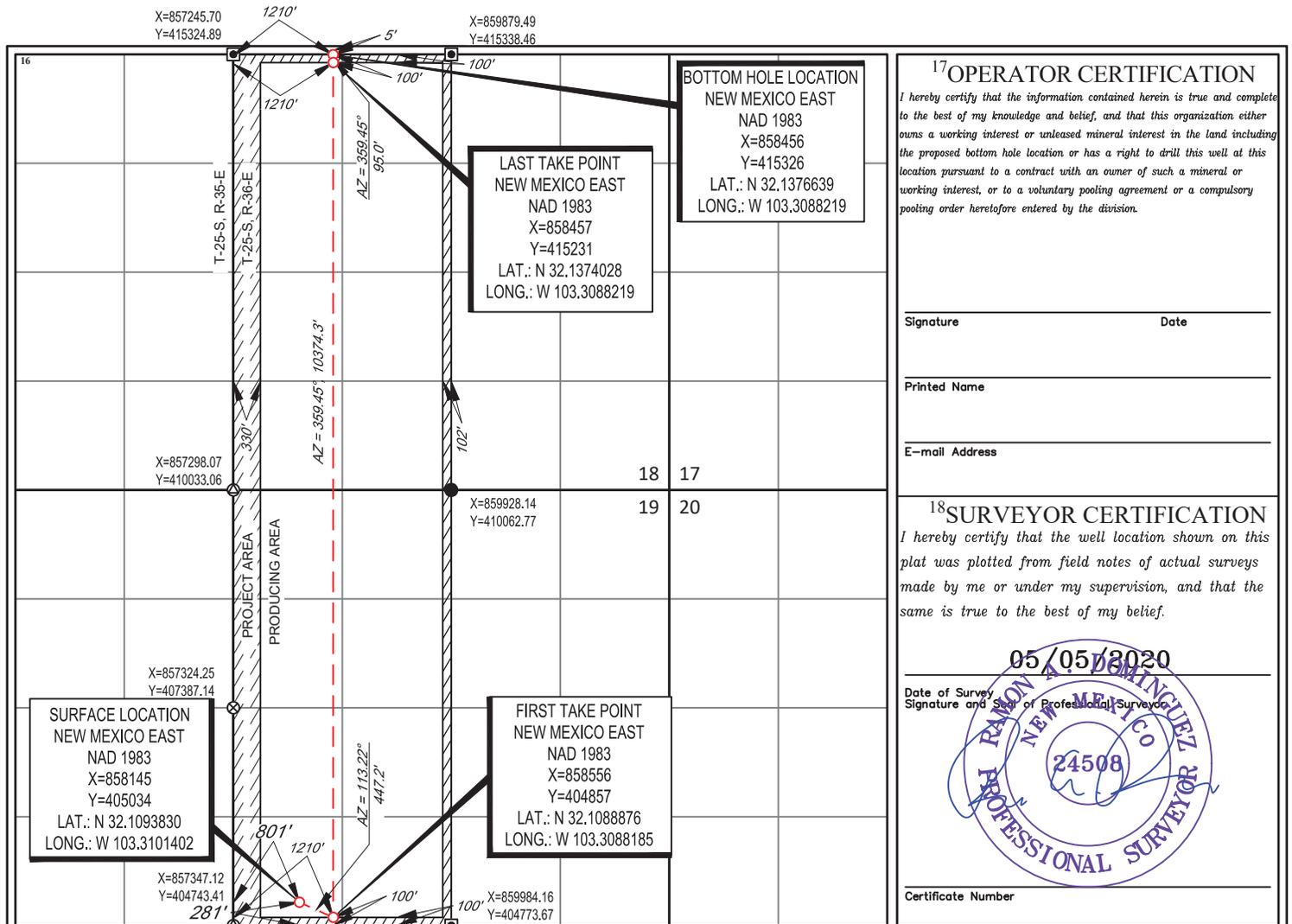
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	19	25-S	36-E	-	281'	SOUTH	801'	WEST	LEA

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	18	25-S	36-E	-	5'	NORTH	1210'	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: 05/05/2020
Signature and Seal of Professional Surveyor: [Signature]

Certificate Number: 24508

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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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 30-025-49120		² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name BLUE MARLIN FED COM		⁶ Well Number 211H
⁷ OGRID No. #372043	⁸ Operator Name TAP ROCK OPERATING, LLC.		⁹ Elevation 3074'

