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

APPLICATION OF TAP ROCK OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 22654



Talco State Fed Com 111H, 112H, 125H, and 127H

April 7, 2022

Table of Contents

Checklist	Tab 1
Application	2
Affidavit of Landman	Taylor Ford – Exhibit A3
Landman Exhibits	4
Exhibit 1:	C-102s
Exhibit 2:	Tract Map
Exhibit 3:	Tract List
Exhibit 4:	Unit Interest Breakdown
Exhibit 5:	Sample Well Proposal and AFEs
Exhibit 6:	Summary of Communication
Affidavit of Geologist	Eli DenBesten– Exhibit B5
Geologist Exhibits	6
Exhibit 7:	Project Locator Map
Exhibit 8:	Gun Barrel Diagram
Exhibit 9:	Bone Spring Subsea Structure Map
Exhibit 10:	Stratigraphic Cross Section
Exhibit 11:	Gross Bone Spring Isopach Map
Exhibit 12a:	Simplified Wellbore Diagram of Talco State Fed Com 111H
Exhibit 12b:	Simplified Wellbore Diagram of Talco State Fed Com 112H
Exhibit 12c:	Simplified Wellbore Diagram of Talco State Fed Com 125H
Exhibit 12b:	Simplified Wellbore Diagram of Talco State Fed Com 127H
Affidavit of Notice – l	Exhibit C

Tab 1.

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS									
Case: 22654	APPLICANT'S RESPONSE								
Date	April 7, 2022								
Applicant	Tap Rock Operating, LLC								
Designated Operator & OGRID (affiliation if applicable)	372043								
Applicant's Counsel:	Montgomery & Andrews, P.A. (Sharon Shaheen & Ricardo Gonzales)								
Case Title:	Application of Tap Rock Operating, LLC for Compulsory Pooling, Lea County, New Mexico								
Entries of Appearance/Intervenors:	None at this time								
Well Family	Talco State Fed Com Wells								
Formation/Pool									
Formation Name(s) or Vertical Extent:	Bone Spring Formation								
Primary Product (Oil or Gas):	Oil								
Pooling this vertical extent:	Bone Spring Formation								
Pool Name and Pool Code:	WC-025 G-09 S263527D; BONE SPRING [98143]								
Well Location Setback Rules:	Statewide rules								
Spacing Unit Size:	640 acres, more or less								
Spacing Unit									
Type (Horizontal/Vertical)	Horizontal								
Size (Acres)	640 acres, more or less								
Building Blocks:	Quarter-quarter section (40 ac)								
Orientation:	North-South								
Description: TRS/County	W/2 of Sections 16 and 21, Township 26 South, Range 35 East in Lea County, New Mexico								
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes								
Other Situations									
Depth Severance: Y/N. If yes, description	No; See Exhibit A at 2, ¶ 15								
Proximity Tracts: If yes, description	E/2 W2 of Sections 16 and 21, T26S-R35E								
Proximity Defining Well: if yes, description	Talco State Fed Com 125H well located within the W/2								
Applicantle Oupership in Foot Troot	W/2 of Sections 16 and 21, T26S-R35E								
Applicant's Ownership in Each Tract	0% in Tract 1; 0% in Tract 2; XX% in Tract 3, see Exhibit A, ¶ and Exhibit 3								
Well(s)									
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status									
(standard or non-standard) Well #1	Talco State Fed Com #111H, API No. 30-025-48605								
	SHL: 435' FNL and 1188' FWL, Section 16, T26S-R35E, NMPM BHL: 5' FSL and 331' FWL, Section 21, T26S-R35E, NMPM Completion Target: First Bone Spring at ~10625' Well								
	Orientation: North-South Completion location expected to be standard								
Horizontal Well First and Last Take Points	FTP (~331' FWL and 100' FNL of Section 16, T26S-R35E) LTP (~331' FWL and 100' FSL of Section 21, T26S-R35E)								
Completion Target (Formation, TVD and MD)	First Bone Spring - TVD (~10,625'), MD (~21,285')								

