

RECEIVED: 02/08/22	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2205938493
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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: Cypress 33 Fed Com # 243H **API:** 30-015- 47862
Pool: Purple Sage; Wolfcamp (Gas) **Pool Code:** 98220

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

- 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

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

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.

Adam G. Rankin

Print or Type Name

Signature

2/8/2022
Date

505-954-7294
Phone Number

AGR Rankin@hollandhart.com
e-mail Address



Adam G. Rankin
Phone (505) 954-7294
AGRankin@hollandhart.com

February 3, 2022

VIA ONLINE FILING

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

**Re: Tap Rock Operating, LLC
Request for Administrative Approval of Unorthodox Well Location**

Cypress 33 Fed Com # 243H well
E/2 of Section 33, Township 23 South, Range 29 East
Eddy County, New Mexico
Purple Sage; Wolfcamp (Gas) pool [98220]
API No. 30-015-47862

Dear Ms. Sandoval:

Tap Rock Operating, LLC (OGRID No. 372043), pursuant to Division Rules 19.15.16.15(C)(6) and 19.15.15.13(C)-(D) NMAC and applicable rules governing acreage and well location requirements for the Purple Sage; Wolfcamp (Gas) pool [98220], seeks administrative approval of an unorthodox well location for its **Cypress 33 Fed Com # 243H well** (API No. 30-015-47862), in a 320-acre, more or less, spacing unit underlying the E/2 of Section 33, Township 23 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.

The proposed surface and bottom hole locations and first and last take points are as follows:

- the surface location is located 11 feet from the north line and 1364 feet from the east line (Unit B) of Section 33,
- the bottom hole location is located 30 feet from the south line and 2310 feet from the east line (Unit O) of Section 33,
- the first take point is located 100 feet from the north line and 2310 feet from the east line (Unit B) of Section 33 and

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

- the last take point is located 100 feet from the south line and 2310 feet from the east line (Unit O) of Section 33.

Since this acreage is governed by the Division’s statewide rules, the completed interval for this well will be unorthodox because the first and last take points are closer (100 feet instead of 330 feet) than the standard offsets to the northern and southern boundaries of the spacing unit – thus encroaching on (1) the SW/4 and W/2 SE/4 of Section 28, Township 23 South, Range 29 East, and (2) the N/2 of Section 4, Township 24 South, Range 29 East. Approval of the unorthodox, completed interval will increase the well’s effective lateral length by 460 feet, thereby increasing ultimate recovery of reserves and preventing waste of natural resources.

Exhibit A is a Form C-102 with attached plats showing the first take point of the proposed Cypress 33 Fed Com # 243H well encroaches on the spacing unit/tracts to the north in the SW/4 and W/2 SE/4 of Section 28, Township 23 South, Range 29 East, and showing the last take point of the well encroaches on the spacing unit/tracts to the south in the N/2 of Section 4, Township 24 South, Range 29 East.

Exhibit B is a plat for the E/2 of Section 33, Township 23 South, Range 29 East, the SW/4 and W/2 SE/4 of Section 28, Township 23 South, Range 29 East, and the N/2 of Section 4, Township 24 South, Range 29 East, that shows the proposed Cypress 33 Fed Com # 243H well in relation to adjoining spacing unit/tracts to the north and south. OXY USA Inc. is the operator of wells in these affected spacing units to the north and south. Additionally, the United States owns the mineral estate or a part thereof in the affected spacing units. Accordingly, the “affected persons”¹ are OXY USA Inc. and the United States Bureau of Land Management. Included as **Exhibit C** is a waiver from OXY USA Inc. Therefore, notice only needs to be provided to the United States Bureau of Land Management.

Exhibit D is a spreadsheet listing all affected persons and includes tracking information demonstrating that each of the affected persons has either executed a waiver or was 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
Operator/ Working Interest	OXY USA Inc.	SW/4, W/2 SE/4 of Section 28; N/2 of Section 4
Federal/State Mineral Interest	United States Bureau of Land Management	SW/4, W/2 SE/4 of Section 28;

¹ See NMAC §§ 19.15.2.7.A(8) and 19.15.4.12.A(2)(a).