¹⁰Surface Location

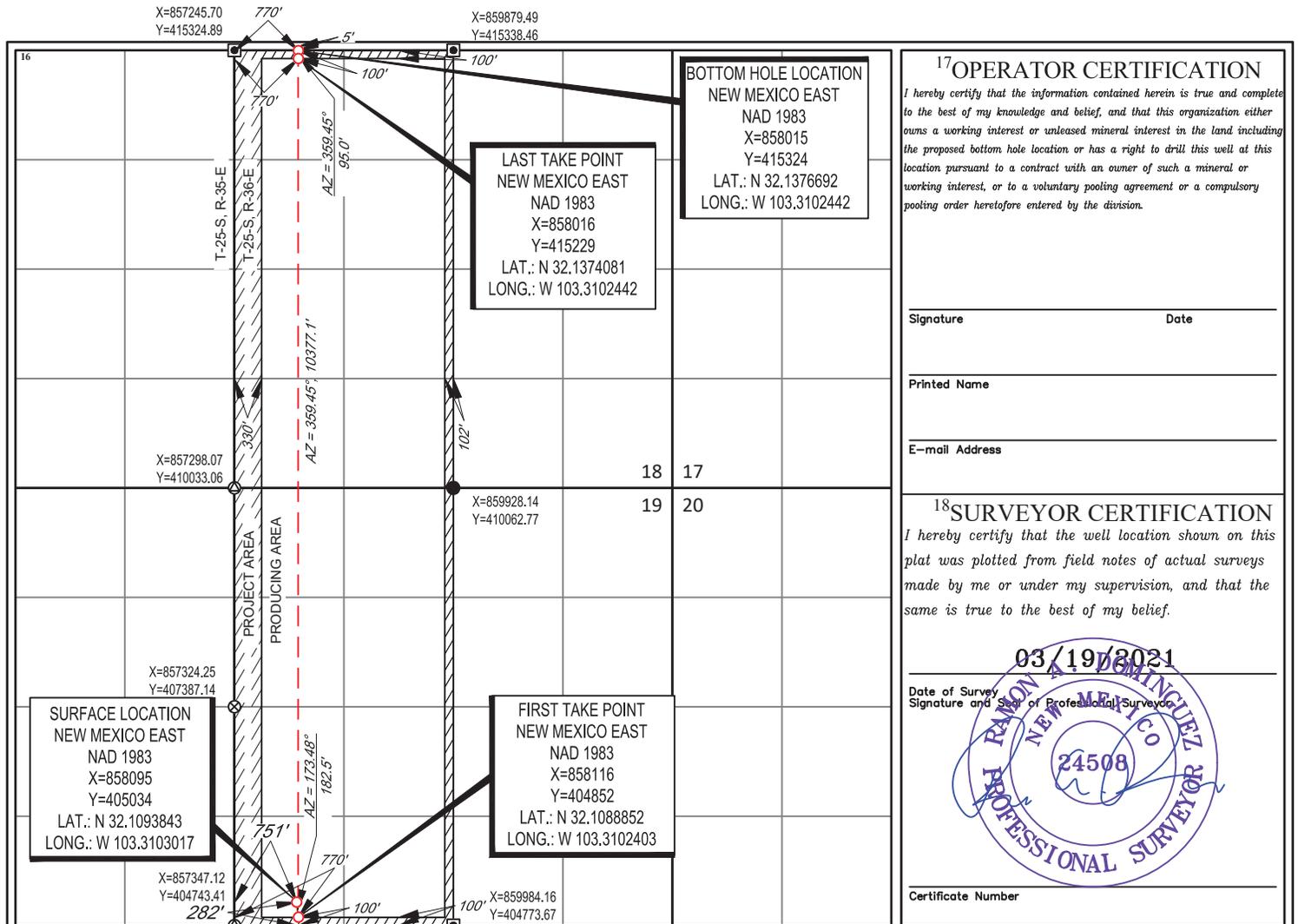
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	19	25-S	36-E	-	282'	SOUTH	751'	WEST	LEA