	В
Horizontal Well First and Last Take Points	Talco State Fed Com #112H, API No. 30-025-48606 SHL: 410' FNL and 1214' FWL, Section 16, T26S-R35E, NMPM BHL: 5' FSL and 1650' FWL, Section 21, T26S-R35E, NMPM Completion Target: First Bone Spring at ~10625' Well Orientation: North-South Completion location expected to be standard FTP (~993' FEL and 100' FNL of Section 16, T26S-R35E) LTP
36	(~992' FEL and 100' FSL of Section 21, T26S-R35E)
Completion Target (Formation, TVD and MD)	First Bone Spring - TVD (~10,625'), MD (~21,285')
Well #3	Talco State Fed Com #125H, API No. Pending SHL: 410' FNL and 1189' FWL, Section 16, T26S-R35E, NMPM BHL: 5' FSL and 1050' FWL, Section 21, T26S-R35E, NMPM Completion Target: Second Bone Spring Sand at ~ 11,000' Well Orientation: North-South Completion location expected to be standard
Horizontal Well First and Last Take Points	FTP (~1050' FWL and 100' FNL of Section 16, T26S-R35E) LTP (~1050' FWL and 100' FSL of Section 21, T26S-R35E)
Completion Target (Formation, TVD and MD)	Second Bone Spring Sand- TVD (~11,000'), MD (~21,660')
Well #4	Talco State Fed Com #127H, API No. Pending SHL: 435' FNL and 1,214' FWL, Section 16, T26S-R35E, NMPM BHL: 5' FSL and 2,310' FWL, Section 21, T26S-R35E, NMPM Completion Target: Second Bone Spring Sand at ~10625' Well Orientation: North-South Completion location expected to be standard
Horizontal Well First and Last Take Points	FTP (~332' FEL and 100' FNL of Section 16, T26S-R35E) LTP (~332' FWL and 100' FSL of Section 21, T26S-R35E)
Completion Target (Formation, TVD and MD)	Second Bone Spring Sand- TVD (~11,000'), MD (~21,660')
44 AFE Capex and Operating Costs	

<u></u>	Received by OCD: 4/5/2022 5:02:37 PM Drilling Supervision/Month \$	\$8,000; see Exhibit A, ¶ 19
45	Production Supervision/Month \$	\$800; see Exhibit A, ¶ 19
46	Justification for Supervision Costs	Please see AFEs at Exhibit 5
		200%; see Exhibit A, ¶ 20
	Requested Risk Charge	200%, see Exhibit A, ¶ 20
	Notice of Hearing	Cubmitted with online filing of Application
	Proposed Notice of Hearing	Submitted with online filing of Application
	Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C
52	Proof of Published Notice of Hearing (10 days before hearing)	n/a
53	Ownership Determination	C 5 1 1 1 1 2
	Land Ownership Schematic of the Spacing Unit	See Exhibit 2
55	Tract List (including lease numbers and owners)	Exhibit 3
56	Pooled Parties (including ownership type)	See Exhibit A, ¶ 14 and Exhibit 4; see also Notice Letter, attached to Exhibit C
57	Unlocatable Parties to be Pooled	3 ORRIs - See Exhibit C at Exhibit 2
	Ownership Depth Severance (including percentage above & below)	None
58	•	None
59	Joinder	
60	Sample Copy of Proposal Letter	Exhibit 5
61	List of Interest Owners (ie Exhibit A of JOA)	Exhibit 4
62	Chronology of Contact with Non-Joined Working Interests	Exhibit A, ¶ 18; Exhibit 6
63	Overhead Rates In Proposal Letter	n/a
64	Cost Estimate to Drill and Complete	See AFEs at Exhibit 5
65	Cost Estimate to Equip Well	See AFEs at Exhibit 5
66	Cost Estimate for Production Facilities	
67	Geology	
68	Summary (including special considerations)	Exhibit B, ¶¶ 5-9; see Exhibits 7-12
69	Spacing Unit Schematic	Exhibit 7
70	Gunbarrel/Lateral Trajectory Schematic	Exhibit 8
71	Well Orientation (with rationale)	Exhibit B, ¶ 10(d)
72	Target Formation	Exhibit 8
73	HSU Cross Section	Exhibit 10
74	Depth Severance Discussion	n/a
75	Forms, Figures and Tables	
76	C-102	Exhibit 1
77	Tracts	Exhibits 2 and 3
78	Summary of Interests, Unit Recapitulation (Tracts)	See Exhibit A, ¶ 13 and Exhibits 3-4
79	General Location Map (including basin)	Exhibit 7
80	Well Bore Location Map	Exhibit 11; see Exhibit 12
81	Structure Contour Map - Subsea Depth	Exhibit 9
82	Cross Section Location Map (including wells)	Exhibit 8
83	Cross Section (including Landing Zone)	Exhibit 10
84	Additional Information	
85	Special Provisions/Stipulations	None
86	CERTIFICATION: I hereby certify that the information provide	ed in this checklist is complete and accurate.
87	Printed Name (Attorney or Party Representative):	Sharon T. Shaheen
	Signed Name (Attorney or Party Representative):	Shown of Shokeen
	Date:	4/5/2022
_		., -,

