

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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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: \_\_\_\_\_ OGRID Number: \_\_\_\_\_  
 Well Name: \_\_\_\_\_ API: \_\_\_\_\_  
 Pool: \_\_\_\_\_ Pool Code: \_\_\_\_\_

**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

<u>FOR OCD ONLY</u>	
<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.

\_\_\_\_\_  
Print or Type Name

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
e-mail Address



**Adam G. Rankin**  
Phone (505) 954-7294  
Fax (505) 819-5579  
AGRankin@hollandhart.com

February 22, 2022

**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 to surface commingle (pool and lease commingle) oil and gas production at the Hyperion State Tank Battery B located in the E/2E/2 of Section 20, Township 24 South, Range 33 East, Lea County, New Mexico.**

Dear Ms. Sandoval:

Tap Rock Operating, LLC (OGRID No. 372043), pursuant to 19.15.12.10 NMAC, seeks administrative approval to surface commingle (pool and lease commingle) diversely owned oil and gas production at the Hyperion State Tank Battery B *in all existing and future infill wells drilled in the following spacing units:*

(a) The 160-acre spacing unit comprised of the W/2E/2 of Section 20 in the WC-025 G-09 S243310P; Upper Wolfcamp; [98135]. The following wells are currently dedicated to this spacing unit: **Hyperion State #203H well (30-025-47033), Hyperion State #223H well (30-025-48563);**

(b) The 160-acre spacing unit comprised of the E/2E/2 of Section 20 in the WC-025 G-09 S243310P; Upper Wolfcamp; [98135]. The following wells are currently dedicated to this spacing unit: **Hyperion State #206H well (30-025-47034), Hyperion State #204H well (30-025-47032), Hyperion State #208H well (30-025-47035);**

(c) The 160-acre spacing unit comprised of the W/2E/2 of Section 20 in the Triple X; Bone Spring, West; [96674]. The following wells are currently dedicated to this spacing unit: **Hyperion State Com #173H well (new), Hyperion State Com #143H well (new), Hyperion State Com #103H well (new), Hyperion State Com #183H well (new);**

(d) The 160-acre spacing unit comprised of the E/2E/2 of Section 20 in the Triple X; Bone Spring, West; [96674]. The following wells are currently dedicated to this spacing unit: **Hyperion State Com #174H well (new), Hyperion State Com #144H well (new), Hyperion State Com #104H well (new), Hyperion State Com #184H well (new); and**

(e) Pursuant to 19.15.12.10.C(4)(g), *future WC-025 G-09 S243310P; Upper Wolfcamp; [98135] and Triple X; Bone Spring, West; [96674] spacing units within the E/2 of Section 20 connected to the Hyperion State Tank Battery B* with notice provided only to the owners of interests to be added.

Oil and gas production from these spacing units will be commingled and sold at the *Hyperion State Tank Battery B located in the E/2E/2 of Section 20*. Production will be separately metered at each wellhead with a Coriolis flow meter for oil and orifice meter for gas manufactured to AGA specifications.

**Exhibit 1** hereto is a completed Application for Surface Commingling (Diverse Ownership) Form C-107B, that includes a statement from Jeff Trlica, Regulatory Analyst with Tap Rock, identifying the facilities and the measurement devices to be utilized, a detailed schematic of the surface facilities, and relevant gas samples.

**Exhibit 2** consists of relevant state communitization agreements and corresponding certificates of approval from the Commissioner of Public Lands.

**Exhibit 3** is a list of wells and corresponding plat identifying leases, wellbore locations, and surface facilities.

Ownership is diverse between the above-described spacing units. **Exhibit 4** is a list of the interest owners (including any owners of royalty or overriding royalty interests) affected by this application, an example of the letters sent by certified mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing.

Thank you for your attention to this matter, and please feel free to call if you have any questions or require additional information.

Sincerely,



Adam G. Rankin  
ATTORNEY FOR  
TAP ROCK OPERATING, LLC

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: Tap Rock Operating  
OPERATOR ADDRESS: 523 Park Point Dr. Suite 200. Golden, CO 80401  
APPLICATION TYPE:

Pool Commingling  Lease Commingling  Pool and Lease Commingling  Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE:  Fee  State  Federal

Is this an Amendment to existing Order?  Yes  No If "Yes", please include the appropriate Order No. PLC-695-A  
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  Yes  No

**(A) POOL COMMINGLING**  
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
See Attached				

- (2) Are any wells producing at top allowables?  Yes  No  
 (3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No.  
 (4) Measurement type:  Metering  Other (Specify)  
 (5) Will commingling decrease the value of production?  Yes  No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**  
Please attach sheets with the following information

- (1) Pool Name and Code.  
 (2) Is all production from same source of supply?  Yes  No  
 (3) Has all interest owners been notified by certified mail of the proposed commingling?  Yes  No  
 (4) Measurement type:  Metering  Other (Specify)

**(C) POOL and LEASE COMMINGLING**  
Please attach sheets with the following information

- (1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**  
Please attached sheets with the following information

- (1) Is all production from same source of supply?  Yes  No  
 (2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**  
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.  
 (2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.  
 (3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE:  TITLE: Regulatory Analyst DATE: 2/10/2021

TYPE OR PRINT NAME Jeff Trlica TELEPHONE NO.: 720-772-5910

E-MAIL ADDRESS: jtrlica@taprk.com

**EXHIBIT 1**

TAP ROCK RESOURCES, LLC

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



February 9, 2022

New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

**Re: Application of Tap Rock Operating, LLC for administrative approval for to surface commingle (pool and lease commingle) oil and gas production from the spacing units comprised of E/2 Section 20, Township 24S, Range 33E Lea County, New Mexico (the "Lands")**

To Whom This May Concern,

Tap Rock Operating, LLC ("Tap Rock"), OGRID No. 372043, requests to commingle oil and gas production from thirteen (13) distinct wells located on the Lands and future production from the Lands as described herein. The wells will be metered through individual liquid coriolis flow meters for oil and orifice meters for gas. The gas commingling will occur after individual measurement at each well. Gas exiting each well test flows into one gathering line, as depicted on **Exhibit A**, the gas gathering line. Each well on the Lands will have its own test separator with a coriolis flow meter for oil and orifice meter for gas manufactured and assembled in accordance with the American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third-party measurement company in accordance with industry specifications.

Gas samples are obtained at the time of the meter testing and calibration and the composition and heating value are determined by a laboratory in accordance with the American Petroleum Institute (API) specifications to ensure accurate volume and energy (MMBTU) determinations.

The oil is measured via the coriolis flow meter in accordance with API Chapter 5.6 on each individual well and is calibrated periodically by a third-party measurement company for accuracy. After the oil is individually metered by coriolis flow meters at each well it can be comingled into a heater treater then into the stock tanks or, each well can be isolated into its own individual tank for testing purposes. The gas is measured on a volume and MMBTU basis by an orifice meter on each individual well and supporting EFM equipment in accordance with API Chapter 21.1. The gas is then sent into a gathering line where it is comingled with each of the other well's metered gas. The gathering line is then metered by another orifice meter at the tank battery check meter to show the total volume of gas leaving the tank battery. The tank battery meter is tested and calibrated in accordance with industry specifications and volume and energy and determined on an hourly, daily and monthly basis. Once the gas exits the final tank battery sales check it travels directly into a third-party sales connect meter. The third-party gas gatherer has its

own meter that measures the gas for custody transfer and that meter is also calibrated periodically to ensure measurement accuracy.

In conclusion, all the oil and gas produced on the Lands is and will be metered separately at each wellhead and allocated using accurate measurement equipment according to API specifications.

Regards,

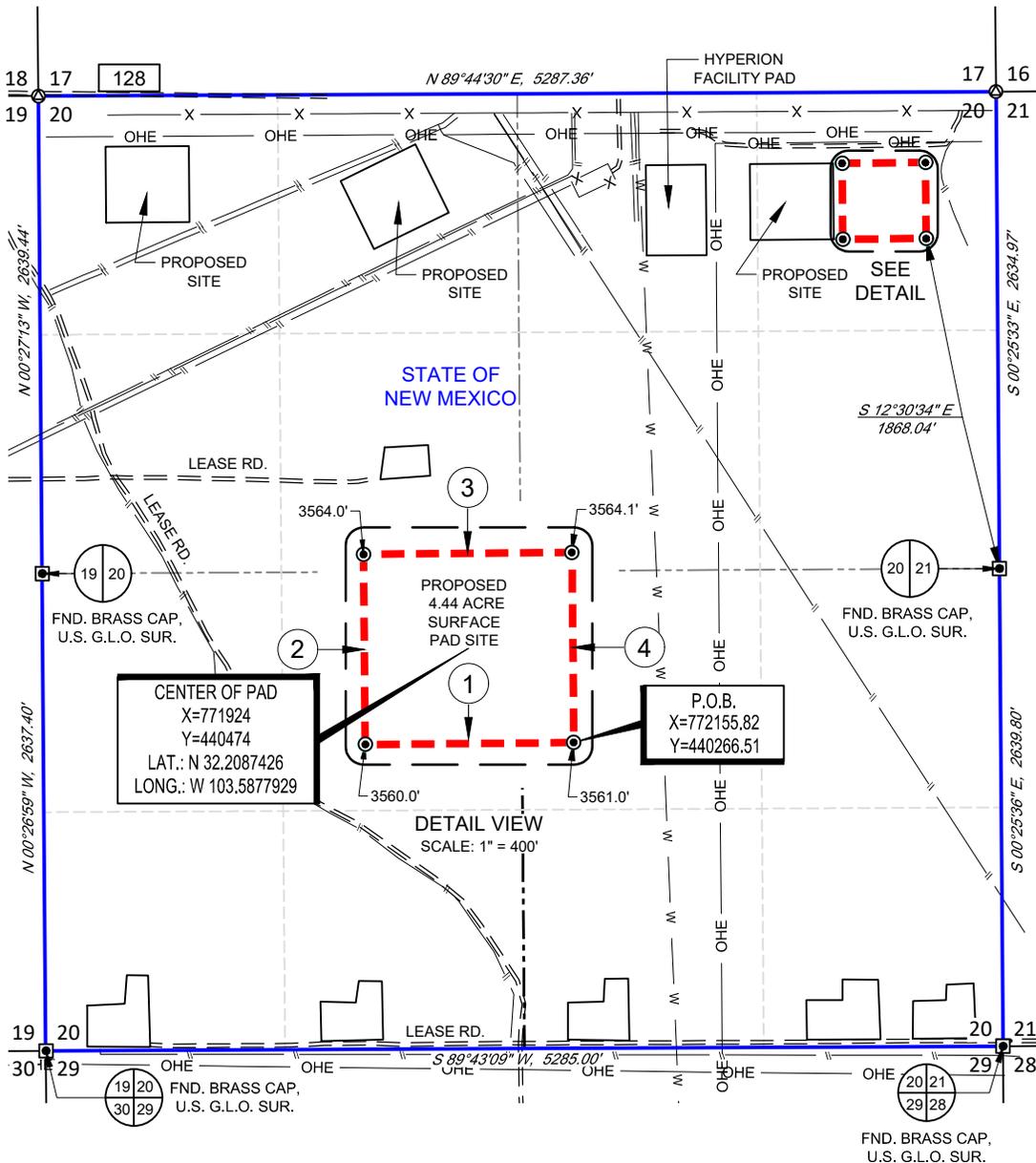
TAP ROCK OPERATING, LLC



Jeff Trlica  
Regulatory Analyst

SECTION 20, TOWNSHIP 24-S, RANGE 33-E, N.M.P.M.  
LEA COUNTY, NEW MEXICO

SCALE: 1" = 1000'  
0' 500' 1000'



**HYPERION STATE COM  
E2/E2 PAD SITE**

Metes and Bounds Description of a proposed 4.44 acre surface pad located Section 20, Township 24 South, Range 33 East, N.M.P.M., in Lea County, New Mexico.

BEGINNING at a 1/2" iron rod with cap marked "TOPOGRAPHIC" set for the Southeast corner of this site, whence a U.S. G.L.O. brass cap found for the East quarter corner of said Section 20, bears: S 12°30'34" E, a distance of 1,868.04 feet;

Thence S 89°27'30" W, a distance of 460.00 feet to a 1/2" iron rod with cap marked "TOPOGRAPHIC" set for the Southwest corner of this site;

Thence N 00°32'30" W, a distance of 420.00 feet to a 1/2" iron rod with cap marked "TOPOGRAPHIC" set for the Northwest corner of this site;

Thence N 89°27'30" E, a distance of 460.00 feet to a 1/2" iron rod with cap marked "TOPOGRAPHIC" set for the Northeast corner of this site;

Thence S 00°32'30" E, a distance of 420.00 feet to the POINT OF BEGINNING.