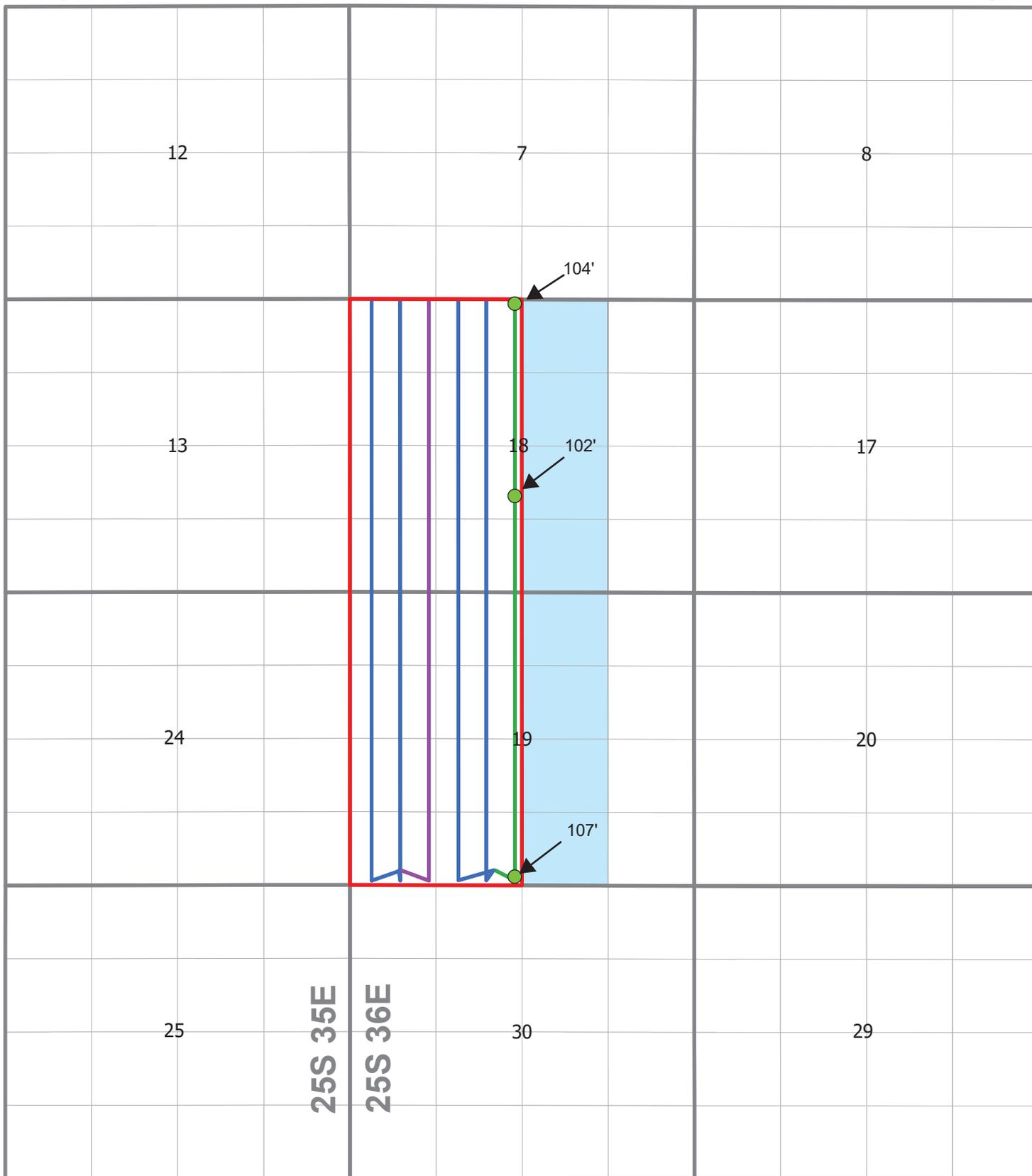
¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	18	25-S	36-E	-	5'	NORTH	770'	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.