Tab 2.

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

APPLICATION OF TAP ROCK OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case	No.		

APPLICATION

Tap Rock Operating, LLC ("Tap Rock"), OGRID No. 372043, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, seeking an order pooling all mineral interests in the Bone Spring formation (WC-025 G-09 S263527D; BONE SPRING [98143]) in a standard 640-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the W/2 of Sections 16 and 21, Township 26 South, Range 35 East in Lea County, New Mexico. In support of its application, Tap Rock states as follows:

- 1. Tap Rock is a working interest owner in the proposed HSU and has the right to drill thereon.
- 2. Tap Rock proposes to drill the following four (4) two-mile wells in the proposed HSU:
 - Talco State Fed Com 111H well, to be horizontally drilled from an approximate surface hole location 435' FNL and 1188' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 5' FSL and 331' FWL of Section 21, T26S-R35E.
 - Talco State Fed Com 112H well, to be horizontally drilled from an approximate surface hole location 410' FNL and 1214' FWL of Section 16, T26S-R35E, to an

approximate bottom hole location 5' FSL and 1650' FWL of Section 21, T26S-R35E.

- Talco State Fed Com 125H well, to be horizontally drilled from an approximate surface hole location 410' FNL and 1189' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 5' FSL and 1050' FWL of Section 21, T26S-R35E.
- Talco State Fed Com 127H well, to be horizontally drilled from an approximate surface hole location 435' FNL and 1214' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 5' FSL and 2310' FWL of Section 21, T26S-R35E.
- 3. The Talco State Fed Com 125H well is a proximity well located within the W/2 W/2 of Sections 16 and 21, T26S-R35E. Its completed interval will be less than 330' from the E/2 W/2 of Sections 16 and 21. Tap Rock therefore proposes to include the E/2 W2 of Sections 16 and 21, T26S-R35E as proximity tracts under 19.15.16.15(B)(1)(b) NMAC.
- 4. The first and last take points and completed intervals meet the setback requirements set forth in the statewide rules for horizontal oil wells.
- 5. Tap Rock has in good faith sought and been unable to obtain voluntary agreement for the development of these lands from all of the mineral interest owners in the HSU.
- 6. Approval of the HSU and the pooling of all mineral interest owners in the Bone Spring formation underlying the HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. In order to permit Tap Rock to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this HSU should be pooled and Tap Rock should be designated the operator of the HSU.