**LEGEND**

- — — — — PROPOSED SITE
- SECTION LINE
- - - QUARTER SECTION LINE
- - - - SIXTEENTH SECTION LINE
- TRACT BORDER
- == ROAD WAY
- OHE — OVERHEAD ELECTRIC
- — — — — EXISTING PIPELINE
- W — WATERLINE
- ⊙ IRON ROD SET
- ⊠ MONUMENT
- ⊙ Calculated Corner

**LINE TABLE**

LINE	BEARING	DISTANCE
1	S 89°27'30" W	460.00'
2	N 00°32'30" W	420.00'
3	N 89°27'30" E	460.00'
4	S 00°32'30" E	420.00'



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



*John Trevor Carnegie*

John Trevor Carnegie, P.S. No. 11401  
MARCH 22, 2019



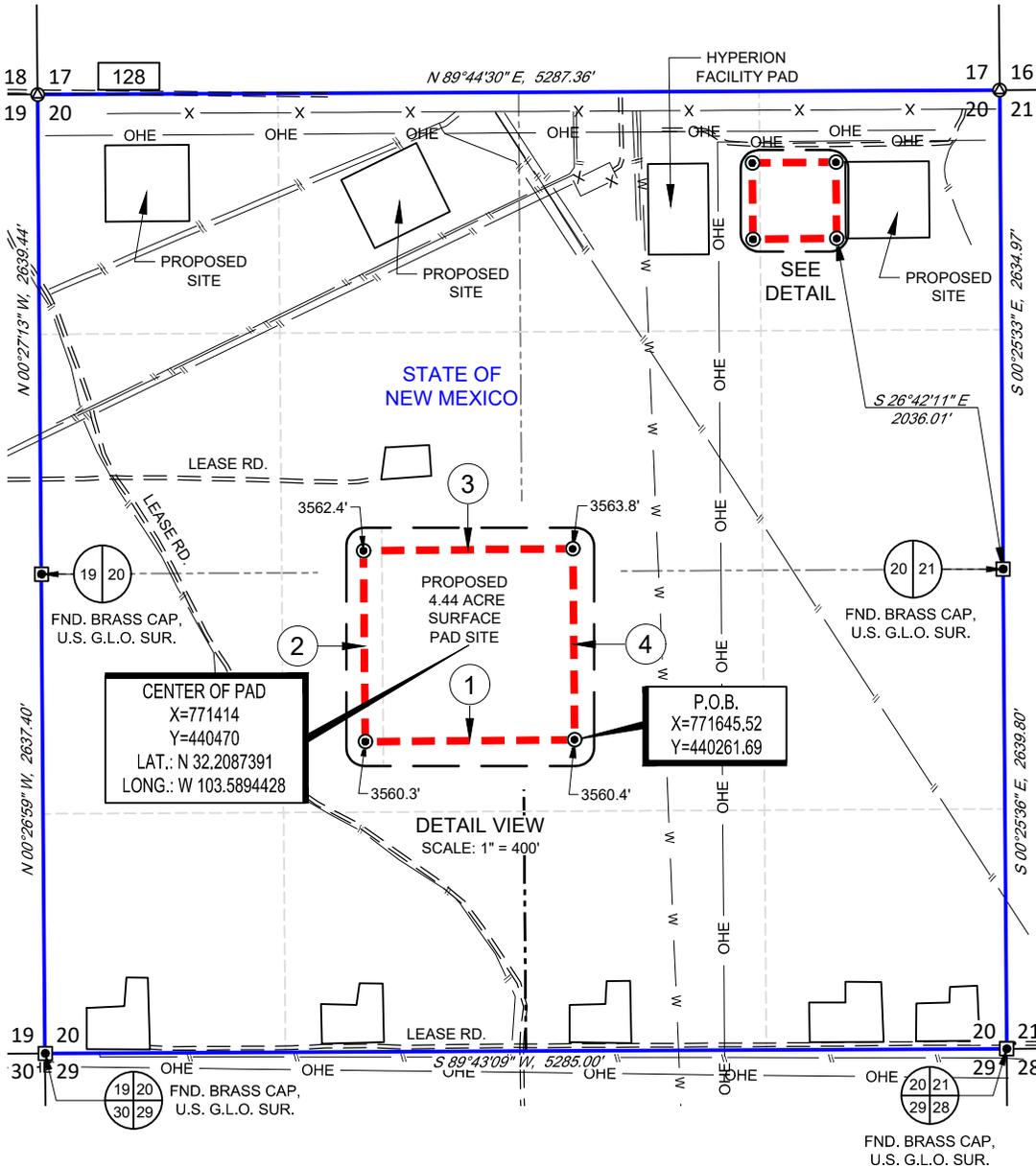
<b>HYPERION STATE COM E2/E2 PAD SITE</b>	
DATE:	01/15/2019
FILE:	BO_HYPERION_20_E2_E2_PAD_SITE_REV1
DRAWN BY:	IMU
SHEET:	1 OF 1

REVISION:	
INT	DATE
KBM	3/22/19

NOTES:  
1. ORIGINAL DOCUMENT SIZE: 8.5" X 11"  
2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.  
3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY TAP ROCK OPERATING, LLC. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.  
4. P.O.B. = POINT OF BEGINNING

SECTION 20, TOWNSHIP 24-S, RANGE 33-E, N.M.P.M.  
LEA COUNTY, NEW MEXICO

SCALE: 1" = 1000'  
0' 500' 1000'



**HYPERION STATE COM  
W2/E2 PAD SITE**

Metes and Bounds Description of a proposed 4.44 acre surface pad located Section 20, Township 24 South, Range 33 East, N.M.P.M., in Lea County, New Mexico.

BEGINNING at a 1/2" iron rod with cap marked "TOPOGRAPHIC" set for the Southeast corner of this site, whence a U.S. G.L.O. brass cap found for the East quarter corner of said Section 20, bears: S 26°42'11" E, a distance of 2,036.01 feet;

Thence S 89°27'30" W, a distance of 460.00 feet to a 1/2" iron rod with cap marked "TOPOGRAPHIC" set for the Southwest corner of this site;

Thence N 00°32'30" W, a distance of 420.00 feet to a 1/2" iron rod with cap marked "TOPOGRAPHIC" set for the Northwest corner of this site;

Thence N 89°27'30" E, a distance of 460.00 feet to a 1/2" iron rod with cap marked "TOPOGRAPHIC" set for the Northeast corner of this site;

Thence S 00°32'30" E, a distance of 420.00 feet to the POINT OF BEGINNING.

**LEGEND**

- PROPOSED SITE
- SECTION LINE
- QUARTER SECTION LINE
- SIXTEENTH SECTION LINE
- TRACT BORDER
- ROAD WAY
- OHE OVERHEAD ELECTRIC
- EXISTING PIPELINE
- WATERLINE
- IRON ROD SET
- MONUMENT
- CALCULATED CORNER

**LINE TABLE**

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1	S 89°27'30" W	460.00'
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**TOPOGRAPHIC**  
LOYALTY INNOVATION LEGACY  
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WWW.TOPOGRAPHIC.COM



John Trevor Carnegie, P.S. No. 11401  
MARCH 22, 2019



HYPERION STATE COM W2/E2 PAD SITE	REVISION:	
	INT	DATE
DATE: 01/15/2019	KBM	3/22/19
FILE: BO_HYPERION_20_W2_E2_PAD_SITE_REV1		
DRAWN BY: IMU		
SHEET: 1 OF 1		

NOTES:	
1.	ORIGINAL DOCUMENT SIZE: 8.5" X 11"
2.	ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.
3.	CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY TAP ROCK OPERATING, LLC. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
4.	P.O.B. = POINT OF BEGINNING





December 2, 2019

**FESCO, Ltd.**  
**1100 Fesco Ave. - Alice, Texas 78332**

**For:** Tap Rock Operating LLC  
 602 Park Point Drive, Suite 200  
 Golden, Colorado 80401

**Sample:** Hyperion 141H  
 First Stage Separator  
 Spot Gas Sample @ 104 psig & 95 °F

Date Sampled: 11/15/2019

Job Number: 193752.001

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286**

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	< 0.001	
Nitrogen	2.059	
Carbon Dioxide	3.635	
Methane	68.639	
Ethane	13.245	3.629
Propane	7.411	2.092
Isobutane	0.876	0.294
n-Butane	2.212	0.714
2-2 Dimethylpropane	0.008	0.003
Isopentane	0.492	0.184
n-Pentane	0.523	0.194
Hexanes	0.372	0.157
Heptanes Plus	<u>0.528</u>	<u>0.214</u>
Totals	100.000	7.481

**Computed Real Characteristics Of Heptanes Plus:**

Specific Gravity -----	3.321	(Air=1)
Molecular Weight -----	95.76	
Gross Heating Value -----	5040	BTU/CF

**Computed Real Characteristics Of Total Sample:**

Specific Gravity -----	0.825	(Air=1)
Compressibility (Z) -----	0.9955	
Molecular Weight -----	23.80	
Gross Heating Value		
Dry Basis -----	1335	BTU/CF
Saturated Basis -----	1312	BTU/CF

\*Hydrogen Sulfide tested on location by: Stain Tube Method (GPA 2377)  
 Results: <0.013 Gr/100 CF, <0.2 PPMV or <0.001 Mol %

Base Conditions: 15.025 PSI & 60 Deg F

Sampled By: (24) D. Field  
 Analyst: NG  
 Processor: RG  
 Cylinder ID: T-0722

Certified: FESCO, Ltd. - Alice, Texas

David Dannhaus 361-661-7015

FESCO, Ltd.

Job Number: 193752.001

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286  
TOTAL REPORT**

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	< 0.001		< 0.001
Nitrogen	2.059		2.424
Carbon Dioxide	3.635		6.722
Methane	68.639		46.272
Ethane	13.245	3.629	16.735
Propane	7.411	2.092	13.732
Isobutane	0.876	0.294	2.139
n-Butane	2.212	0.714	5.402
2,2 Dimethylpropane	0.008	0.003	0.024
Isopentane	0.492	0.184	1.492
n-Pentane	0.523	0.194	1.586
2,2 Dimethylbutane	0.003	0.001	0.011
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.045	0.019	0.163
2 Methylpentane	0.117	0.050	0.424
3 Methylpentane	0.066	0.028	0.239
n-Hexane	0.141	0.059	0.511
Methylcyclopentane	0.070	0.025	0.248
Benzene	0.059	0.017	0.194
Cyclohexane	0.068	0.024	0.240
2-Methylhexane	0.017	0.008	0.072
3-Methylhexane	0.021	0.010	0.088
2,2,4 Trimethylpentane	0.000	0.000	0.000
Other C7's	0.058	0.026	0.242
n-Heptane	0.040	0.019	0.168
Methylcyclohexane	0.051	0.021	0.210
Toluene	0.042	0.014	0.163
Other C8's	0.046	0.022	0.213
n-Octane	0.013	0.007	0.062
Ethylbenzene	0.003	0.001	0.013
M & P Xylenes	0.007	0.003	0.031
O-Xylene	0.002	0.001	0.009
Other C9's	0.018	0.009	0.095
n-Nonane	0.004	0.002	0.022
Other C10's	0.007	0.004	0.042
n-Decane	0.001	0.001	0.006
Undecanes (11)	<u>0.001</u>	<u>0.001</u>	<u>0.006</u>
Totals	100.000	7.481	100.000

Computed Real Characteristics of Total Sample

Specific Gravity -----	0.825	(Air=1)
Compressibility (Z) -----	0.9955	
Molecular Weight -----	23.80	
Gross Heating Value		
Dry Basis -----	1335	BTU/CF
Saturated Basis -----	1312	BTU/CF

December 2, 2019

**FESCO, Ltd.**  
**1100 Fesco Ave. - Alice, Texas 78332**

**Sample:** Hyperion 141H  
 First Stage Separator  
 Spot Gas Sample @ 104 psig & 95 °F

Date Sampled: 11/15/2019

Job Number: 193752.001

**GLYCALC FORMAT**

<b>COMPONENT</b>	<b>MOL%</b>	<b>GPM</b>	<b>Wt %</b>
Carbon Dioxide	3.635		6.722
Hydrogen Sulfide	< 0.001		< 0.001
Nitrogen	2.059		2.424
Methane	68.639		46.272
Ethane	13.245	3.629	16.735
Propane	7.411	2.092	13.732
Isobutane	0.876	0.294	2.139
n-Butane	2.220	0.718	5.426
Isopentane	0.492	0.184	1.492
n-Pentane	0.523	0.194	1.586
Cyclopentane	0.000	0.000	0.000
n-Hexane	0.141	0.059	0.511
Cyclohexane	0.068	0.024	0.240
Other C6's	0.231	0.098	0.837
Heptanes	0.206	0.087	0.818
Methylcyclohexane	0.051	0.021	0.210
2,2,4 Trimethylpentane	0.000	0.000	0.000
Benzene	0.059	0.017	0.194
Toluene	0.042	0.014	0.163
Ethylbenzene	0.003	0.001	0.013
Xylenes	0.009	0.004	0.040
Octanes Plus	<u>0.090</u>	<u>0.046</u>	<u>0.446</u>
Totals	100.000	7.481	100.000

**Real Characteristics Of Octanes Plus:**

Specific Gravity ----- 4.092 (Air=1)  
 Molecular Weight ----- 117.98  
 Gross Heating Value ----- 6221 BTU/CF

**Real Characteristics Of Total Sample:**

Specific Gravity ----- 0.825 (Air=1)  
 Compressibility (Z) ----- 0.9955  
 Molecular Weight ----- 23.80  
 Gross Heating Value  
 Dry Basis ----- 1335 BTU/CF  
 Saturated Basis ----- 1312 BTU/CF

December 20, 2019

**FESCO, Ltd.**  
**1100 FESCO Avenue - Alice, Texas 78332**

**For:** Tap Rock Operating LLC  
 602 Park Point Drive, Suite 200  
 Golden, Colorado 80401

**Sample:** Hyperion 141H  
 First Stage Separator Hydrocarbon Liquid  
 Sampled @ 104 psig & 95 °F

Date Sampled: 11/15/19

Job Number: 193752.002

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2186-M**

COMPONENT	MOL %	LIQ VOL %	WT %
Nitrogen	0.056	0.010	0.010
Carbon Dioxide	0.196	0.054	0.055
Methane	2.380	0.652	0.246
Ethane	2.727	1.179	0.527
Propane	4.966	2.212	1.408
Isobutane	1.283	0.679	0.480
n-Butane	4.710	2.401	1.761
2,2 Dimethylpropane	0.084	0.052	0.039
Isopentane	2.449	1.448	1.136
n-Pentane	3.532	2.070	1.639
2,2 Dimethylbutane	0.019	0.013	0.010
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.283	0.188	0.157
2 Methylpentane	1.222	0.820	0.677
3 Methylpentane	0.754	0.498	0.418
n-Hexane	2.075	1.380	1.150
Heptanes Plus	<u>73.265</u>	<u>86.344</u>	<u>90.287</u>
Totals:	100.000	100.000	100.000

**Characteristics of Heptanes Plus:**

Specific Gravity ----- 0.8332 (Water=1)  
 °API Gravity ----- 38.34 @ 60°F  
 Molecular Weight ----- 191.6  
 Vapor Volume ----- 13.45 CF/Gal  
 Weight ----- 6.94 Lbs/Gal

**Characteristics of Total Sample:**

Specific Gravity ----- 0.7968 (Water=1)  
 °API Gravity ----- 46.09 @ 60°F  
 Molecular Weight ----- 155.5  
 Vapor Volume ----- 15.86 CF/Gal  
 Weight ----- 6.64 Lbs/Gal

Base Conditions: 15.025 PSI & 60 °F

Certified: FESCO, Ltd. - Alice, Texas

Sampled By: (24) Field  
 Analyst: RR  
 Processor: ANBdjv  
 Cylinder ID: W-2001

David Dannhaus 361-661-7015

FESCO, Ltd.