		N/2 of Section 4
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Your attention to this matter is appreciated.

Sincerely,



Adam G. Rankin
ATTORNEY FOR
TAP ROCK OPERATING, LLC

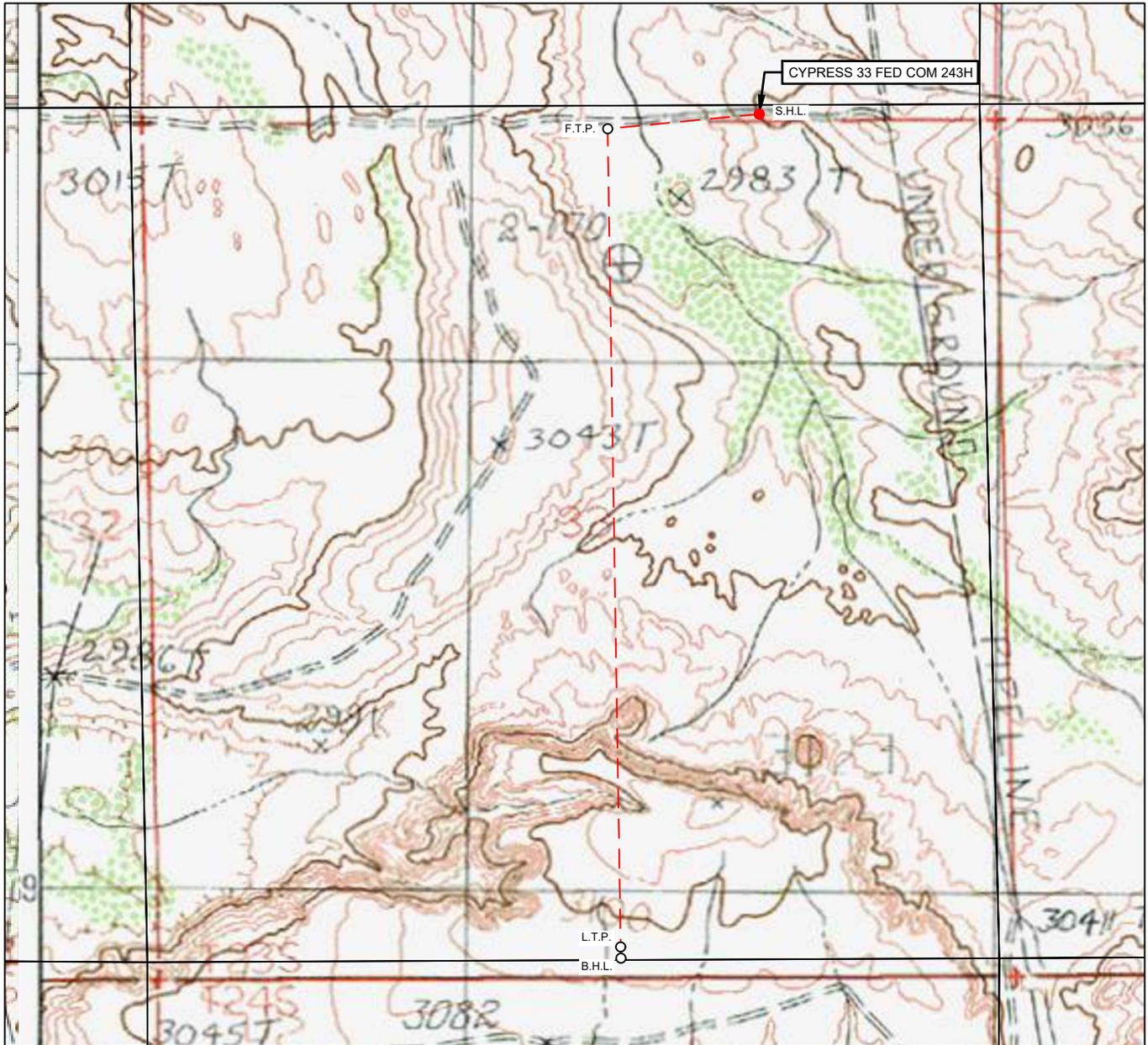
T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
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Alaska
Colorado
Idaho