WHEREFORE, Tap Rock requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 7, 2022, and that, after notice and hearing as required by law, the Division enter an order:

- A. Creating a standard 640-acre, more or less, horizontal spacing and proration unit comprised of the W/2 of Sections 16 and 21, Township 26 South, Range 35 East, NMPM, in Lea County, New Mexico.
 - B. Pooling all mineral interests in the Bone Spring formation underlying the HSU;
- C. Allowing the drilling of the Talco State Fed Com 111H well, Talco State Fed Com 112H well, Talco State Fed Com 125H well, and the Talco State Fed Com 127H well in the proposed HSU.
 - D. Designating Tap Rock as operator of the HSU and the wells to be drilled thereon;
- E. Authorizing Tap Rock to recover its costs of drilling, equipping and completing the wells;
- F. Approving the operating charges and costs of supervision while drilling of \$8,000/month and, after completion, \$800/month, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- G. Imposing a 200% penalty for the risk assumed by Tap Rock in drilling and completing the wells against any interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

/s/ Sharon T. Shaheen
Sharon T. Shaheen
Ricardo S. Gonzales
Post Office Box 2307
Santa Fe, NM 87504-2307
(505) 986-2678
sshaheen@montand.com
rgonzales@montand.com

Attorneys for Tap Rock Operating, LLC

Application of Tap Rock Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation (WC-025 G-09 S263527D; BONE SPRING [98143]) in a standard 640-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the W/2 of Sections 16 and 21, Township 26 South, Range 35 East in Lea County, New Mexico. The HSU is to be dedicated to the following two-mile wells: (1) Talco State Fed Com #111H well, to be horizontally drilled from an approximate surface hole location 435' FNL and 1188' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 5' FSL and 331' FWL of Section 21, T26S-R35E; (2) Talco State Fed Com #112H well, to be horizontally drilled from an approximate surface hole location 410' FNL and 1214' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 5' FSL and 1650' FWL of Section 21, T26S-R35E; (3) Talco State Fed Com #125H well, to be horizontally drilled from an approximate surface hole location 410' FNL and 1189' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 5' FSL and 1050' FWL of Section 21, T26S-R35E; (4) Talco State Fed Com #127H well, to be horizontally drilled from an approximate surface hole location 435' FNL and 1214' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 5' FSL and 2310' FWL of Section 21, T26S-R35E. The Talco State Fed Com #125H well is a proximity well located within the W/2 W/2 of Sections 16 and 21. Its completed interval will be less than 330' from the E/2 W/2 of Sections 16 and 21. The E/2 W/2 of Sections 16 and 21 is therefore included in the HSU under 19.15.16.15(B)(1)(b) NMAC as proximity tracts. The first and last take points and completed intervals meet the setback requirements set forth in the statewide rules for horizontal oil wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 12 miles southwest of Jal, New Mexico.

Tab 3.

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

APPLICATION OF TAP ROCK OPERATING, LLC
FOR A STANDARD HORIZONTAL SPACING
AND PRORATION UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

Case I

Case No. 22654

AFFIDAVIT OF TAYLOR FORD

- I, being duly sworn on oath, state the following:
- 1. I am over the age of eighteen years and have the capacity to execute this Affidavit, which is based on my personal knowledge.
- 2. I am employed as a Landman with Tap Rock Operating, LLC ("Tap Rock"), and I am familiar with the subject application and the lands involved.
- 3. This affidavit is submitted in connection with the filing by Tap Rock of the above-referenced compulsory pooling applications pursuant to 19.15.4.12.A(1) NMAC.
- 4. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
- 5. The purpose of this application is to force pool the working interest owner into the horizontal spacing unit ("HSU") described below, and in the wells to be drilled in the unit.
- 6. No opposition is expected. Tap Rock seeks to pool only one working interest owner in this proceeding: Enriqueta Garrett. Said party was contacted regarding the proposed well. Tap Rock continues to work toward a voluntary agreement with said party.
- 7. Tap Rock seeks an order pooling all mineral interests in the WC-025 G-09 S263527D; BONE SPRING pool (Pool Code 98143) underlying a horizontal spacing unit

1

EXHIBIT A
Taprock Resources, LLC
NMOCD Case No. 22654
April 7, 2022

comprised of the W/2 of Section 16 and W/2 of Section 21, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. The proposed 640-acre spacing unit will be dedicated to the Talco State Fed Com #111H, #112H, #125H, and #127H as the defining wells for the unit.