Job Number: 193752.002

**TANKS DATA INPUT REPORT - GPA 2186-M**

COMPONENT	Mol %	LiqVol %	Wt %
Carbon Dioxide	0.196	0.054	0.055
Nitrogen	0.056	0.010	0.010
Methane	2.380	0.652	0.246
Ethane	2.727	1.179	0.527
Propane	4.966	2.212	1.408
Isobutane	1.283	0.679	0.480
n-Butane	4.794	2.453	1.799
Isopentane	2.449	1.448	1.136
n-Pentane	3.532	2.070	1.639
Other C-6's	2.279	1.519	1.263
Heptanes	7.990	5.300	4.799
Octanes	9.676	7.141	6.673
Nonanes	5.390	4.658	4.394
Decanes Plus	42.507	64.761	69.619
Benzene	1.227	0.555	0.616
Toluene	2.945	1.595	1.745
E-Benzene	0.803	0.501	0.548
Xylenes	2.121	1.324	1.448
n-Hexane	2.075	1.380	1.150
2,2,4 Trimethylpentane	<u>0.605</u>	<u>0.509</u>	<u>0.445</u>
Totals:	100.000	100.000	100.000

**Characteristics of Total Sample:**

Specific Gravity -----	0.7968 (Water=1)
°API Gravity -----	46.09 @ 60°F
Molecular Weight-----	155.5
Vapor Volume -----	15.86 CF/Gal
Weight -----	6.64 Lbs/Gal

**Characteristics of Decanes (C10) Plus:**

Specific Gravity -----	0.8565 (Water=1)
Molecular Weight-----	254.7

**Characteristics of Atmospheric Sample:**

°API Gravity -----	42.78 @ 60°F
Reid Vapor Pressure Equivalent (D-6377)-----	9.75 psi

QUALITY CONTROL CHECK			
	Sampling Conditions	Test Samples	
Cylinder Number	-----	W-2001*	-----
Pressure, PSIG	104	112	-----
Temperature, °F	95	95	-----

\* Sample used for analysis

FESCO, Ltd.

Job Number: 193752.002

**TOTAL EXTENDED REPORT - GPA 2186-M**

COMPONENT	Mol %	LiqVol %	Wt %
Nitrogen	0.056	0.010	0.010
Carbon Dioxide	0.196	0.054	0.055
Methane	2.380	0.652	0.246
Ethane	2.727	1.179	0.527
Propane	4.966	2.212	1.408
Isobutane	1.283	0.679	0.480
n-Butane	4.710	2.401	1.761
2,2 Dimethylpropane	0.084	0.052	0.039
Isopentane	2.449	1.448	1.136
n-Pentane	3.532	2.070	1.639
2,2 Dimethylbutane	0.019	0.013	0.010
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.283	0.188	0.157
2 Methylpentane	1.222	0.820	0.677
3 Methylpentane	0.754	0.498	0.418
n-Hexane	2.075	1.380	1.150
Methylcyclopentane	1.436	0.822	0.777
Benzene	1.227	0.555	0.616
Cyclohexane	1.894	1.043	1.025
2-Methylhexane	0.868	0.652	0.559
3-Methylhexane	0.788	0.585	0.508
2,2,4 Trimethylpentane	0.605	0.509	0.445
Other C-7's	1.033	0.728	0.659
n-Heptane	1.971	1.470	1.270
Methylcyclohexane	2.982	1.938	1.883
Toluene	2.945	1.595	1.745
Other C-8's	4.944	3.753	3.504
n-Octane	1.751	1.451	1.286
E-Benzene	0.803	0.501	0.548
M & P Xylenes	1.626	1.020	1.110
O-Xylene	0.495	0.304	0.338
Other C-9's	3.968	3.364	3.222
n-Nonane	1.422	1.294	1.173
Other C-10's	4.831	4.501	4.389
n-decane	1.004	0.996	0.918
Undecanes(11)	4.705	4.497	4.447
Dodecanes(12)	3.387	3.497	3.507
Tridecanes(13)	3.454	3.824	3.887
Tetradecanes(14)	2.892	3.429	3.533
Pentadecanes(15)	2.478	3.148	3.282
Hexadecanes(16)	1.940	2.634	2.769
Heptadecanes(17)	1.641	2.356	2.501
Octadecanes(18)	1.597	2.414	2.578
Nonadecanes(19)	1.437	2.263	2.431
Eicosanes(20)	1.088	1.781	1.925
Heneicosanes(21)	0.952	1.639	1.781
Docosanes(22)	0.812	1.458	1.594
Tricosanes(23)	0.719	1.338	1.471
Tetracosanes(24)	0.622	1.198	1.323
Pentacosanes(25)	0.547	1.094	1.213
Hexacosanes(26)	0.500	1.036	1.154
Heptacosanes(27)	0.470	1.011	1.131
Octacosanes(28)	0.423	0.940	1.056
Nonacosanes(29)	0.362	0.829	0.935
Triacosanes(30)	0.347	0.821	0.929
Hentriacosanes Plus(31+)	<u>6.300</u>	<u>18.056</u>	<u>20.866</u>
Total	100.000	100.000	100.000

December 20, 2019

**FESCO, Ltd.**  
**1100 Fesco Avenue - Alice, Texas 78332**

**For:** Tap Rock Operating LLC  
 602 Park Point Drive, Suite 200  
 Golden, Colorado 80401

**Date Sampled:** 11/15/19

**Date Analyzed:** 12/11/19

**Sample:** Hyperion 141H

**Job Number:** J193752

FLASH LIBERATION OF HYDROCARBON LIQUID		
	Separator HC Liquid	Stock Tank
Pressure, psig	104	0
Temperature, °F	95	70
Gas Oil Ratio (1)	-----	66.6
Gas Specific Gravity (2)	-----	1.329
Separator Volume Factor (3)	1.0681	1.000

STOCK TANK FLUID PROPERTIES	
Shrinkage Recovery Factor (4)	0.9362
Oil API Gravity at 60 °F	42.78
Reid Vapor Pressure Equivalent (D-6377), psi (5)	9.75

Quality Control Check			
	Sampling Conditions	Test Samples	
Cylinder No.	-----	W-2001*	-----
Pressure, psig	104	112	-----
Temperature, °F	95	95	-----

(1) - Scf of flashed vapor per barrel of stock tank oil

(2) - Air = 1.000

(3) - Separator volume / Stock tank volume

(4) - Fraction of first stage separator liquid

(5) - Absolute pressure at 100 deg F

Analyst:                      G.R.

\* Sample used for flash study

**Base Conditions: 15.025 PSI & 60 °F**

Certified: FESCO, Ltd.     -     Alice, Texas

\_\_\_\_\_  
 David Dannhaus    361-661-7015

December 17, 2019

**FESCO, Ltd.**  
**1100 Fesco Ave. - Alice, Texas 78332**

**For:** Tap Rock Operating LLC  
 602 Park Point Drive, Suite 200  
 Golden, Colorado 80401

**Sample:** Hyperion 141H  
 Gas Evolved from Hydrocarbon Liquid Flashed  
 From 104 psig & 95 °F to 0 psig & 70 °F

Date Sampled: 11/15/2019

Job Number: 193752.011

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286**

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	< 0.001	
Nitrogen	0.377	
Carbon Dioxide	2.474	
Methane	26.411	
Ethane	23.416	6.473
Propane	25.810	7.350
Isobutane	3.840	1.299
n-Butane	9.997	3.258
2-2 Dimethylpropane	0.020	0.008
Isopentane	2.273	0.859
n-Pentane	2.399	0.899
Hexanes	1.417	0.603
Heptanes Plus	<u>1.566</u>	<u>0.624</u>
Totals	100.000	21.374

**Computed Real Characteristics Of Heptanes Plus:**

Specific Gravity -----	3.267	(Air=1)
Molecular Weight -----	93.34	
Gross Heating Value -----	4900	BTU/CF

**Computed Real Characteristics Of Total Sample:**

Specific Gravity -----	1.329	(Air=1)
Compressibility (Z) -----	0.9865	
Molecular Weight -----	37.96	
Gross Heating Value		
Dry Basis -----	2189	BTU/CF
Saturated Basis -----	2151	BTU/CF

\*Hydrogen Sulfide tested in laboratory by: Stain Tube Method (GPA 2377)  
 Results: <0.013 Gr/100 CF, <0.2 PPMV or <0.001 Mol %

Base Conditions: 15.025 PSI & 60 Deg F

Sampled By: (16) ETIII  
 Analyst: NG  
 Processor: NG  
 Cylinder ID: FL-15S

Certified: FESCO, Ltd. - Alice, Texas

\_\_\_\_\_  
 David Dannhaus 361-661-7015

FESCO, Ltd.

Job Number: 193752.011

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286  
TOTAL REPORT**

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	< 0.001		< 0.001
Nitrogen	0.377		0.278
Carbon Dioxide	2.474		2.868
Methane	26.411		11.162
Ethane	23.416	6.473	18.546
Propane	25.810	7.350	29.978
Isobutane	3.840	1.299	5.879
n-Butane	9.997	3.258	15.305
2,2 Dimethylpropane	0.020	0.008	0.038
Isopentane	2.273	0.859	4.320
n-Pentane	2.399	0.899	4.559
2,2 Dimethylbutane	0.013	0.006	0.030
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.178	0.075	0.404
2 Methylpentane	0.458	0.197	1.040
3 Methylpentane	0.249	0.105	0.565
n-Hexane	0.519	0.221	1.178
Methylcyclopentane	0.251	0.089	0.556
Benzene	0.202	0.058	0.416
Cyclohexane	0.234	0.082	0.518
2-Methylhexane	0.053	0.025	0.140
3-Methylhexane	0.066	0.031	0.174
2,2,4 Trimethylpentane	0.000	0.000	0.000
Other C7's	0.184	0.083	0.481
n-Heptane	0.114	0.054	0.301
Methylcyclohexane	0.149	0.062	0.385
Toluene	0.103	0.036	0.250
Other C8's	0.128	0.062	0.372
n-Octane	0.022	0.012	0.066
Ethylbenzene	0.006	0.002	0.017
M & P Xylenes	0.011	0.004	0.031
O-Xylene	0.003	0.001	0.008
Other C9's	0.032	0.017	0.106
n-Nonane	0.004	0.002	0.014
Other C10's	0.003	0.002	0.011
n-Decane	0.000	0.000	0.000
Undecanes (11)	<u>0.001</u>	<u>0.001</u>	<u>0.004</u>
Totals	100.000	21.374	100.000

**Computed Real Characteristics Of Total Sample:**

Specific Gravity -----	1.329	(Air=1)
Compressibility (Z) -----	0.9865	
Molecular Weight -----	37.96	
Gross Heating Value		
Dry Basis -----	2189	BTU/CF
Saturated Basis -----	2151	BTU/CF

October 6, 2020

**FESCO, Ltd.**  
**1100 Fesco Ave. - Alice, Texas 78332**

**For:** Tap Rock Operating LLC  
 523 Park Point Drive, Suite 200  
 Golden, Colorado 80401

**Sample:** Hyperion State No. 205H  
 First Stage Separator  
 Spot Gas Sample @ 98 psig & 111 °F

Date Sampled: 09/25/2020

Job Number: 202626.001

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286**

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	< 0.001	
Nitrogen	0.818	
Carbon Dioxide	0.109	
Methane	77.462	
Ethane	11.048	3.026
Propane	5.156	1.455
Isobutane	0.876	0.294
n-Butane	1.917	0.619
2-2 Dimethylpropane	0.009	0.004
Isopentane	0.542	0.203
n-Pentane	0.618	0.229
Hexanes	0.604	0.255
Heptanes Plus	<u>0.841</u>	<u>0.364</u>
Totals	100.000	6.448

**Computed Real Characteristics Of Heptanes Plus:**

Specific Gravity -----	3.462	(Air=1)
Molecular Weight -----	99.86	
Gross Heating Value -----	5332	BTU/CF

**Computed Real Characteristics Of Total Sample:**

Specific Gravity -----	0.767	(Air=1)
Compressibility (Z) -----	0.9958	
Molecular Weight -----	22.13	
Gross Heating Value		
Dry Basis -----	1353	BTU/CF
Saturated Basis -----	1330	BTU/CF

\*Hydrogen Sulfide tested on location by: Stain Tube Method (GPA 2377)  
 Results: <0.013 Gr/100 CF, <0.2 PPMV or <0.001 Mol %

Base Conditions: 15.025 PSI & 60 Deg F

Sampled By: (24) Field D.  
 Analyst: RG  
 Processor: KV  
 Cylinder ID: T-5316

Certified: FESCO, Ltd. - Alice, Texas

\_\_\_\_\_  
 David Dannhaus 361-661-7015

FESCO, Ltd.