Montana
Nevada
New Mexico

Utah
Washington, D.C.
Wyoming

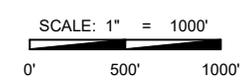
LOCATION & ELEVATION VERIFICATION MAP



LEASE NAME & WELL NO.: CYPRESS 33 FED COM 243H

SECTION 33 TWP 23-S RGE 29-E SURVEY N.M.P.M.
 COUNTY EDDY STATE NM ELEVATION 3004'
 DESCRIPTION 11' FSL & 1364' FEL

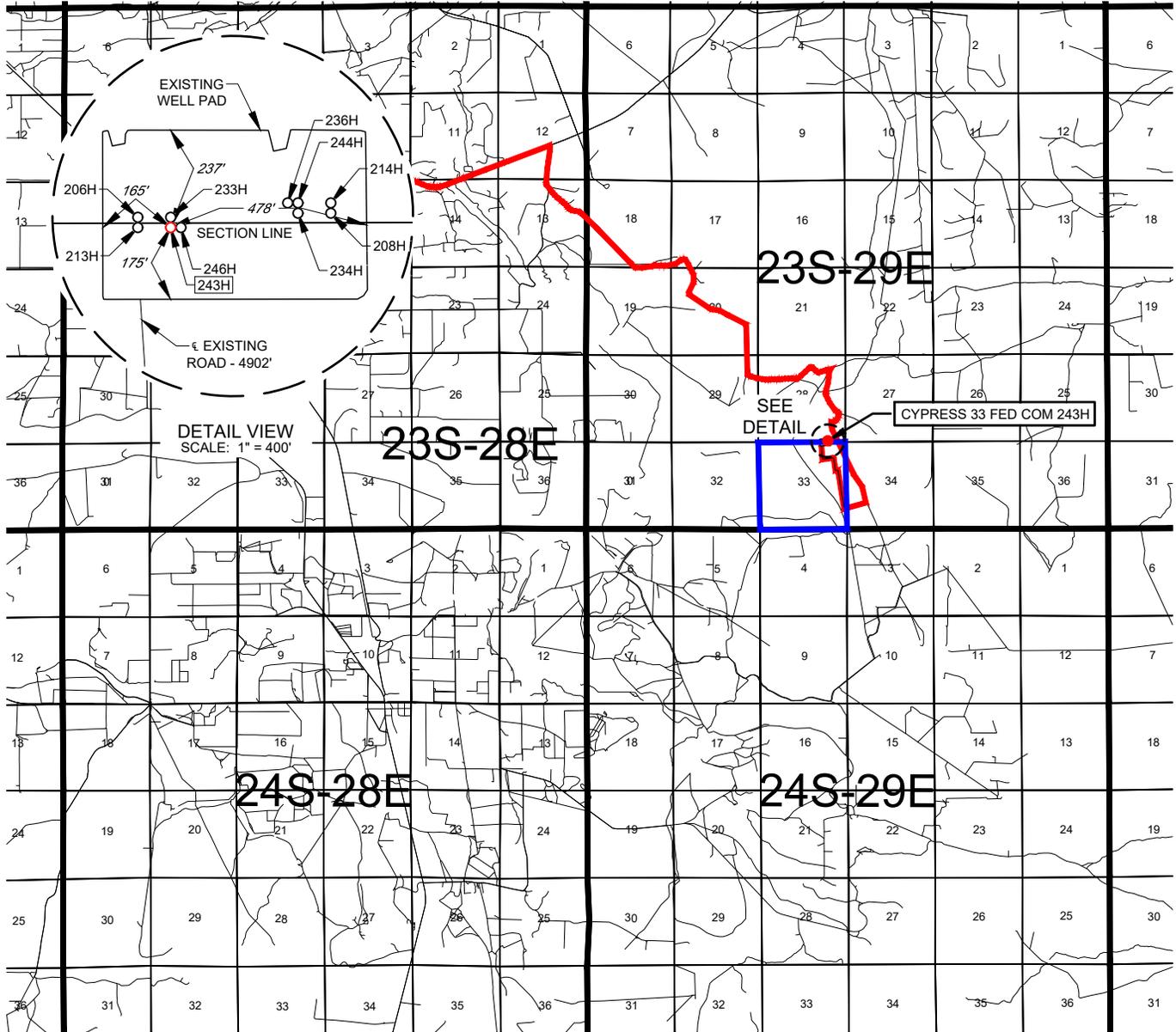
LATITUDE N 32.2685646 LONGITUDE W 103.9856054



THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY TAP ROCK OPERATING, LLC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.
 ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.

1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140
 TELEPHONE: (817) 744-7512 • FAX (817) 744-7554
 2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
 TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743
 WWW.TOPOGRAPHIC.COM

EXHIBIT 2
VICINITY MAP



LEASE NAME & WELL NO.: CYPRESS 33 FED COM 243H

SECTION 33 TWP 23-S RGE 29-E SURVEY N.M.P.M.
 COUNTY EDDY STATE NM
 DESCRIPTION 11' FSL & 1364' FEL

DISTANCE & DIRECTION
 FROM INT. OF NM-31, & STATE HWY 387, GO EAST ON NM-31 ±1.7 MILES, THENCE SOUTH (RIGHT) ON FISHERMANS LN. ±0.5 MILES, THENCE CONTINUE STRAIGHT ON A LEASE RD. ±4.8 MILES, THENCE SOUTH (RIGHT) ON A LEASE RD. ± 0.6 MILES, THENCE CONTINUE SOUTH (RIGHT) ON A LEASE RD. ±0.7 MILES, THENCE WEST (RIGHT) ON PROPOSED RD. ±4902 FEET TO A POINT ±190 FEET SOUTHWEST OF THE LOCATION.



SCALE: 1" = 10000'
 0' 5000' 10000'

THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY TAP ROCK OPERATING, LLC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.