- 8. The proposed C-102 for each well is attached as **Exhibit 1.** The wells will develop the WC-025 G-09 S263527D; BONE SPRING pool (Pool Code 98143), which is an oil pool.
- 9. The proposed surface holes, bottom holes, and first take points for each well can be found in the attached **Exhibit 1**.
- 10. The Talco State Fed Com 125H well is a proximity well located within the W/2 W/2 of Sections 16 and 21, T26S-R35E. Its completed interval will be less than 330' from the E/2 W/2 of Sections 16 and 21. Tap Rock therefore proposes to include the E/2 W2 of Sections 16 and 21, T26S-R35E as proximity tracts under 19.15.16.15(B)(1)(b) NMAC.
- 11. The first and last take points and completed intervals meet the setback requirements set forth in the statewide rules for horizontal oil wells.
- 12. The proposed total vertical depth for each well can be found in the attached **Exhibit 5**.
- 13. A tract map containing the composition of the HSU is attached hereto as **Exhibit 2** and shows that the HSU is comprised of two State tracts and one Federal tract. The details of these tracts are provided in **Exhibit 3**. Applicant's ownership in Tract 3 is 99.775%. Applicant has no ownership interest in Tract 1 or Tract 2. Devon Energy Production Company, LP, with whom Applicant has a voluntary agreement, owns 100% of the interest in Tracts 1 and 2.
- 14. The parties being pooled and the nature of their interests are found in **Exhibit 4** attached hereto. The parties include one working interest owner and a number of overriding royalty interest owners.

- 15. There are no depth severances in the Bone Spring formation in the proposed HSU.
- 16. I have conducted a diligent search of the public records in Lea County, New Mexico, where the wells will be located, and conducted phone directory and computer searches to obtain contact information for parties entitled to notification. I mailed all parties well proposals, including an Authorization for Expenditure ("AFE").
- 17. **Exhibit 5** is a sample proposal letter and the AFE for each of the proposed wells. The estimated cost of each of the wells set forth in the AFE is fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.
- 18. Tap Rock has made a good faith effort to obtain voluntary joinder of the working interest owner in the proposed well. **Exhibit 6** is a summary of communications with the working interest party Tap Rock now seeks to pool.
- 19. Tap Rock requests overhead and administrative rates of \$8000/month for drilling a well and \$800/month for a producing well. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of southeastern New Mexico. Tap Rock requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- 20. Tap Rock requests the maximum cost, plus 200% risk charge be assessed against non-consenting working interest owners.
 - 21. Tap Rock requests that it be designated operator of the well.
- 22. The Exhibits to this Affidavit were prepared by me, or compiled from Tap Rock's company business records.
- 23. The granting of this Application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.
 - 24. The foregoing is correct and complete to the best of my knowledge and belief.

FURTHER AFFIANT SAYETH NAUGHT

Taylor Ford Taylor Ford

STATE OF COLORADO) ss

COUNTY OF JEFFERSON)

Subscribed to and sworn before me this 20th day of March, 2022.

TIARA PRESTON NOTARY PUBLIC - STATE OF COLORADO NOTARY ID 20214042743 MY COMMISSION EXPIRES OCT 29, 2025

Notary Public

My Commission expires October 29, 2025.

Tab 4.