Job Number: 202626.001

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286  
TOTAL REPORT**

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	< 0.001		< 0.001
Nitrogen	0.818		1.036
Carbon Dioxide	0.109		0.217
Methane	77.462		56.159
Ethane	11.048	3.026	15.014
Propane	5.156	1.455	10.276
Isobutane	0.876	0.294	2.301
n-Butane	1.917	0.619	5.036
2,2 Dimethylpropane	0.009	0.004	0.029
Isopentane	0.542	0.203	1.767
n-Pentane	0.618	0.229	2.015
2,2 Dimethylbutane	0.011	0.005	0.043
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.048	0.020	0.187
2 Methylpentane	0.188	0.080	0.732
3 Methylpentane	0.101	0.042	0.393
n-Hexane	0.256	0.108	0.997
Methylcyclopentane	0.089	0.031	0.339
Benzene	0.016	0.005	0.056
Cyclohexane	0.103	0.036	0.392
2-Methylhexane	0.042	0.020	0.190
3-Methylhexane	0.045	0.021	0.204
2,2,4 Trimethylpentane	0.000	0.000	0.000
Other C7's	0.107	0.048	0.480
n-Heptane	0.093	0.044	0.421
Methylcyclohexane	0.109	0.045	0.484
Toluene	0.025	0.009	0.104
Other C8's	0.108	0.051	0.538
n-Octane	0.029	0.015	0.150
Ethylbenzene	0.001	0.000	0.005
M & P Xylenes	0.010	0.004	0.048
O-Xylene	0.002	0.001	0.010
Other C9's	0.034	0.018	0.194
n-Nonane	0.006	0.003	0.035
Other C10's	0.008	0.005	0.051
n-Decane	0.002	0.001	0.013
Undecanes (11)	<u>0.012</u>	<u>0.008</u>	<u>0.084</u>
Totals	100.000	6.448	100.000

Computed Real Characteristics of Total Sample

Specific Gravity -----	0.767	(Air=1)
Compressibility (Z) -----	0.9958	
Molecular Weight -----	22.13	
Gross Heating Value		
Dry Basis -----	1353	BTU/CF
Saturated Basis -----	1330	BTU/CF

October 6, 2020

**FESCO, Ltd.**  
**1100 Fesco Ave. - Alice, Texas 78332**

**Sample:** Hyperion State No. 205H  
 First Stage Separator  
 Spot Gas Sample @ 98 psig & 111 °F

Date Sampled: 09/25/2020

Job Number: 202626.001

**GLYCALC FORMAT**

<b>COMPONENT</b>	<b>MOL%</b>	<b>GPM</b>	<b>Wt %</b>
Carbon Dioxide	0.109		0.217
Hydrogen Sulfide	< 0.001		< 0.001
Nitrogen	0.818		1.036
Methane	77.462		56.159
Ethane	11.048	3.026	15.014
Propane	5.156	1.455	10.276
Isobutane	0.876	0.294	2.301
n-Butane	1.926	0.622	5.065
Isopentane	0.542	0.203	1.767
n-Pentane	0.618	0.229	2.015
Cyclopentane	0.000	0.000	0.000
n-Hexane	0.256	0.108	0.997
Cyclohexane	0.103	0.036	0.392
Other C6's	0.348	0.147	1.355
Heptanes	0.376	0.164	1.634
Methylcyclohexane	0.109	0.045	0.484
2,2,4 Trimethylpentane	0.000	0.000	0.000
Benzene	0.016	0.005	0.056
Toluene	0.025	0.009	0.104
Ethylbenzene	0.001	0.000	0.005
Xylenes	0.012	0.005	0.058
Octanes Plus	<u>0.199</u>	<u>0.101</u>	<u>1.065</u>
Totals	100.000	6.448	100.000

**Real Characteristics Of Octanes Plus:**

Specific Gravity ----- 4.102 (Air=1)  
 Molecular Weight ----- 118.29  
 Gross Heating Value ----- 6233 BTU/CF

**Real Characteristics Of Total Sample:**

Specific Gravity ----- 0.767 (Air=1)  
 Compressibility (Z) ----- 0.9958  
 Molecular Weight ----- 22.13  
 Gross Heating Value  
 Dry Basis ----- 1353 BTU/CF  
 Saturated Basis ----- 1330 BTU/CF

October 20, 2020

**FESCO, Ltd.**  
**1100 FESCO Avenue - Alice, Texas 78332**

**For:** Tap Rock Operating LLC  
 523 Park Point Drive, Suite 200  
 Golden, Colorado 80401

**Sample:** Hyperion State No. 205H  
 First Stage Separator Hydrocarbon Liquid  
 Sampled @ 98 psig & 111 °F

Date Sampled: 09/25/2020

Job Number: 202626.002

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2186-M**

COMPONENT	MOL %	LIQ VOL %	WT %
Nitrogen	0.027	0.005	0.005
Carbon Dioxide	0.014	0.004	0.004
Methane	2.588	0.728	0.282
Ethane	2.021	0.897	0.413
Propane	3.051	1.395	0.915
Isobutane	1.151	0.625	0.455
n-Butane	3.591	1.879	1.419
2,2 Dimethylpropane	0.050	0.032	0.025
Isopentane	2.369	1.438	1.162
n-Pentane	3.464	2.084	1.699
2,2 Dimethylbutane	0.043	0.030	0.025
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.206	0.140	0.121
2 Methylpentane	1.165	0.802	0.683
3 Methylpentane	0.720	0.488	0.422
n-Hexane	2.285	1.560	1.339
Heptanes Plus	<u>77.255</u>	<u>87.893</u>	<u>91.031</u>
Totals:	100.000	100.000	100.000

**Characteristics of Heptanes Plus:**

Specific Gravity ----- 0.8011 (Water=1)  
 °API Gravity ----- 45.13 @ 60°F  
 Molecular Weight ----- 173.3  
 Vapor Volume ----- 14.31 CF/Gal  
 Weight ----- 6.67 Lbs/Gal

**Characteristics of Total Sample:**

Specific Gravity ----- 0.7735 (Water=1)  
 °API Gravity ----- 51.43 @ 60°F  
 Molecular Weight ----- 147.1  
 Vapor Volume ----- 16.28 CF/Gal  
 Weight ----- 6.44 Lbs/Gal

Base Conditions: 15.025 PSI & 60 °F

Certified: FESCO, Ltd. - Alice, Texas

Sampled By: (24) DF  
 Analyst: JL  
 Processor: HB  
 Cylinder ID: W-4143P

David Dannhaus 361-661-7015

FESCO, Ltd.

Job Number: 202626.002

**TANKS DATA INPUT REPORT - GPA 2186-M**

COMPONENT	Mol %	LiqVol %	Wt %
Carbon Dioxide	0.014	0.004	0.004
Nitrogen	0.027	0.005	0.005
Methane	2.588	0.728	0.282
Ethane	2.021	0.897	0.413
Propane	3.051	1.395	0.915
Isobutane	1.151	0.625	0.455
n-Butane	3.641	1.911	1.444
Isopentane	2.369	1.438	1.162
n-Pentane	3.464	2.084	1.699
Other C-6's	2.133	1.460	1.250
Heptanes	11.365	8.077	7.415
Octanes	10.101	8.067	7.587
Nonanes	7.423	6.672	6.402
Decanes Plus	43.850	62.057	66.438
Benzene	0.173	0.080	0.092
Toluene	1.023	0.569	0.641
E-Benzene	0.472	0.302	0.341
Xylenes	1.755	1.126	1.267
n-Hexane	2.285	1.560	1.339
2,2,4 Trimethylpentane	<u>1.093</u>	<u>0.943</u>	<u>0.849</u>
Totals:	100.000	100.000	100.000

**Characteristics of Total Sample:**

Specific Gravity -----	0.7735 (Water=1)
°API Gravity -----	51.43 @ 60°F
Molecular Weight-----	147.1
Vapor Volume-----	16.28 CF/Gal
Weight -----	6.44 Lbs/Gal

**Characteristics of Decanes (C10) Plus:**

Specific Gravity -----	0.8281 (Water=1)
Molecular Weight-----	222.8

**Characteristics of Atmospheric Sample:**

°API Gravity -----	49.03 @ 60°F
Reid Vapor Pressure Equivalent (D-6377)-----	7.33 psi

QUALITY CONTROL CHECK			
	Sampling Conditions	Test Samples	
Cylinder Number	-----	W-4143P*	-----
Pressure, PSIG	98	96	-----
Temperature, °F	111	111	-----

\* Sample used for analysis

FESCO, Ltd.

## TOTAL EXTENDED REPORT - GPA 2186-M

Job Number: 202626.002

COMPONENT	Mol %	LiqVol %	Wt %
Nitrogen	0.027	0.005	0.005
Carbon Dioxide	0.014	0.004	0.004
Methane	2.588	0.728	0.282
Ethane	2.021	0.897	0.413
Propane	3.051	1.395	0.915
Isobutane	1.151	0.625	0.455
n-Butane	3.591	1.879	1.419
2,2 Dimethylpropane	0.050	0.032	0.025
Isopentane	2.369	1.438	1.162
n-Pentane	3.464	2.084	1.699
2,2 Dimethylbutane	0.043	0.030	0.025
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.206	0.140	0.121
2 Methylpentane	1.165	0.802	0.683
3 Methylpentane	0.720	0.488	0.422
n-Hexane	2.285	1.560	1.339
Methylcyclopentane	1.183	0.695	0.677
Benzene	0.173	0.080	0.092
Cyclohexane	1.653	0.934	0.946
2-Methylhexane	1.108	0.855	0.755
3-Methylhexane	1.012	0.771	0.690
2,2,4 Trimethylpentane	1.093	0.943	0.849
Other C-7's	2.801	2.060	1.889
n-Heptane	3.606	2.762	2.457
Methylcyclohexane	0.654	0.437	0.437
Toluene	1.023	0.569	0.641
Other C-8's	6.881	5.450	5.157
n-Octane	2.565	2.181	1.992
E-Benzene	0.472	0.302	0.341
M & P Xylenes	1.391	0.896	1.004
O-Xylene	0.364	0.230	0.263
Other C-9's	5.280	4.670	4.532
n-Nonane	2.144	2.002	1.869
Other C-10's	5.674	5.516	5.451
n-decane	1.476	1.504	1.428
Undecanes(11)	5.784	5.769	5.782
Dodecanes(12)	4.209	4.534	4.607
Tridecanes(13)	4.122	4.761	4.905
Tetradecanes(14)	3.288	4.068	4.248
Pentadecanes(15)	2.891	3.832	4.050
Hexadecanes(16)	2.099	2.972	3.168
Heptadecanes(17)	1.892	2.834	3.049
Octadecanes(18)	1.726	2.722	2.946
Nonadecanes(19)	1.498	2.461	2.679
Eicosanes(20)	1.099	1.877	2.056
Heneicosanes(21)	0.943	1.693	1.865
Docosanes(22)	0.798	1.495	1.656
Tricosanes(23)	0.701	1.360	1.515
Tetracosanes(24)	0.574	1.155	1.293
Pentacosanes(25)	0.522	1.088	1.223
Hexacosanes(26)	0.469	1.013	1.144
Heptacosanes(27)	0.414	0.929	1.054
Octacosanes(28)	0.378	0.877	0.998
Nonacosanes(29)	0.289	0.692	0.791
Triacotanes(30)	0.257	0.636	0.728
Hentriacotanes Plus(31+)	<u>2.746</u>	<u>8.268</u>	<u>9.802</u>
Total	100.000	100.000	100.000

October 20, 2020

**FESCO, Ltd.**  
**1100 Fesco Avenue - Alice, Texas 78332**

**For:** Tap Rock Operating LLC  
 523 Park Point Drive, Suite 200  
 Golden, Colorado 80401

**Date Sampled:** 09/25/20

**Date Analyzed:** 10/10/20

**Sample:** Hyperion State No. 205H

**Job Number:** J202626

FLASH LIBERATION OF HYDROCARBON LIQUID		
	Separator HC Liquid	Stock Tank
Pressure, psig	98	0
Temperature, °F	111	70
Gas Oil Ratio (1)	-----	42.4
Gas Specific Gravity (2)	-----	1.194
Separator Volume Factor (3)	1.0592	1.000

STOCK TANK FLUID PROPERTIES	
Shrinkage Recovery Factor (4)	0.9441
Oil API Gravity at 60 °F	49.03
Reid Vapor Pressure Equivalent (D-6377), psi (5)	7.33

Quality Control Check			
	Sampling Conditions	Test Samples	
Cylinder No.	-----	T-4143P*	-----
Pressure, psig	98	96	-----
Temperature, °F	111	111	-----

(1) - Scf of flashed vapor per barrel of stock tank oil

(2) - Air = 1.000

(3) - Separator volume / Stock tank volume

(4) - Fraction of first stage separator liquid

(5) - Absolute pressure at 100 deg F

Analyst: E.T. III

\* Sample used for flash study

**Base Conditions: 15.025 PSI & 60 °F**

Certified: FESCO, Ltd. - Alice, Texas

David Dannhaus 361-661-7015

October 13, 2020

**FESCO, Ltd.**  
**1100 Fesco Ave. - Alice, Texas 78332**

**For:** Tap Rock Operating LLC  
 523 Park Point Drive, Suite 200  
 Golden, Colorado 80401

**Sample:** Hyperion State No. 205H  
 Gas Evolved from Hydrocarbon Liquid Flashed  
 From 98 psig & 111 °F to 0 psig & 70 °F

Date Sampled: 09/25/2020

Job Number: 202626.011

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286**

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	< 0.001	
Nitrogen	0.196	
Carbon Dioxide	0.138	
Methane	39.917	
Ethane	22.320	6.156
Propane	18.003	5.115
Isobutane	3.613	1.219
n-Butane	7.932	2.579
2-2 Dimethylpropane	0.052	0.020
Isopentane	2.193	0.827
n-Pentane	2.328	0.870
Hexanes	1.670	0.709
Heptanes Plus	<u>1.638</u>	<u>0.693</u>
Totals	100.000	18.189

**Computed Real Characteristics Of Heptanes Plus:**

Specific Gravity -----	3.377	(Air=1)
Molecular Weight -----	96.73	
Gross Heating Value -----	5150	BTU/CF

**Computed Real Characteristics Of Total Sample:**

Specific Gravity -----	1.194	(Air=1)
Compressibility (Z) -----	0.9889	
Molecular Weight -----	34.20	
Gross Heating Value		
Dry Basis -----	2039	BTU/CF
Saturated Basis -----	2004	BTU/CF

\*Hydrogen Sulfide tested in laboratory by: Stain Tube Method (GPA 2377)  
 Results: <0.013 Gr/100 CF, <0.2 PPMV or <0.001 Mol %

Base Conditions: 15.025 PSI & 60 Deg F

Sampled By: (16) ET III  
 Analyst: JRG  
 Processor: KV  
 Cylinder ID: FL-9S

Certified: FESCO, Ltd. - Alice, Texas

\_\_\_\_\_  
 David Dannhaus 361-661-7015

FESCO, Ltd.

