BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF TAP ROCK RESOUTCES, LLC TO AMEND ORDER NO. R-21304, LEA COUNTY, NEW MEXICO.

APPLICATION

Tap Rock Resources, LLC applies for an order amending Order No. R-21304, and in support thereof states:

- 1. Order No. R-21304 pooled all mineral interest owners in the Bone Spring formation underlying a (proximity tract) horizontal spacing unit comprised of the E/2W/2 and the W/2E/2 of Section 11, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico
- 2. Applicant proposes to drill the Mandelbaum Fee Well Nos. 122H, 123H, 142H, 143H, 192H, and 193H to a depth sufficient to test the Bone Spring formation, and dedicate the E/2W/2 and the W/2E/2 of Section 11 to the wells.
- 3. This matter was heard on April 16, 2020, and Order No. R-21304 was entered on May 7, 2020 using the "interim form of order." A newer, amended order template was described in a letter of the Division Director date April 9, 2020 (the "Amended Order Template").
- 4. Applicant requests that Order No. R-21304 be amended to conform to the Amended Order Template.
- 5. Paragraph 19 of Order No. R-21304 requires the operator to commence the well within one year of the date of issuance. Paragraph 20 of Order No. R-21304 provides that the order will terminate if the well is not timely commenced, unless the operator "obtains an extension by an amendment of this Order for good cause shown."

- 6. Applicant requests an extension of the drilling deadline due to market conditions which have altered drilling schedules until commodity prices improve. Applicant still intends to drill the subject wells. Thus good cause exists for Applicant's request for an extension.
- 7. Applicant requests an extension of the well commencement deadline to November 7, 2021.

WHEREFORE, Applicant requests that, after notice and hearing, the Division enter its order amending Order No. R-21304 (i) to conform to the Amended Order Template, and (ii) to extend the well commencement deadline to November 7, 2021.

Respectfully submitted,

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