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

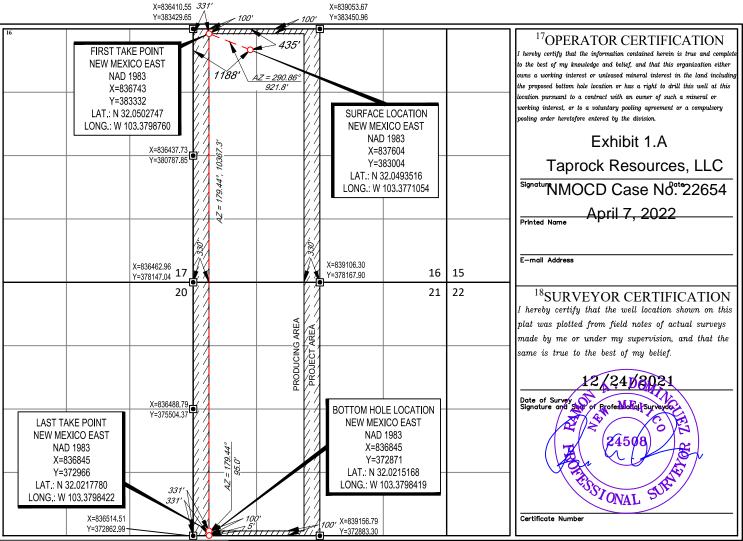
FORM C-102 Revised August 1, 2011 Submit one copy to appropriate **District Office**

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Numbe	er	² Pool Code		³ Pool Name			
⁴ Property Code		5Pr	⁵ Property Name				
		TALCO STATE FED COM					
⁷ OGRID No.		8O _l	⁹ Elevation				
372043		TAP ROCK	3201'				
10 Surface Location							

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	26-S	35-E	-	435'	NORTH	1188'	WEST	LEA
	11Bottom Hole Location If Different From Surface								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	21	26-S	35-E	-	5'	SOUTH	331'	WEST	LEA
12Dedicated Acres	12Dedicated Acres 13Joint or Infill 14Consolidation Code 15Order No.								



State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

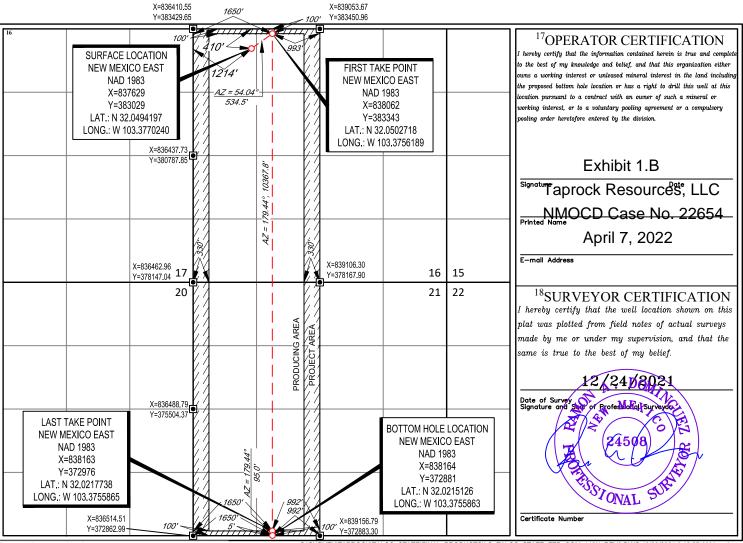
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code	³ Pool Name				
⁴ Property Code		⁵ Property Name					
		TALCO STATE FED COM					
⁷ OGRID №.		⁸ Operator Name					
372043		3199'					

¹⁰Surface Location

D D	16	26-S	35-E	Lot Idn	410'	NORTH	1214'	WEST	LEA
	¹¹ Bottom Hole Location If Different From Surface								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	21	26-S	35-E	_	5'	SOUTH	1650'	WEST	LEA
12Dedicated Acres	¹³ Joint or l	Infill 14Co	onsolidation Co	de ¹⁵ Ord	er No.		-	-	