Job Number: 202626.011

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286  
TOTAL REPORT**

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	< 0.001		< 0.001
Nitrogen	0.196		0.161
Carbon Dioxide	0.138		0.178
Methane	39.917		18.721
Ethane	22.320	6.156	19.622
Propane	18.003	5.115	23.210
Isobutane	3.613	1.219	6.140
n-Butane	7.932	2.579	13.479
2,2 Dimethylpropane	0.052	0.020	0.110
Isopentane	2.193	0.827	4.626
n-Pentane	2.328	0.870	4.911
2,2 Dimethylbutane	0.036	0.016	0.091
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.142	0.060	0.358
2 Methylpentane	0.540	0.231	1.361
3 Methylpentane	0.282	0.119	0.711
n-Hexane	0.670	0.284	1.688
Methylcyclopentane	0.227	0.081	0.559
Benzene	0.039	0.011	0.089
Cyclohexane	0.245	0.086	0.603
2-Methylhexane	0.090	0.043	0.264
3-Methylhexane	0.093	0.044	0.272
2,2,4 Trimethylpentane	0.000	0.000	0.000
Other C7's	0.229	0.103	0.664
n-Heptane	0.175	0.083	0.513
Methylcyclohexane	0.211	0.087	0.606
Toluene	0.044	0.015	0.119
Other C8's	0.186	0.089	0.599
n-Octane	0.032	0.017	0.107
Ethylbenzene	0.001	0.000	0.003
M & P Xylenes	0.012	0.005	0.037
O-Xylene	0.002	0.001	0.006
Other C9's	0.047	0.025	0.173
n-Nonane	0.005	0.003	0.019
Other C10's	0.000	0.000	0.000
n-Decane	0.000	0.000	0.000
Undecanes (11)	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Totals	100.000	18.189	100.000

**Computed Real Characteristics Of Total Sample:**

Specific Gravity -----	1.194	(Air=1)
Compressibility (Z) -----	0.9889	
Molecular Weight -----	34.20	
Gross Heating Value		
Dry Basis -----	2039	BTU/CF
Saturated Basis -----	2004	BTU/CF

Page: 1 Document Name: untitled

CMD : ONGARD 02/12/15 14:34:16  
OG5COMM MAINTAIN COMMUNITIZATION AGREEMENT OGSNKK -TQWG

Comm Agr Name : BETTIS 20 STATE COM WELL #2H COM NUM: 203360  
Comm Location : Sec: 20 Twp: 24S Rng: 33E STR-Location: E2E2  
Orig Operator : MURCHISON OIL & GAS INC  
Curr Operator : MURCHISON OIL & GAS INC

Effective Date : 10-01-2014 Apprvl Date : 02-12-2015 Status : APP  
Rej/Termn Date : Rej/Termn Reason :

County : LEA Inst : CS OCD Order# :  
Remarks :

Total Acreage : 160.00 Fedral Acreage : St Acreage : 160.00  
Fee Acreage : Indian Acreage :

Leases in Comm : VB0179 0004 V02884 0003\*

M0015: Table update is successful.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 DELETE PF06 CONFIRM  
PF07 PF08 PF09 PF10 REINST PF11 TERMN PF12

# EXHIBIT 2

Date: 2/12/2015 Time: 2:38:20 PM

**NEW MEXICO STATE LAND OFFICE**

**CERTIFICATE OF APPROVAL**

**COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

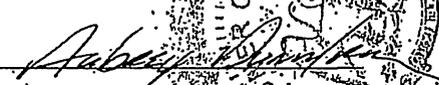
**Murchison Oil & Gas Inc  
Bettis 20 State Com Well No. 2H  
Vertical Extent: Bone Spring  
Township: 24 South, Range: 33 East, NMPM  
Section 20 : E2E2  
Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Consolidation Agreement for the development and operation of acreage which is described within the referenced Agreement dated **October 1, 2014**, which has been executed, or is to be executed, by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 12<sup>th</sup> day of February, 2015.

  
**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico



CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

06/13/14 10:00:24  
OGSWVJ -TQEV  
PAGE NO: 1

Sec : 20 Twp : 24S Rng : 33E Section Type : NORMAL

D 40.00 CS VB0179 0004 OXY USA INC. C 01/01/93	C 40.00 CS VB0179 0004 OXY USA INC. C 01/01/93	B 40.00 CS V02884 0003 OXY USA INC. C 02/01/94	A 40.00 CS V02884 0003 OXY USA INC. C 02/01/94
E 40.00 CS VB0179 0004 OXY USA INC. C 01/01/93	F 40.00 CS VB0179 0004 OXY USA INC. C 01/01/93 A	G 40.00 CS V02884 0003 OXY USA INC. C 02/01/94	H 40.00 CS V02884 0003 OXY USA INC. C 02/01/94
L 40.00 CS VB0179 0004 OXY USA INC. 01/01/93	K 40.00 CS VB0179 0004 OXY USA INC. 01/01/93	J 40.00 CS VB0179 0004 OXY USA INC. 01/01/93	I 40.00 CS VB0179 0004 OXY USA INC. 01/01/93
M 40.00 CS VB0179 0004 OXY USA INC. 01/01/93 A	N 40.00 CS VB0179 0004 OXY USA INC. 01/01/93 A A	O 40.00 CS VB0179 0004 OXY USA INC. 01/01/93 A	P 40.00 CS VB0179 0004 OXY USA INC. 01/01/93 A

COMMUNITIZATION AGREEMENT							OGSWVJ
Comm Agrmt Name	: Bettis 20 State Com Well No. 002H					ONGARD COM NUM:	
API	: 30-025-41436	SHL: Unit P(P) of Sec 20	Pool:	Triple X; Bone Spring, West (96674)			
Comm Lands	: Sec1: 20	Twp1: 24	South	Rng1: 33	East	STR-Loc1	E2E2
Comm Lands Ext.	: Sec2:	Twp2:		Rng2:		STR-Loc2	
Curr Operator	: Murchison Oil & Gas Inc (OGRID = 15363)						
First Production	: Spud: 03/16/14						
Effective Date	: 10/1/14	Apprvl Date:	2/11/15	Status:	APP		
County	: Lea	Inst:	C.S.		OCD Order# :		
Formations/Remarks	: Signed CA covers the Bone Spring formation(s)						
Total Acreage	: 160	Federal Acreage:	0	State Acreage:	160		
Fee Acreage	: 0	Indian Acreage:	0				
Leases in Comm	: V0-2884-3	VB-0179-4					
Acres	: 80	80	0	0			

NM State Land Office  
Oil, Gas, & Minerals Division

STATE/STATE OR  
STATE/FEE  
Revised Feb. 2013

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL MEN BY THESE PRESENTS:

STATE OF NEW MEXICO )  
                                          ss)

COUNTY OF Lea

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of  
October 1, 2014 by and between the parties subscribing, ratifying or consenting hereto,  
such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the  
Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of  
conservation of oil & gas and the prevention of waste to consent to and approve the development or  
operation of State lands under agreements made by lessees of oil & gas leases thereon, jointly or  
severally with other oil & gas lessees of State Lands, or oil and gas lessees or mineral owners of  
privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a  
proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of  
the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural  
Resources Department where such agreement provides for the allocation of the production of oil or  
gas from such pools or communitized area on an acreage or other basis found by the Commissioner  
to be fair and equitable.

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating  
rights under the oil and gas leases and lands subject to this agreement, which leases are more  
particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof,  
for all purposes; and

WHEREAS, said leases, insofar as they cover the East half East half (E/2 E/2)  
Bone Springs Formation formation (hereinafter referred to as "said formation") in and under  
the land hereinafter described cannot be independently developed and operated in conformity with  
the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said  
leases subject to this agreement for the purpose of developing, operating and producing  
hydrocarbons in the said formation in and under the land hereinafter described subject to the terms  
hereof.

NOW THEREFORE, in consideration of the premises and the mutual advantages to the parties  
hereto, it is mutually covenanted and agreed by and between the undersigned as follows:

ONLINE version  
February 2013

State/State  
State/Fee

1

2015 FEB 11 8 12 AM

FEES 4 NMSLO 001-00006  
29 0 11-FEB-15 09:56 30.00

1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions East half East half (E/2 E/2)

Of Sect 20 Twnshp 24S Rng 33E NMPM Lea County, NM

containing acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "Communitized Substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, and ownership (Lessees of Record) of all leases within the communitized area.

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 4, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

2015 FEB 11 PM 8 12

5. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

6. The commencement, completion, and continued operation or production of a well or wells for communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

7. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.

8. Murchison Oil & Gas, Inc. shall be the Operator of said communitized area and all matters of operation shall be determined and performed by

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are

ONLINE version  
February 2013

State/State  
State/Fee

2015 FEB 11 AM 8 12 3

thereafter conducted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

OPERATOR  
BY:  
LESSEES OF RECORD:

(Attach additional pages if needed)

ONLINE version  
February 2013

State/State  
State/Fee

2025 FEB 11 AM 8 12



COMMISSIONER  
Stephanie Garcia Richard

*State of New Mexico*  
*Commissioner of Public Lands*

310 OLD SANTA FE TRAIL  
P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE  
Phone (505) 827-5760  
Fax (505) 827-5766  
www.nmstatelands.org

Rachelle Reese  
Tap Rock Operating, LLC  
523 Park Point Dr., Suite 200  
Golden, CO 80401

August 16<sup>th</sup>, 2021

Re: Communitization Agreement Approval  
Hyperion State #204H  
Vertical Extent: Wolfcamp  
Township: 24 South, Range 33 East, NMPM  
Section 20: E2E2  
Lea County, New Mexico

RECEIVED

SEP 20 2021

Dear Ms Reese,

The Commissioner of Public Lands has this date approved the Hyperion State #204H Communitization Agreement for the Wolfcamp formation effective 3/1/2021. Enclosed are three Certificates of Approval.

The agreement shall remain in effect for One Year, and as long thereafter as communitized substances are produced from the communitized area in paying quantities.

Approval of this agreement does not warrant or certify that the operator and/or other working interest owners hold legal or equitable title to the leases which are committed hereto, nor does the Commissioner's approval constitute adjudication of any federal or private interests, or warrant or certify that the information supplied by the operator regarding federal or private interests is accurate.

If we may be of further service, please contact Niranjana Khalsa at (505) 827-6628.

Sincerely,

Stephanie Garcia Richard  
COMMISSIONER OF PUBLIC LANDS

**NEW MEXICO STATE LAND OFFICE**

## CERTIFICATE OF APPROVAL

**COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

**Tap Rock Operating, LLC**  
**Hyperion State #204H**  
**Vertical Extent: Wolfcamp**  
**Township: 24 South, Range: 33 East, NMPM**  
**Section 20 : E2E2**  
**Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State on New Mexico for examination, a Consolidation Agreement for the development and operation of acreage which is described within the referenced Agreement dated **March 1, 2021**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 16<sup>th</sup> day of August, 2021.



**COMMISSIONER OF PUBLIC LANDS**

**of the State of New Mexico**

**NEW MEXICO STATE LAND OFFICE**

CERTIFICATE OF APPROVAL

**COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

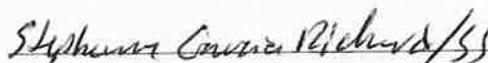
**Tap Rock Operating, LLC  
Hyperion State #204H  
Vertical Extent: Wolfcamp  
Township: 24 South, Range: 33 East, NMPM  
Section 20 : E2E2  
Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State on New Mexico for examination, a Consolidation Agreement for the development and operation of acreage which is described within the referenced Agreement dated **March 1, 2021**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 16<sup>th</sup> day of August, 2021.

  
**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico

**NEW MEXICO STATE LAND OFFICE**

CERTIFICATE OF APPROVAL

**COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

**Tap Rock Operating, LLC  
Hyperion State #204H  
Vertical Extent: Wolfcamp  
Township: 24 South, Range: 33 East, NMPM  
Section 20 : E2E2  
Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State on New Mexico for examination, a Consolidation Agreement for the development and operation of acreage which is described within the referenced Agreement dated **March 1, 2021**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 16<sup>th</sup> day of August, 2021.