- Blue Marlin 212H
- Blue Marlin 205H
- Blue Marlin Wells
- Tap Rock Resources, et al
- Marlin Unit

EXHIBIT - B

Blue Marlin 212H Notice List

Tracts in Section 18, T25S R36E, Lea County, NM

NW/4NE/4, SW/4NE/4, NW/4SE/4, SW/4SE/4

Tracts in Section 19, T25S R36E, Lea County, NM

W/2E/2

Parties to Notice:

The Estate of Louise Heard Kincaid c/o Eileen Heard

10317 DEL RAY DR

YUMA, AZ 85367

Advance Energy Partners Hat Mesa LLC

11490 WESTHEIMER ROAD SUITE 950

HOUSTON, TX 77077

The Ohio State University c/o Real Estate & Property Management

53 W 11TH ST

COLUMBUS, OH 43201

Allar Development Company LLC

PO BOX 1567

GRAHAM, TX 76450

The United States of America, Department of the Interior, Bureau of Land Management

301 DINOSAUR TRAIL

SANTA FE, NM 87508

EXHIBIT - C



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Shipment Date: 09/07/2021

Shipped From:

Name: HOLLAND & HART LLP (1)

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Tap Rock_Blue Marlin 212H NSL
CM# 93477.0001

Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	5
Total	5

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0031 4729 29



Firm Mailing Book For Accountable Mail

Name and Address of Sender HOLLAND & HART LLP (1) 110 N GUADALUPE ST # 1 SANTA FE NM 87501		Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Priority Mail		Affix Stamp Here (for additional copies of this receipt). Postmark with Date of Receipt.											
USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code™)	Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee	
1. 9214 8901 9403 8348 6836 39	The Estate of Louise Heard Kincaid c/o Eileen Heard 10317 DEL RAY DR Yuma AZ 85367	0.51	3.75	Handling Charge - if Registered and over \$50,000 in value							1.85				
2. 9214 8901 9403 8348 6836 46	Advance Energy Partners Hat Mesa LLC 11490 WESTHEIMER ROAD SUITE 950 Houston TX 77077	0.51	3.75									1.85			
3. 9214 8901 9403 8348 6836 53	The Ohio State University c/o Real Estate & Property Management 53 W 11TH ST Columbus OH 43201	0.51	3.75									1.85			
4. 9214 8901 9403 8348 6836 60	Allar Development Company LLC PO BOX 1567 Graham TX 76450	0.51	3.75									1.85			
5. 9214 8901 9403 8348 6836 77	The United States of America Department of the Interior Bureau of Land Management 301 DINOSAUR TRAIL Santa Fe NM 87508	0.51	3.75									1.85			
Total Number of Pieces Listed by Sender 5		Total Number of Pieces Received at Post Office 5		Postmaster, Per (Name of receiving employee)											

Complete in Ink

Privacy Notice: For more information on USPS privacy policies, visit usps.com/privacypolicy.



Kaitlyn A. Luck
Associate
Phone (505) 954-7286
KALuck@hollandhart.com

September 7, 2021

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO AFFECTED PARTIES:

Re: Application of Tap Rock Operating, LLC, for administrative approval of an unorthodox well location for its Blue Marlin Fed Com #212H well in the W/2 of Sections 18 and 19, Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Taylor Ford
Tap Rock Resources
(720) 459-3726
tford@taprk.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck", written over a horizontal line.

Kaitlyn A. Luck
ATTORNEY FOR TAP ROCK OPERATING, LLC

TAP ROCK RESOURCES, LLC

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

CONNER WOOD
ASSET MANAGER
CWOOD@TAPRK.COM



August 25, 2021

Adrienne Sandoval, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

**Re: Non-Standard Location Request
Blue Marlin #212H (the "Well")**

Dear Ms. Sandoval:

Tap Rock Operating hereby requests administrative approval of a non-standard location for the Well referenced above by decreasing the East-West footages from 330 feet to 110 feet from the Drilling and Spacing Unit boundary within the W/2 of Section 18, T25S R36E. The Well is located in the Jal; Wolfcamp West (Pool Code 33813). It is Tap Rock's responsibility as a prudent operator to optimize well spacing. Decreasing the distance from the boundary of the Drilling Spacing Unit by 220 feet increases ultimate recovery of reserves and thereby prevents waste of natural resources.

Sincerely,

TAP ROCK OPERATING, LLC

A handwritten signature in blue ink, appearing to read "Conner Wood", is written over a light blue rectangular background.

Conner Wood
Asset Manager and Reservoir Engineer

EXHIBIT - D

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 Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS
 Action 46882

CONDITIONS

Operator: TAP ROCK OPERATING, LLC 523 Park Point Drive Golden, CO 80401	OGRID: 372043
	Action Number: 46882
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	9/8/2021