State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

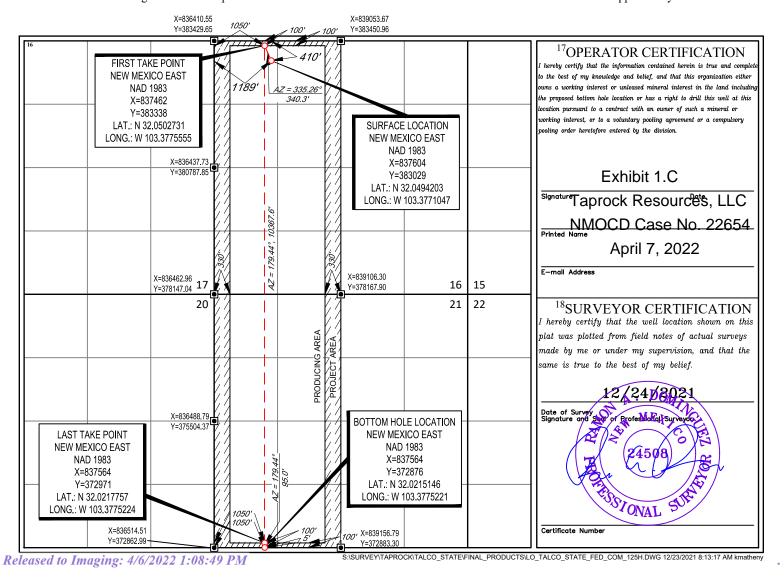
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code ³ Pool Name						
⁴ Property Code		⁵ Property Name						
		TALCO STATE FED COM						
⁷ OGRID No.		⁸ Operator Name						
372043		3201'						
	10 Sturface Lagation							

¹⁰Surface Location

D UL or lot no.	Section 16	Z6-S	35-E	Lot Idn —	Feet from the	NORTH	1189'	WEST	LEA
	¹¹ Bottom Hole Location If Different From Surface								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	21	26-S	35-E	_	5'	SOUTH	1050'	WEST	LEA
12Dedicated Acres	¹³ Joint or l	Infill 14Co	onsolidation Co	de ¹⁵ Ord	er No.		-		



State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

FORM C-102 Revised August 1, 2011 Submit one copy to appropriate **District Office**