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EXHIBIT 2B

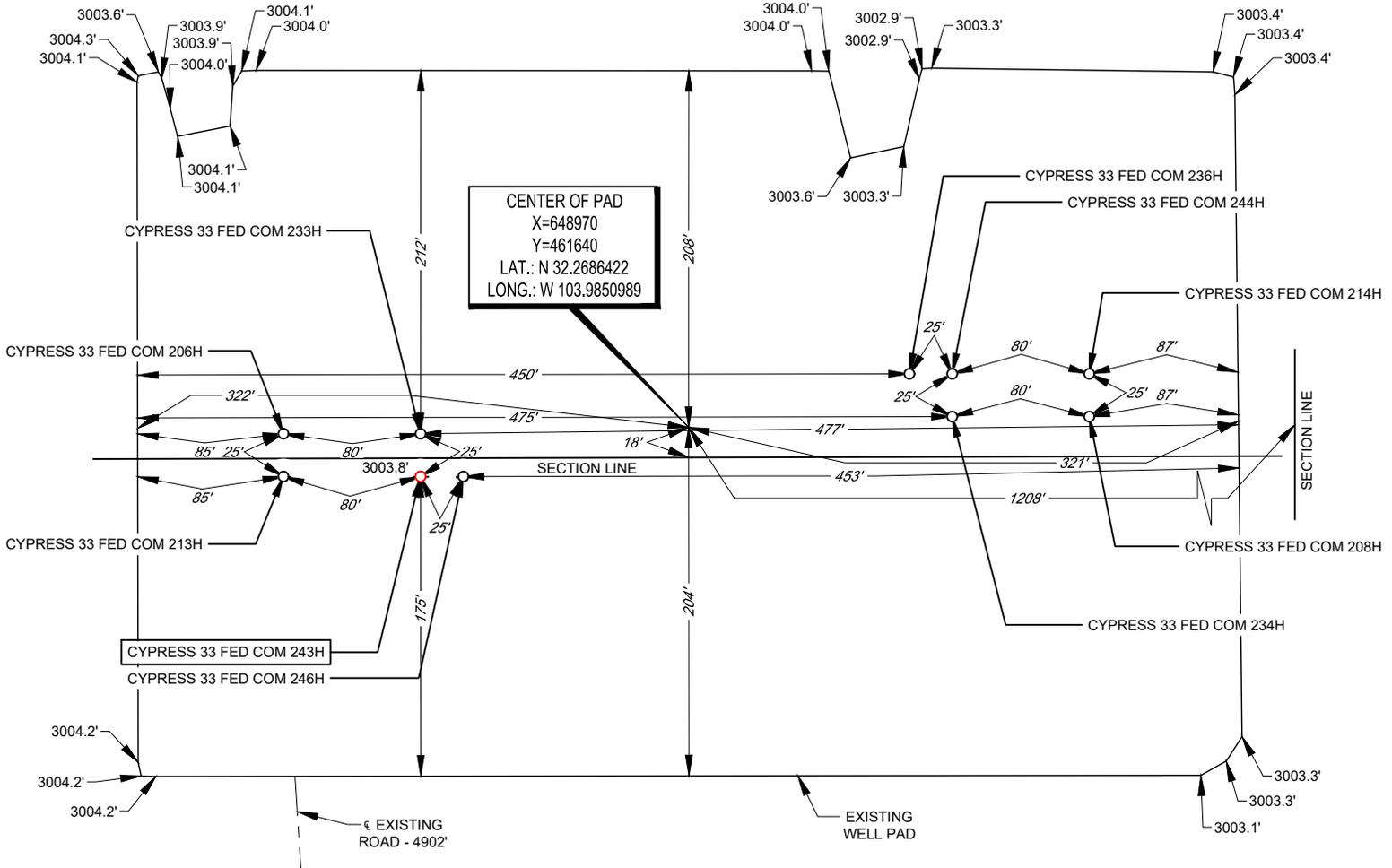
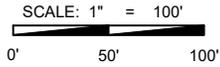


SECTION 33, TOWNSHIP 23-S, RANGE 29-E, N.M.P.M.
EDDY COUNTY, NEW MEXICO

DETAIL VIEW
SCALE: 1" = 100'

LEGEND

- SECTION LINE
- PROPOSED ROAD



LEASE NAME & WELL NO.: CYPRESS 33 FED COM 243H
 243H LATITUDE N 32.2685646 243H LONGITUDE W 103.9856054

CENTER OF PAD IS 18' FSL & 1208' FEL



Ramon A. Dominguez, P.S. No. 24508

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET. ELEVATIONS USED ARE NAVD88, OBTAINED THROUGH AN OPUS SOLUTION.

THIS PROPOSED PAD SITE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY TAP ROCK OPERATING, LLC. ONLY THE DATA SHOWN ABOVE IS BEING CERTIFIED TO, ALL OTHER INFORMATION WAS INTENTIONALLY OMITTED. THIS PLAT IS ONLY INTENDED TO BE USED FOR A PERMIT AND IS NOT A BOUNDARY SURVEY. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.



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 TELEPHONE: (817) 744-7512 • FAX (817) 744-7554
 2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
 TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743
 WWW.TOPOGRAPHIC.COM

ORIGINAL DOCUMENT SIZE: 8.5" X 11"

