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

APPLICATIONS OF TAP ROCK RESOURCES, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case Nos. 22135 and 22136

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Tap Rock Resources, LLC as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

APPLICANT'S ATTORNEY

Tap Rock Resources, LLC

James Bruce

P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attention:

Dana Arnold

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Case No. 21135: Tap Rock Resources, LLC seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2W/2 of Section 9, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. The unit will be dedicated to The Contest Fed. Com. Well No. 141H, which has a first take point in the SW/4SW/4 of Section 9 and a last take point in the NW/4NW/4 of Section 9.

Case No. 21136: Tap Rock Resources, LLC seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2W/2 of Section 9, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. The unit will be dedicated to The Contest Fed. Com. Well No. 142H, which has a first take point in the SE/4SW/4 of Section 9 and a last take point in the NE/4NW/4 of Section 9.

Also to be considered in each case will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Tap Rock Operating, LLC as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u> <u>EST. TIME</u> <u>EXHIBITS</u>

Erica Hixson 15 min. Approx. 10

(landman)

Emily Lange 15 min. Approx. 6

(geologist)

OPPONENT

<u>WITNESSES</u> <u>EST. TIME</u> <u>EXHIBITS</u>

PROCEDURAL MATTERS

If the cases are unopposed they will be submitted by affidavit.

Respectfully submitted,

James Bruce

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Attorney for Tap Rock Resources, LLC

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

QUESTIONS

Action 46222

QUESTIONS

| Operator: | OGRID: |
|-------------------------|--|
| TAP ROCK OPERATING, LLC | 372043 |
| 523 Park Point Drive | Action Number: |
| Golden, CO 80401 | 46222 |
| | Action Type: |
| | [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

| Testimony | | |
|---|---------------|--|
| Please assist us by provide the following information about your testimony. | | |
| Number of witnesses | Not answered. | |
| Testimony time (in minutes) | Not answered. | |