  
**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico



NOW THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the undersigned as follows:

- 1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions **E/2E/2**  
 Of Sect(s) **20** Twnshp **24S** Rng **33E** NMPM **Lea** County, NM

containing **160** acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and/or depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

- 2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

- 3. Subject to Paragraph 4, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

2021 APR - 7 PM 5:42

4. Tap Rock Operating LLC shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by Tap Rock Operating LLC.

5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be

ONLINE version  
March, 2017

State/State  
State/Fee

2021 APR -7 PM 6:43

terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

ONLINE version  
March, 2017

State/State  
State/Fee

2021 APR -7 PM 6:43

**NEW MEXICO STATE LAND OFFICE**

**CERTIFICATE OF APPROVAL**

**COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

**Murchison Oil & Gas Inc  
Bettis 20 State Com Well No. 3H  
Vertical Extent: Bone Spring  
Township: 24 South, Range: 33 East, NMPM  
Section 20 : W2E2  
Lea County, New Mexico**

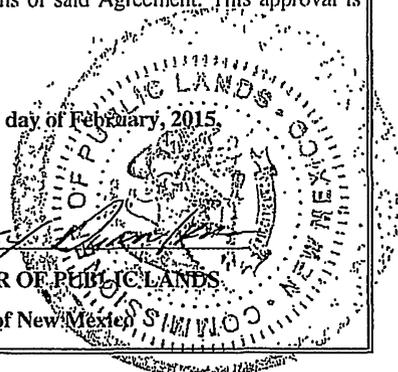
There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Consolidation Agreement for the development and operation of acreage which is described within the referenced Agreement dated **October 1, 2014**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 12<sup>th</sup> day of February, 2015.

  
COMMISSIONER OF PUBLIC LANDS  
of the State of New Mexico



CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

06/13/14 10:00:24  
OGSWVJ -TQEV  
PAGE NO: 1

Sec : 20 Twp : 24S Rng : 33E Section Type : NORMAL

D 40.00 CS VB0179 0004 OXY USA INC. C 01/01/93	C 40.00 CS VB0179 0004 OXY USA INC. C 01/01/93	B 40.00 CS V02884 0003 OXY USA INC. C 02/01/94	A 40.00 CS V02884 0003 OXY USA INC. C 02/01/94
E 40.00 CS VB0179 0004 OXY USA INC. C 01/01/93	F 40.00 CS VB0179 0004 OXY USA INC. C 01/01/93 A	G 40.00 CS V02884 0003 OXY USA INC. C 02/01/94	H 40.00 CS V02884 0003 OXY USA INC. C 02/01/94
L 40.00 CS VB0179 0004 OXY USA INC. 01/01/93	K 40.00 CS VB0179 0004 OXY USA INC. 01/01/93	J 40.00 CS VB0179 0004 OXY USA INC. 01/01/93	I 40.00 CS VB0179 0004 OXY USA INC. 01/01/93
M 40.00 CS VB0179 0004 OXY USA INC. 01/01/93 A	N 40.00 CS VB0179 0004 OXY USA INC. 01/01/93 A A	O 40.00 CS VB0179 0004 OXY USA INC. 01/01/93 A	P 40.00 CS VB0179 0004 OXY USA INC. 01/01/93 A

COMMUNITIZATION AGREEMENT								OGSWVJ
Comm Agrmt Name	Bettis 20 State Com Well No. 003H						ONGARD COM NUM:	
API	30-025-41437	SHL: Unit 0(0) of Sec 20	Pool:	Triple X; Bone Spring, West (96674)				
Comm Lands	Sec1: 20	Twp1:	24 South	Rng1:	33 East	STR-Loc1	W2E2	
Comm Lands Ext.	Sec2:	Twp2:		Rng2:		STR-Loc2		
Curr Operator	Murchison Oil & Gas Inc (OGRID = 15363)							
First Production		Spud:	04/24/14					
Effective Date		Apprvl Date:		Status:	APP			
County	Lea	Inst:	C.S.		OCD Order# :			
Formations/Remarks	Signed CA covers the Bone Spring formation(s)							
Total Acreage	160	Federal Acreage:	0	State Acreage:	160			
Fee Acreage	0	Indian Acreage:	0					
Leases in Comm	V0-2884-3	VB-0179-4						
Acres	80	80	0	0				

NM State Land Office  
Oil, Gas, & Minerals Division

STATE/STATE OR  
STATE/FEE  
Revised Feb. 2013

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL MEN BY THESE PRESENTS:

STATE OF NEW MEXICO )  
SS)

COUNTY OF Lea

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of  
October 1, 2014 by and between the parties subscribing, ratifying or consenting hereto,  
such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the  
Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of  
conservation of oil & gas and the prevention of waste to consent to and approve the development or  
operation of State lands under agreements made by lessees of oil & gas leases thereon, jointly or  
severally with other oil & gas lessees of State Lands, or oil and gas lessees or mineral owners of  
privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a  
proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of  
the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural  
Resources Department where such agreement provides for the allocation of the production of oil or  
gas from such pools or communitized area on an acreage or other basis found by the Commissioner  
to be fair and equitable.

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating  
rights under the oil and gas leases and lands subject to this agreement, which leases are more  
particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof,  
for all purposes; and

WHEREAS, said leases, insofar as they cover the West half East half (W/2 E/2)  
Bone Springs Formation formation (hereinafter referred to as "said formation") in and under  
the land hereinafter described cannot be independently developed and operated in conformity with  
the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said  
leases subject to this agreement for the purpose of developing, operating and producing  
hydrocarbons in the said formation in and under the land hereinafter described subject to the terms  
hereof.

NOW THEREFORE, in consideration of the premises and the mutual advantages to the parties  
hereto, it is mutually covenanted and agreed by and between the undersigned as follows:

ONLINE version  
February 2013

State/State  
State/Fee

1

2015 FEB 10 PM 8 17

FEES 4 NMSLO 001-00004  
102 0 10-FEB-15 11:40 30.00

1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions West half East half (W/2 E/2)  
 Of Sect 20 Twnshp 24S Rng 33E NMPM Lea County, NM

containing 160. acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "Communitized Substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, and ownership (Lessees of Record) of all leases within the communitized area.

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
3. Subject to Paragraph 4, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.
4. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

2015 FEB 10 PM 8 18

5. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

6. The commencement, completion, and continued operation or production of a well or wells for communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

7. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.

8. Murchison Oil & Gas, Inc. shall be the Operator of said communitized area and all matters of operation shall be determined and performed by

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are

thereafter conducted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

OPERATOR  
BY:  
LESSEES OF RECORD:

(Attach additional pages if needed)

2015 FEB 10 AM 8 18

FEB 04 2021



**Commissioner**

Stephanie Garcia Richard

*State of New Mexico*  
**Commissioner of Public Lands**

310 OLD SANTA FE TRAIL  
P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

**COMMISSIONER'S OFFICE**

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

Erica Hixson  
Tap Rock Operating, LLC  
602 Park Point Dr., Suite 200  
Golden, CO 80401

October 20<sup>th</sup>, 2020

Re: Communitization Agreement Approval  
Hyperion State #137H  
Vertical Extent: Wolfcamp  
Township: 24 South, Range 33 East, NMPM  
Sect 20: W2E2  
Lea County, New Mexico

Dear Ms Hixson,

The Commissioner of Public Lands has this date approved the Hyperion State #137H Communitization Agreement for the Wolfcamp formation effective 3/1/2020. Enclosed are three Certificates of Approval.

The agreement shall remain in effect for One Year, and as long thereafter as communitized substances are produced from the communitized area in paying quantities.

Approval of this agreement does not warrant or certify that the operator and/or other working interest owners hold legal or equitable title to the leases which are committed hereto, nor does the Commissioner's approval constitute adjudication of any federal or private interests, or warrant or certify that the information supplied by the operator regarding federal or private interests is accurate.

If we may be of further service, please contact Niranjan Khalsa at (505) 827-6628.

Sincerely,

A handwritten signature in black ink that reads "Stephanie Garcia Richard/SS".

Stephanie Garcia Richard  
COMMISSIONER OF PUBLIC LANDS

**NEW MEXICO STATE LAND OFFICE**

CERTIFICATE OF APPROVAL

**COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

**Tap Rock Operating, LLC  
Hyperion State #137H  
Vertical Extent: Wolfcamp  
Township: 24 South, Range: 33 East, NMPM  
Sect 20: W2E2  
Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State on New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **March 1, 2020**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **20<sup>th</sup> Day of October, 2020**.

  
**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico

**NEW MEXICO STATE LAND OFFICE**

## CERTIFICATE OF APPROVAL

**COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

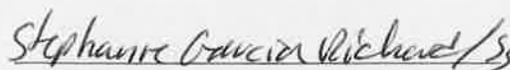
**Tap Rock Operating, LLC**  
**Hyperion State #137H**  
**Vertical Extent: Wolfcamp**  
**Township: 24 South, Range: 33 East, NMPM**  
**Sect 20: W2E2**  
**Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **March 1, 2020**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **20<sup>th</sup> Day of October, 2020**.



**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico

**NEW MEXICO STATE LAND OFFICE**

CERTIFICATE OF APPROVAL

**COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

**Tap Rock Operating, LLC  
Hyperion State #137H  
Vertical Extent: Wolfcamp  
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Sect 20: W2E2  
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- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
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IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **20<sup>th</sup> Day of October, 2020**.

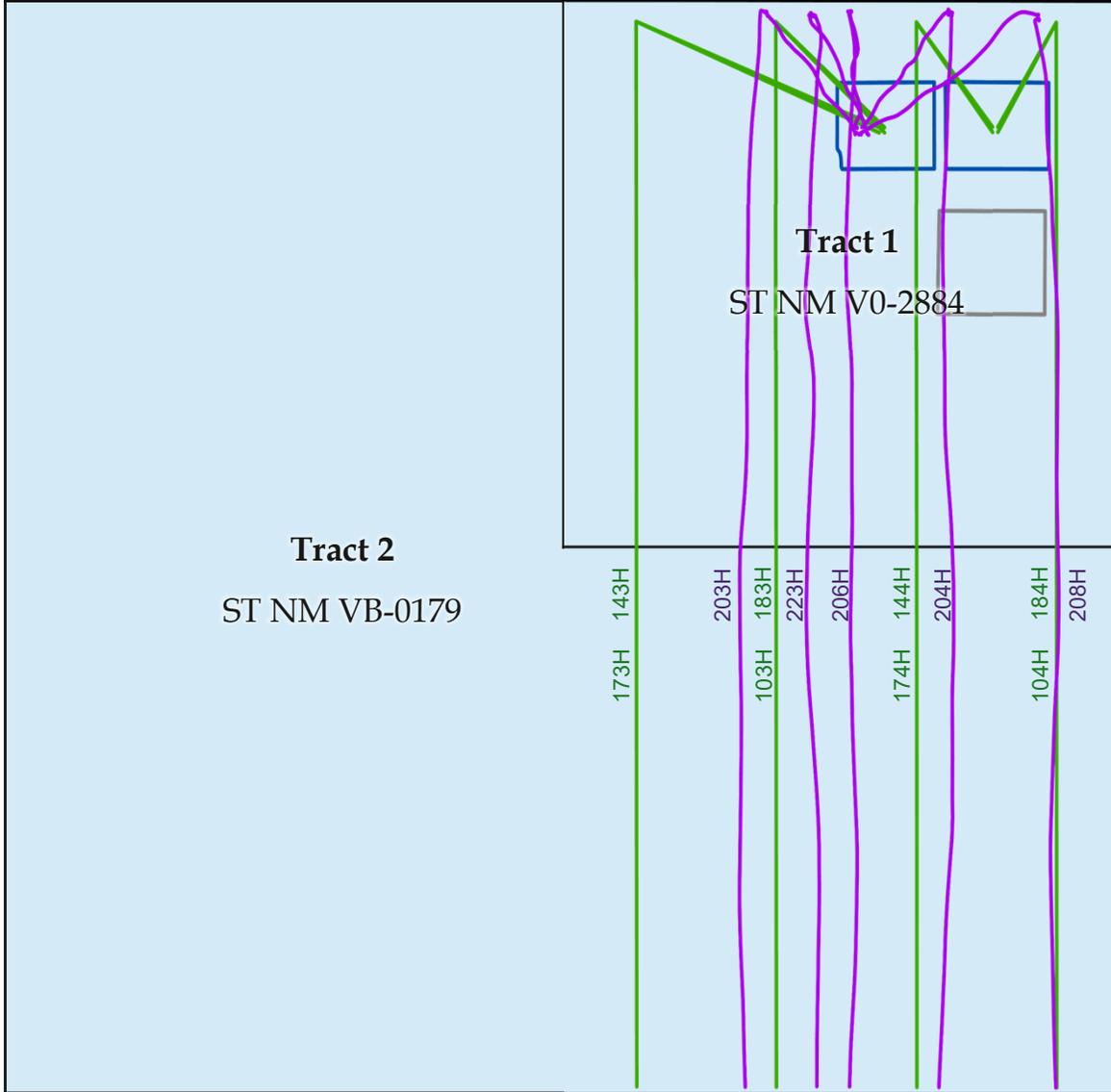
**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico

**APPLICATION TO POOL COMMINGLE, STORAGE AND SALES FOR OIL AND GAS PRODUCTION AT HYPERION CTB-B**

Designation	Pool	API	Well Name	Well Number	Section	Township	Range	Date Online	Oil (BOD)	GAS (MCFD)	Gravity	BTU/cf
New Well	[96674] TRIPLE X; BONE SPRING, WEST		HYPERION STATE COM	#103H	20	24S	33E	11/26/2022	647	962	48	1124
New Well	[96674] TRIPLE X; BONE SPRING, WEST		HYPERION STATE COM	#104H	20	24S	33E	11/26/2022	650	962	48	1124
New Well	[96674] TRIPLE X; BONE SPRING, WEST		HYPERION STATE COM	#173H	20	24S	33E	11/26/2022	780	1739	48	1124
New Well	[96674] TRIPLE X; BONE SPRING, WEST		HYPERION STATE COM	#174H	20	24S	33E	11/26/2022	780	1739	48	1124
New Well	[96674] TRIPLE X; BONE SPRING, WEST		HYPERION STATE COM	#183H	20	24S	33E	11/26/2022	410	735	48	1124
New Well	[96674] TRIPLE X; BONE SPRING, WEST		HYPERION STATE COM	#184H	20	24S	33E	11/26/2022	410	735	48	1124
New Well	[96674] TRIPLE X; BONE SPRING, WEST		HYPERION STATE COM	#143H	20	24S	33E	11/26/2022	420	845	48	1124
New Well	[96674] TRIPLE X; BONE SPRING, WEST		HYPERION STATE COM	#144H	20	24S	33E	11/26/2022	420	845	48	1124
Existing Wolfcamp Well	[98135] WC-025 G-09 S243310P; UPPER WOLFCAMP	30-025-47033	HYPERION STATE	#203H	20	24S	33E	7/1/2021	350	773	48	1490
Existing Wolfcamp Well	[98135] WC-025 G-09 S243310P; UPPER WOLFCAMP	30-025-47034	HYPERION STATE	#206H	20	24S	33E	7/1/2021	422	1020	41	1470
Existing Wolfcamp Well	[98135] WC-025 G-09 S243310P; UPPER WOLFCAMP	30-025-47035	HYPERION STATE	#208H	20	24S	33E	7/1/2021	380	763	42	1400
Existing Wolfcamp Well	[98135] WC-025 G-09 S243310P; UPPER WOLFCAMP	30-025-47032	HYPERION STATE	#204H	20	24S	33E	7/1/2021	300	680	48	1410
Existing Wolfcamp Well	[98135] WC-025 G-09 S243310P; UPPER WOLFCAMP	30-025-48563	HYPERION STATE	#223H	20	24S	33E	7/1/2021	300	2200	47	1450

**EXHIBIT 3**

Section 20, Township 24 South, Range 33 East, Lea County New Mexico



State Acreage



Existing [98135] WC-025 G-09 S243310P; UPPER WOLFCAMP



New [96674] TRIPLE X; BONE SPRING, WEST



Drilling Pad



CTB B

OWNER NUMBER	OWNER NAME	OWNER NAME 2	ADDRESS	ADDRESS2	CITY	STATE_ID	ZIP	OWNER PHONE #	OWNER ACH EMAIL
353	TAP ROCK RESOURCES LLC		523 PARK POINT DRIVE	SUITE 200	GOLDEN	CO	80401		
355	TAP ROCK MINERALS LP		523 PARK POINT DR STE 200		GOLDEN	CO	80401		
1074	LESLIE ROBERT HONEYMAN TRUST	LANELL JOY HONEYMAN, TRUSTEE	406 SKYWOOD CIR		MIDLAND	TX	79705	432-528-5973	
1145	CALMON OIL COMPANY		200 N LORAIN ST STE 1404		MIDLAND	TX	79701	432-683-2715	
1146	CANYON PROPERTIES LLC		1500 BROADWAY STE 1212		LUBBOCK	TX	79401	806-763-5326	
1147	H M BETTIS INC		PO BOX 1240		GRAHAM	TX	76450	940-549-0790	
1148	BETTIS BROTHERS LP	HARRY M BETTIS JR LLC, GENERAL PARTNER	500 W TEXAS AVE STE 830		MIDLAND	TX	79701	432-685-4128	CPRICE@BETTISBROTHERS.COM
1149	J M WELBORN TRUST U/T/A DATED 10/23/1992	C/O PROSPERITY BANK TRUST DEPARTMENT	1500 BROADWAY STE 1212		LUBBOCK	TX	79401	806-763-5326	
1150	L E OPPERMANN		1505 NEELY AVE		MIDLAND	TX	79705	432-288-5028	
1152	S B STREET & CO		PO BOX 206		GRAHAM	TX	76450	940-549-4060	
1155	PAUL J KELLY JR AND RUTH D KELLY		PO BOX 10113		SANTA FE	NM	87504	505-988-6541	
1157	WADE PETROLEUM CORPORATION		9 BROKEN ARROW PL		SANDIA PARK	NM	87047	505-379-1475	rwe.abq@gmail.com
1158	GUINN FAMILY PROPERTIES LTD	MSG FAMILY MANAGEMENT LLC, GEN PARTNER	PO BOX 1298		GRAHAM	TX	76450	940-549-0088	
1159	W T BOYLE & CO		PO BOX 57		GRAHAM	TX	76450	940-549-0780	
1160	STOVALL INVESTMENTS INC		PO BOX 10		GRAHAM	TX	76450	940-549-2616	
1161	TOCOR INVESTMENTS INC		PO BOX 293		MIDLAND	TX	79702	303-825-1125	
1164	COMMISSIONER OF PUBLIC LANDS		PO BOX 1148		SANTA FE	NM	87504-1148		
1214	DOLORES L MCCALL		PO BOX 931		MIDLAND	TX	79702	432-682-5662	
1420	DAVENPORT CONGER PROPERTIES LP		PO BOX 3511		MIDLAND	TX	79702	432-682-3753	
1430	G. E. ROGERS, LLC		P.O. BOX 1424		GRAHAM	TX	76450		
1490	TC ENERGY LLC		PO BOX 1461		GRAHAM	TX	76450	940-549-0780	
1492	THE ALLAR COMPANY		PO BOX 1567		GRAHAM	TX	76450	940-549-0077	
2035	TD MINERALS LLC		8111 WESTCHESTER DR STE 900		DALLAS	TX	75225	214-265-3234	
2713	PATRICK MONAGHAN TRUST UTA DTD 11/24/10	TRUSTEE PATRICK K MONAGHAN	2610 W SUNNYSIDE AVE		CHICAGO	IL	60625		jralax@gmail.com
2714	SOLAR FLARE INVESTMENTS LLC		1801 RED BUD LN STE B-248		ROUND ROCK	TX	78664		
2888	SONIC MINERALS LP		PO BOX 1240		GRAHAM	TX	76450	940-549-0780	kberend@bbsoil.com
2929	JEB CORY HONEYMAN		2890 FOREST DRIVE		CELINA	TX	75009	214-552-5703	jebhoneyman@gmail.com
2930	BRENT JEREMY HONEYMAN		26 MEADOW BROOK PLACE		THE WOODLANDS	TX	77382	936-827-6473	
3537	PEGASUS RESOURCES II LLC		PO BOX 470698		FORT WORTH	TX	76147	682-324-9059	
3597	BRECK MINERALS LP		PO BOX 911		BRECKENRIDGE	TX	76424		
1403	BF ALBRITTON LLC		PO BOX 266		GRAHAM	TX	76450	940-549-0780	
1410	CARDINAL PLASTICS INC.		P.O. BOX 935		ODESSA	TX	79760-0935	432-580-8061	admin@cardinalsurveys.com
2039	J D MURCHISON INTERESTS INC		7250 DALLAS PKWY STE 1400		PLANO	TX	75024	972-931-0700	
1883	MURCHISON OIL AND GAS LLC		7250 DALLAS PARKWAY, SUITE 1400		PLANO	TX	75024	972-931-0700	
3529	JUDITH K MARTIN		25 LAKES DRIVE		MIDLAND	TX	79705		
1450	KASTMAN OIL COMPANY		PO BOX 5930		LUBBOCK	TX	79408-5930	806-765-0806	mckastmaninv@sbcglobal.net
1153	SONIC OIL & GAS LP	SONIC INVESTMENTS INC, GENERAL PARTNER	PO BOX 1240		GRAHAM	TX	76450	940-549-0708	kberend@bbsoil.com

# EXHIBIT 4



**Adam G. Rankin**  
Phone (505) 954-7294  
Fax (505) 819-5579  
AGRankin@hollandhart.com

February 18, 2022

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

**TO: ALL AFFECTED PARTIES**

**Re: Application of Tap Rock Operating, LLC for administrative approval to surface commingle (pool and lease commingle) oil and gas production at the Hyperion State Tank Battery B located in the E/2E/2 of Section 20, Township 24 South, Range 33 East, 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 at the Division's Santa Fe office located at 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:

Jeff Trlica  
Regulatory Analyst  
Tap Rock Operating, LLC  
(720) 772-5910

Sincerely,

A handwritten signature in blue ink, appearing to read 'A.G. Rankin'.

Adam G. Rankin  
ATTORNEY FOR  
TAP ROCK OPERATING, LLC

Parent ID	Mail Date	Company	Name	Address 1	City	ST	Zip	MailClass	TrackingNo	Well
31309	02/18/2022		Tap Rock Resources LLC	523 Park Point Dr Ste 200	Golden	CO	80401-9387	Certified with Return Receipt (Signature)	94148118987 65847141958	71892 - Tap Rock - Hyperion B Commingling Notice List - 1
31309	02/18/2022		Tap Rock Minerals LP	523 Park Point Dr Ste 200	Golden	CO	80401-9387	Certified with Return Receipt (Signature)	94148118987 65847141965	71892 - Tap Rock - Hyperion B Commingling Notice List - 2
31309	02/18/2022	Leslie Robert Honeyman Trust	Lanell Joy Honeyman, Trustee	406 Skywood	Midland	TX	79705-2914	Certified with Return Receipt (Signature)	94148118987 65847141927	71892 - Tap Rock - Hyperion B Commingling Notice List - 3
31309	02/18/2022		Calmon Oil Company	200 N Loraine St Ste 1404	Midland	TX	79701-4753	Certified with Return Receipt (Signature)	94148118987 65847141903	71892 - Tap Rock - Hyperion B Commingling Notice List - 4

Parent ID	Mail Date	Company	Name	Address 1	City	ST	Zip	MailClass	TrackingNo	Well
31309	02/18/2022		Canyon Properties LLC	1500 Broadway Ste 1212	Lubbock	TX	79401-3228	Certified with Return Receipt (Signature)	94148118987 65847141996	71892 - Tap Rock - Hyperion B Commingling Notice List - 5
31309	02/18/2022		H M Bettis Inc	PO Box 1240	Graham	TX	76450-1240	Certified with Return Receipt (Signature)	94148118987 65847141941	71892 - Tap Rock - Hyperion B Commingling Notice List - 6
31309	02/18/2022	Bettis Brothers Lp	Harry M Bettis Jr LLC, General Partner	500 W Texas Ave Ste 830	Midland	TX	79701-4276	Certified with Return Receipt (Signature)	94148118987 65847141934	71892 - Tap Rock - Hyperion B Commingling Notice List - 7
31309	02/18/2022	J M Welborn Trust U/T/A Dated 10/23/1992,	C/O Prosperity Bank Trust Department	1500 Broadway Ste 1212	Lubbock	TX	79401-3228	Certified with Return Receipt (Signature)	94148118987 65847141613	71892 - Tap Rock - Hyperion B Commingling Notice List - 8

Parent ID	Mail Date	Company	Name	Address 1	City	ST	Zip	MailClass	TrackingNo	Well
31309	02/18/2022		L E Oppermann	1505 Neely Ave	Midland	TX	79705-7558	Certified with Return Receipt (Signature)	94148118987 65847141651	71892 - Tap Rock - Hyperion B Commingling Notice List - 9
31309	02/18/2022		S B Street & Co	PO Box 206	Graham	TX	76450-0206	Certified with Return Receipt (Signature)	94148118987 65847141668	71892 - Tap Rock - Hyperion B Commingling Notice List - 10
31309	02/18/2022		Paul J Kelly Jr And Ruth D Kelly	PO Box 10113	Santa Fe	NM	87504-6113	Certified with Return Receipt (Signature)	94148118987 65847141606	71892 - Tap Rock - Hyperion B Commingling Notice List - 11
31309	02/18/2022		Wade Petroleum Corporation	9 Broken Arrow PI	Sandia Park	NM	87047-8548	Certified with Return Receipt (Signature)	94148118987 65847141699	71892 - Tap Rock - Hyperion B Commingling Notice List - 12

Parent ID	Mail Date	Company	Name	Address 1	City	ST	Zip	MailClass	TrackingNo	Well
31309	02/18/2022	Guinn Family Properties Ltd,	Msg Family Management LLC, Gen Partner	PO Box 1298	Graham	TX	76450-1298	Certified with Return Receipt (Signature)	94148118987 65847141644	71892 - Tap Rock - Hyperion B Commingling - Notice List - 13
31309	02/18/2022		W T Boyle & Co	PO Box 57	Graham	TX	76450-0057	Certified with Return Receipt (Signature)	94148118987 65847141682	71892 - Tap Rock - Hyperion B Commingling - Notice List - 14
31309	02/18/2022		Stovall Investments Inc	PO Box 10	Graham	TX	76450-0010	Certified with Return Receipt (Signature)	94148118987 65847141675	71892 - Tap Rock - Hyperion B Commingling - Notice List - 15
31309	02/18/2022		Tocor Investments Inc	PO Box 293	Midland	TX	79702-0293	Certified with Return Receipt (Signature)	94148118987 65847141118	71892 - Tap Rock - Hyperion B Commingling - Notice List - 16