Exhibit B

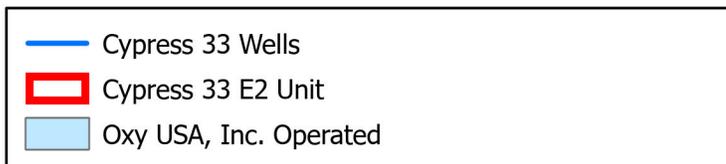
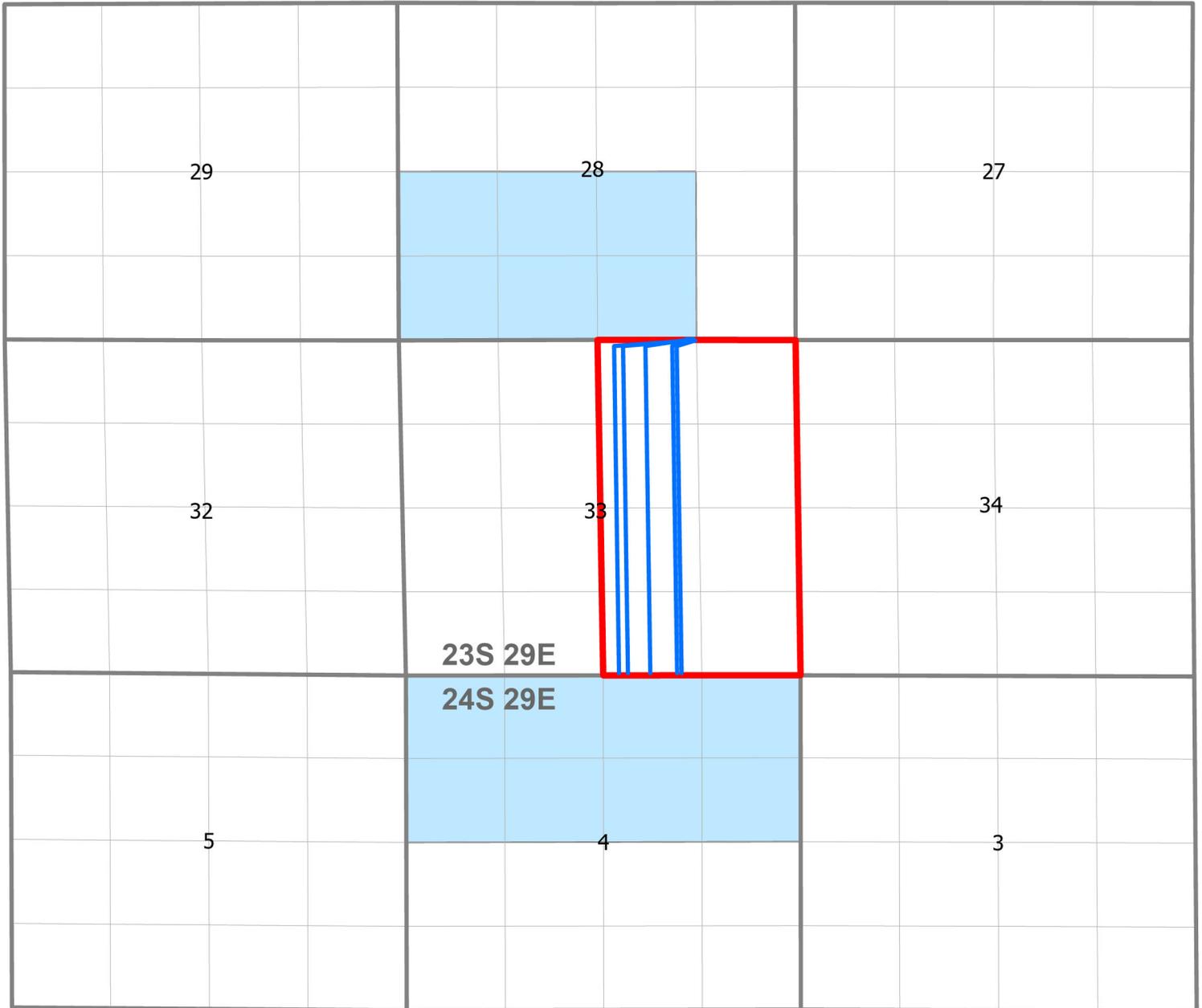


Exhibit C

Keri J. Hanzelka

From: Matt Phillips
Sent: Friday, October 29, 2021 12:10 PM
To: Van Liew, Peter R
Subject: RE: [EXTERNAL] RE: Tap Rock Cypress 33 Wells - NSL Waiver

Peter,

Thank you for the quick response. Tap Rock agrees to waive any right to protest NSLs on Heads. I will place a copy of these emails in the file to memorialize the terms on my end.

