

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

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF TAP ROCK RESOURCES,
LLC FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.**

Case No. 22278

**APPLICATION OF TAP ROCK RESOURCES,
LLC FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO.**

Case No. 22279

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Tap Rock Resources, LLC

Attention: Dana Arnold

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Case No. 22278: Tap Rock Resources, LLC seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a (proximity tract) horizontal spacing unit comprised of the SW/4 of Section 25 and Lots 3, 4, and the N/2NW/4 (the W/2) of Section 36, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to the following wells:

- (a) the Nailed It Fed. Com. Well No. 121H, with a first take point in Lot 4 of Section 36 and a last take point in the NW/4SW/4 of Section 25;
- (b) the Nailed It Fed. Com. Well No. 122H, with a first take point in Lot 3 of Section 36 and a last take point in the NE/4SW/4 of Section 25;
- (c) the Nailed It Fed. Com. Well No. 151H, with a first take point in Lot 4 of Section 36 and a last take point in the NW/4SW/4 of Section 25;
- (d) the Nailed It Fed. Com. Well No. 152H, with a first take point in Lot 3 of Section 36 and a last take point in the NE/4SW/4 of Section 25; and
- (e) the Nailed It Fed. Com. Well No. 155H, with a first take point in Lot 4 of Section 36 and a last take point in the NW/4SW/4 of Section 25. This is the proximity tract well.

Also to be considered will be the cost of drilling, completing, and equipping 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.

Case No. 22279: Tap Rock Resources, LLC seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a (proximity tract) horizontal spacing unit comprised of the SE/4 of Section 25 and Lots 1, 2, and the N/2NE/4 (the E/2) of Section 36, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to the following wells:

- (a) the Nailed It Fed. Com. Well No. 123H, with a first take point in Lot 2 of Section 36 and a last take point in the NW/4SE/4 of Section 25;
- (b) the Nailed It Fed. Com. Well No. 124H, with a first take point in Lot 1 of Section 36 and a last take point in the NE/4SE/4 of Section 25;
- (c) the Nailed It Fed. Com. Well No. 153H, with a first take point in Lot 2 of Section 36 and a last take point in the NW/4SE/4 of Section 25;
- (d) the Nailed It Fed. Com. Well No. 154H, with a first take point in Lot 1 of Section 36 and a last take point in the NE/4SE/4 of Section 25; and
- (e) the Nailed It Fed. Com. Well No. 156H, with a first take point in Lot 1 of Section 36 and a last take point in the NE/4SE/4 of Section 25. This is the proximity tract well.

Also to be considered will be the cost of drilling, completing, and equipping 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 EVIDENCEAPPLICANTWITNESSESEST. TIMEEXHIBITSMatthew Phillips
(landman)

10 min.

Approx. 6

Emily Lange
(geologist)

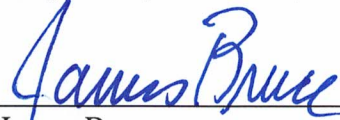
10 min.

Approx. 6

OPPONENTWITNESSESEST. TIMEEXHIBITS**PROCEDURAL MATTERS**

If unopposed these cases will be presented by affidavit.

Respectfully submitted,



James Bruce
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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 66078

QUESTIONS

Operator: TAP ROCK OPERATING, LLC 523 Park Point Drive Golden, CO 80401	OGRID: 372043
	Action Number: 66078
	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.