Parent ID	Mail Date	Company	Name	Address 1	City	ST	Zip	MailClass	TrackingNo	Well
31309	02/18/2022		Commissioner Of Public Lands	PO Box 1148	Santa Fe	NM	87504-1148	Certified with Return Receipt (Signature)	94148118987 65847141156	71892 - Tap Rock - Hyperion B Commingling Notice List - 17
31309	02/18/2022		Dolores L McCall	PO Box 931	Midland	TX	79702-0931	Certified with Return Receipt (Signature)	94148118987 65847141163	71892 - Tap Rock - Hyperion B Commingling Notice List - 18
31309	02/18/2022		Davenport Conger Properties LP	PO Box 3511	Midland	TX	79702-3511	Certified with Return Receipt (Signature)	94148118987 65847141125	71892 - Tap Rock - Hyperion B Commingling Notice List - 19
31309	02/18/2022		G. E. Rogers, LLC	PO Box 1424	Graham	TX	76450-7424	Certified with Return Receipt (Signature)	94148118987 65847141101	71892 - Tap Rock - Hyperion B Commingling Notice List - 20

Parent ID	Mail Date	Company	Name	Address 1	City	ST	Zip	MailClass	TrackingNo	Well
31309	02/18/2022		TC Energy LLC	PO Box 1461	Graham	TX	76450-7461	Certified with Return Receipt (Signature)	94148118987 65847141194	71892 - Tap Rock - Hyperion B Commingling - Notice List - 21
31309	02/18/2022		The Allar Company	PO Box 1567	Graham	TX	76450-7567	Certified with Return Receipt (Signature)	94148118987 65847141149	71892 - Tap Rock - Hyperion B Commingling - Notice List - 22
31309	02/18/2022		TD Minerals LLC	8111 Westchester Dr Ste 900	Dallas	TX	75225-6146	Certified with Return Receipt (Signature)	94148118987 65847141187	71892 - Tap Rock - Hyperion B Commingling - Notice List - 23
31309	02/18/2022	Patrick Monaghan Trust Uta Dtd 11/24/10,	Trustee Patrick K Monaghan	2610 W Sunnyside Ave	Chicago	IL	60625-3023	Certified with Return Receipt (Signature)	94148118987 65847141132	71892 - Tap Rock - Hyperion B Commingling - Notice List - 24

Parent ID	Mail Date	Company	Name	Address 1	City	ST	Zip	MailClass	TrackingNo	Well
31309	02/18/2022		Solar Flare Investments LLC	1801 Red Bud Ln Ste B-248	Round Rock	TX	78664-3813	Certified with Return Receipt (Signature)	94148118987 65847141170	71892 - Tap Rock - Hyperion B Commingling Notice List - 25
31309	02/18/2022		Sonic Minerals LP	PO Box 1240	Graham	TX	76450-1240	Certified with Return Receipt (Signature)	94148118987 65847141316	71892 - Tap Rock - Hyperion B Commingling Notice List - 26
31309	02/18/2022		Jeb Cory Honeyman	2890 Forest Dr	Celina	TX	75009-2823	Certified with Return Receipt (Signature)	94148118987 65847141354	71892 - Tap Rock - Hyperion B Commingling Notice List - 27
31309	02/18/2022		Brent Jeremy Honeyman	26 Meadow Brook Pl	The Woodlands	TX	77382-1256	Certified with Return Receipt (Signature)	94148118987 65847141361	71892 - Tap Rock - Hyperion B Commingling Notice List - 28

Parent ID	Mail Date	Company	Name	Address 1	City	ST	Zip	MailClass	TrackingNo	Well
31309	02/18/2022		Pegasus Resources II LLC	PO Box 470698	Fort Worth	TX	76147-0698	Certified with Return Receipt (Signature)	94148118987 65847141309	71892 - Tap Rock - Hyperion B Commingling Notice List - 29
31309	02/18/2022		Breck Minerals LP	PO Box 911	Breckenridge	TX	76424-0911	Certified with Return Receipt (Signature)	94148118987 65847141392	71892 - Tap Rock - Hyperion B Commingling Notice List - 30
31309	02/18/2022		BF Albritton LLC	PO Box 266	Graham	TX	76450-0266	Certified with Return Receipt (Signature)	94148118987 65847141347	71892 - Tap Rock - Hyperion B Commingling Notice List - 31
31309	02/18/2022		Cardinal Plastics Inc.	PO Box 935	Odessa	TX	79760-0935	Certified with Return Receipt (Signature)	94148118987 65847141385	71892 - Tap Rock - Hyperion B Commingling Notice List - 32

Parent ID	Mail Date	Company	Name	Address 1	City	ST	Zip	MailClass	TrackingNo	Well
31309	02/18/2022		J D Murchison Interests Inc	7250 Dallas Pkwy Ste 1400	Plano	TX	75024-5002	Certified with Return Receipt (Signature)	94148118987 65847141378	71892 - Tap Rock - Hyperion B Commingling Notice List - 33
31309	02/18/2022		Murchison Oil And Gas LLC	7250 Dallas Pkwy Ste 1400	Plano	TX	75024-5002	Certified with Return Receipt (Signature)	94148118987 65847141057	71892 - Tap Rock - Hyperion B Commingling Notice List - 34
31309	02/18/2022		Judith K Martin	25 Lakes Dr	Midland	TX	79705-1929	Certified with Return Receipt (Signature)	94148118987 65847141064	71892 - Tap Rock - Hyperion B Commingling Notice List - 35
31309	02/18/2022		Kastman Oil Company	PO Box 5930	Lubbock	TX	79408-5930	Certified with Return Receipt (Signature)	94148118987 65847141026	71892 - Tap Rock - Hyperion B Commingling Notice List - 36

Parent ID	Mail Date	Company	Name	Address 1	City	ST	Zip	MailClass	TrackingNo	Well
31309	02/18/2022	Sonic Oil & Gas Lp,	Sonic Investments Inc, General Partner	PO Box 1240	Graham	TX	76450-1240	Certified with Return Receipt (Signature)	94148118987 65847141095	71892 - Tap Rock - Hyperion B Commingling Notice List - 37
31309	02/18/2022		New Mexico State Land Office	PO Box 1148	Santa Fe	NM	87504-1148	Certified with Return Receipt (Signature)	94148118987 65847141040	71892 - Tap Rock - Hyperion B Commingling Notice List - 38

**From:** [Engineer, OCD, EMNRD](#)  
**To:** [Adam Rankin](#); [Paula M. Vance](#)  
**Cc:** [McClure, Dean, EMNRD](#); [Kautz, Paul, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [lisa@rwbyram.com](mailto:lisa@rwbyram.com); [Dawson, Scott](#)  
**Subject:** Approved Administrative Order PLC-846  
**Date:** Monday, August 29, 2022 1:06:57 PM  
**Attachments:** [PLC846 Order.pdf](#)

NMOCD has issued Administrative Order PLC-846 which authorizes Tap Rock Operating, LLC (372043) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-47033	Hyperion State Com #203H	W/2 E/2	20-24S-33E	98135
30-025-48563	Hyperion State Com #223H	W/2 E/2	20-24S-33E	98135
30-025-47034	Hyperion State Com #206H	E/2 E/2	20-24S-33E	98135
30-025-47032	Hyperion State Com #204H	E/2 E/2	20-24S-33E	98135
30-025-47035	Hyperion State Com #208H	E/2 E/2	20-24S-33E	98135
30-025-50364	Hyperion State Com #173H	W/2 E/2	20-24S-33E	96674
30-025-50360	Hyperion State Com #143H	W/2 E/2	20-24S-33E	96674
30-025-50357	Hyperion State Com #103H	W/2 E/2	20-24S-33E	96674
30-025-50366	Hyperion State Com #183H	W/2 E/2	20-24S-33E	96674
30-025-50365	Hyperion State Com #174H	E/2 E/2	20-24S-33E	96674
30-025-50361	Hyperion State Com #144H	E/2 E/2	20-24S-33E	96674

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure  
 Petroleum Engineer, Oil Conservation Division  
 New Mexico Energy, Minerals and Natural Resources Department  
 (505) 469-8211

**From:** [Adam Rankin](#)  
**To:** [McClure, Dean, EMNRD](#)  
**Cc:** [Paula M. Vance](#)  
**Subject:** [EXTERNAL] RE: surface commingling application PLC-846 (Hyperion B)  
**Date:** Monday, August 8, 2022 9:38:57 AM

**CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.**

Dean,

I am confirming that the list of wells below is correct and that the last two wells identified without API Nos. and without approved APDs have been dropped from the application and can be excluded from the order.

Thank you.

Adam

---

**From:** McClure, Dean, EMNRD <Dean.McClure@state.nm.us>  
**Sent:** Friday, August 5, 2022 12:47 PM  
**To:** Adam Rankin <AGRankin@hollandhart.com>  
**Subject:** surface commingling application PLC-846

**External Email**

Mr. Rankin,

I am reviewing surface commingling application PLC-846 which involves a commingling project that includes the Hyperion State Tank Battery B and is operated by Tap Rock Operating, LLC (372043).

Please confirm that the wells below are correct:

<b>30-025-47033</b>	<b>Hyperion State Com #203H</b>	<b>W/2 E/2</b>	<b>20-24S-33E</b>	<b>98135</b>
<b>30-025-48563</b>	<b>Hyperion State Com #223H</b>	<b>W/2 E/2</b>	<b>20-24S-33E</b>	<b>98135</b>
<b>30-025-47034</b>	<b>Hyperion State Com #206H</b>	<b>E/2 E/2</b>	<b>20-24S-33E</b>	<b>98135</b>
<b>30-025-47032</b>	<b>Hyperion State Com #204H</b>	<b>E/2 E/2</b>	<b>20-24S-33E</b>	<b>98135</b>
<b>30-025-47035</b>	<b>Hyperion State Com #208H</b>	<b>E/2 E/2</b>	<b>20-24S-33E</b>	<b>98135</b>
<b>30-025-50364</b>	<b>Hyperion State Com #173H</b>	<b>W/2 E/2</b>	<b>20-24S-33E</b>	<b>96674</b>
<b>30-025-50360</b>	<b>Hyperion State Com #143H</b>	<b>W/2 E/2</b>	<b>20-24S-33E</b>	<b>96674</b>
<b>30-025-50357</b>	<b>Hyperion State Com #103H</b>	<b>W/2 E/2</b>	<b>20-24S-33E</b>	<b>96674</b>
<b>30-025-50366</b>	<b>Hyperion State Com #183H</b>	<b>W/2 E/2</b>	<b>20-24S-33E</b>	<b>96674</b>
<b>30-025-50365</b>	<b>Hyperion State Com #174H</b>	<b>E/2 E/2</b>	<b>20-24S-33E</b>	<b>96674</b>
<b>30-025-50361</b>	<b>Hyperion State Com #144H</b>	<b>E/2 E/2</b>	<b>20-24S-33E</b>	<b>96674</b>

Additionally please provide the status of the following wells and note that wells without approved APDs may not be added to the commingling permit:

<b>???</b>	<b>Hyperion State Com #104H</b>	<b>E/2 E/2</b>	<b>20-24S-33E</b>	<b>96674</b>
<b>???</b>	<b>Hyperion State Com #184H</b>	<b>E/2 E/2</b>	<b>20-24S-33E</b>	<b>96674</b>

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

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

**APPLICATION FOR SURFACE COMMINGLING  
SUBMITTED BY TAP ROCK OPERATING, LLC**

**ORDER NO. PLC-846**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

**FINDINGS OF FACT**

1. Tap Rock Operating, LLC (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells identified in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7.B. NMAC.
4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
5. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
6. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
7. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools, leases, and wells in accordance with 19.15.12.10.C.(4)(g) NMAC.
8. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.

### **CONCLUSIONS OF LAW**

9. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.
11. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
12. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
13. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10.B.(3) NMAC and 19.15.12.10.C.(4)(h) NMAC.
14. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10.C.(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
15. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

### **ORDER**

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A at a central tank battery described in Exhibit A.

2. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not

included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.

3. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling.
4. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
5. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.
6. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10.C.(2) NMAC.
7. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
8. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10.C.(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
9. If a well is not included in Exhibit A but produces from a pool or lease identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.
10. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
11. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).

12. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



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**ADRIENNE E. SANDOVAL  
DIRECTOR**

**DATE:** 8/29/2022

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: PLC-846

Operator: Tap Rock Operating, LLC (372043)

Central Tank Battery: Hyperion State Tank Battery B

Central Tank Battery Location: UL A, Section 20, Township 24 South, Range 33 East

Gas Title Transfer Meter Location: UL A, Section 20, Township 24 South, Range 33 East

### Pools

Pool Name	Pool Code
TRIPLE X; BONE SPRING, WEST	96674
WC-025 G-09 S243310P; UPPER WOLFCAMP	98135

### Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Wolfcamp NMSLO PUN 1384175	W/2 E/2	20-24S-33E
CA Wolfcamp NMSLO PUN 1390970	E/2 E/2	20-24S-33E
CA Bone Spring NMSLO PUN 1352096	W/2 E/2	20-24S-33E
CA Bone Spring NMSLO PUN 1342046	E/2 E/2	20-24S-33E

### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-47033	Hyperion State Com #203H	W/2 E/2	20-24S-33E	98135
30-025-48563	Hyperion State Com #223H	W/2 E/2	20-24S-33E	98135
30-025-47034	Hyperion State Com #206H	E/2 E/2	20-24S-33E	98135
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30-025-50361	Hyperion State Com #144H	E/2 E/2	20-24S-33E	96674

**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 83190

**CONDITIONS**

Operator: TAP ROCK OPERATING, LLC 523 Park Point Drive Golden, CO 80401	OGRID: 372043
	Action Number: 83190
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

**CONDITIONS**

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	8/29/2022