Thank you,
Matt

From: Van Liew, Peter R <Peter_VanLiew@oxy.com>
Sent: Friday, October 29, 2021 12:05 PM
To: Matt Phillips <mphilips@taprk.com>
Subject: [EXTERNAL] RE: Tap Rock Cypress 33 Wells - NSL Waiver

[EXTERNAL] This email originated from outside your organization. Do not trust links or attachments.

Matt,

Oxy is amenable to granting to waive any right to protest these NSLs so long as we receive a reciprocal waiver for our Heads development in Section 4. Feel free to confirm via email and let me know if you need anything else related to this request.

Sincerely,

Peter R. Van Liew, RPL
Senior Land Negotiator
Occidental Petroleum Corporation
5 Greenway Plaza, Suite 110
Houston, Texas 77046
713.985.6972 (o)
832.627.6880 (c)

CONFIDENTIALITY NOTICE

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From: Matt Phillips <mphilips@taprk.com>
Sent: Friday, October 29, 2021 12:00 PM
To: Van Liew, Peter R <Peter_VanLiew@oxy.com>
Subject: [EXTERNAL] Tap Rock Cypress 33 Wells - NSL Waiver

WARNING - This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Peter,

Pursuant to our conversation this morning, please allow this email to serve as notice that Tap Rock Operating, LLC intends to drill the following wells at non-standard locations (100' setbacks for FTP and LTP) encroaching on the SW/4 & W/2SE/4 Section 28, T23S, R29E and N/2 Section 4, T24S, R29E:

- E/2 Section 33 (Northern and Southern encroachment): Cypress 33 Fed Com #206H, #246H, #233H, #243H, #213H
- E/2 Section 33 (Southern encroachment): Cypress 33 Fed Com #208H, #214H, #234H, #244H
- W/2 Section 33 (Northern and Southern encroachment): Cypress 33 Fed Com #205H, #207H, #211H, #212H, #231H, #232H, #235H, #241H, #245H, #242H

We plan to spud the E/2 wells starting in December of 2021 and the W/2 wells in April of 2022. If OXY is amenable to granting Tap Rock waivers for the above, we are willing to grant same for any upcoming OXY Heads development and will confirm via email upon request.

Thank you,

Matthew C. Phillips

Land Manager

Direct: (720) 459-3724

Cell: (432) 553-3272

mphillips@taprk.com



Exhibit D

ADDR1	ADDR2	ADDR3	ADDR4	ADDR5	ADDR6
OXY USA Inc.	5 Greenway Plaza, Suite 110	Houston	TX	77046	
United States Bureau of Land Management	620 E Greene Street	Carlsbad	NM	88220	
United States Bureau of Land Management	301 Dinosaur Trail	Santa Fe	NM	87508	



Adam G. Rankin
Phone (505) 954-7294
AGRankin@hollandhart.com

February 3, 2022

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: Tap Rock Operating, LLC
Request for Administrative Approval of Unorthodox Well Location

Cypress 33 Fed Com # 243H well
E/2 of Section 33, Township 23 South, Range 29 East
Eddy County, New Mexico
Purple Sage; Wolfcamp (Gas) pool [98220]
API No. 30-015-47862

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:

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

Sincerely,

Adam G. Rankin
ATTORNEY FOR
TAP ROCK OPERATING, LLC

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

Parent ID	Mail Date	Name	Address 1	City	ST	Zip	MailClass	Tracking #	Well
31309	02/03/2022	United States Bureau of Land Management	620 E Greene St	Carlsbad	NM	88220-6292	Certified with Return Receipt (Signature)	9402811898765844237406	71767 - Tap Rock - Cypress - NSL - notice list - 1
31309	02/03/2022	United States Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508-1560	Certified with Return Receipt (Signature)	9402811898765844237499	71767 - Tap Rock - Cypress - NSL - notice list - 2

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 79889

CONDITIONS

Operator: TAP ROCK OPERATING, LLC 523 Park Point Drive Golden, CO 80401	OGRID: 372043
	Action Number: 79889
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	NSL-8326 is approved.	3/29/2022