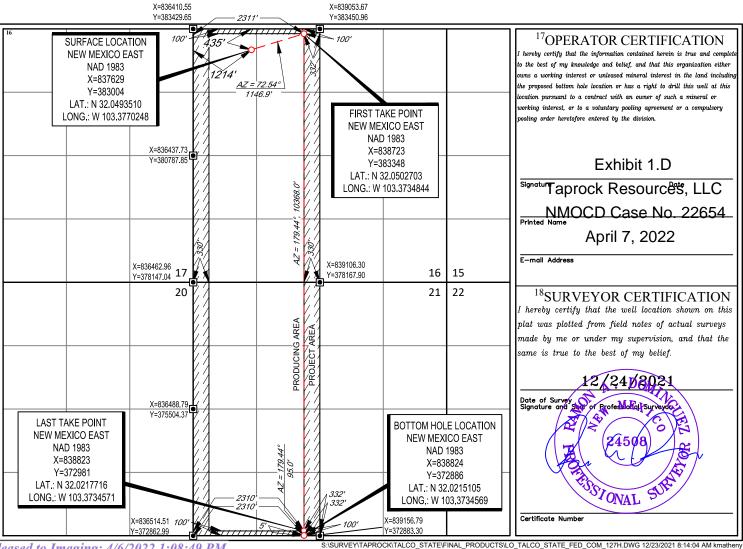
AMENDED REPORT

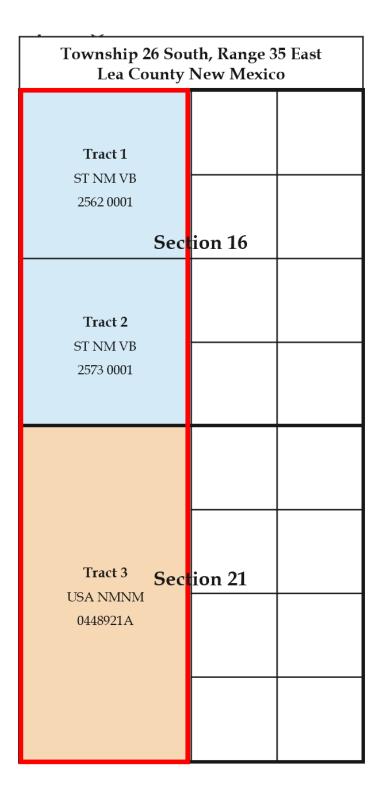
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Numbe	er	² Pool Code	³ Pool Name				
⁴ Property Code		⁵ Pr	⁶ Well Number				
		TALCO STATE FED COM					
⁷ OGRID No.		⁸ O _I	⁹ Elevation				
372043		3200'					
10 Symfogo Logotion							

Surface Location

UL or lot no.	Section 16	Township 26-S	35-E	Lot Idn	Feet from the 435'	North/South line NORTH	Feet from the 1214'	East/West line WEST	LEA
	11Bottom Hole Location If Different From Surface								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	21	26-S	35-E	_	5'	SOUTH	2310'	WEST	LEA
¹² Dedicated Acres	¹³ Joint or l	Infill 14Co	nsolidation Co	de ¹⁵ Ord	er No.				





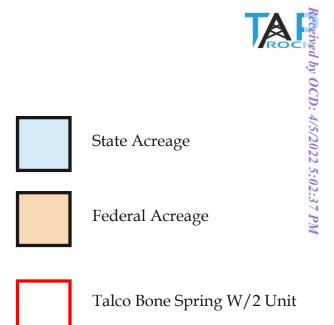


Exhibit 2 Taprock Resources, LLC NMOCD Case No. 22654 April 7, 2022

Fract List

Se					ROCK
Tract #		Mineral Ownership Type	Lease Number	Owners	d by OCD:
<u>+</u> 4	NW/4 of Section 16, Township 26 South, Range 35 East	State	NM VB 2562-0001	Devon Energy Production Company, LP**	4/5/2022 5
V6/2022 1:08:49 PM	SW/4 of Section 16, Township 26 South, Range 35 East	State	NM VB 2573-0001	Devon Energy Production Company, LP**	:.02:37 PM
3	W/2 of Section 21, Township 26 South, Range 35 East	Fed	NMNM 0448921A	Tap Rock Resources II, LLC Enriqueta Garrett	

Exhibit 3 Taprock Resources, LLC NMOCD Case No. 22654 April 7, 2022

^{*} Final interest subject to division order title verification
** Not seeking to pool said party

Init Interest Breakdown* Imaging: 4/6/2022 1:08:49 PM



Entity	Interest Type	Approximate Percentage
Tap Rock Resources II, LLC	Working Interest	49.8875%
	Committed Working Interest	50.0000%
Enriqueta Garrett	Uncommitted Working Interest	0.11250%

• * Final interest subject to division order title verification

Exhibit 4
Taprock Resources, LLC
NMOCD Case No. 22654
April 7, 2022

Unit Interest Breakdown*



Overriding Royalty Interest

Bruce Heafitz (formerly Presidents and Fellows of Harvard University, Wolfcamp Title, LLC, White Gold Corporation)

Bruce Heafitz, as his separate property

Wing Resources V, LLC (formerly Tumbler Energy Partners, LLC)

TD Minerals, LLC

Jules Russell Toraby

Sophia Augusta Toraby

Gabriel Joshua Heafitz

Samara Galit Heafitz

Tap Rock Minerals II, LLC

Dorchester Minerals, LP

Jeanette Fisher McKillop

Carrie Bridget Fisher

Innerarity Family Minerals, LLC

• * Final interest subject to division order title verification

Exhibit 4 Taprock Resources, LLC NMOCD Case No. 22654 April 7, 2022

TAP ROCK RESOURCES, LLC

TAYLOR FORD - LANDMAN TFORD@TAPRK.COM



January 05, 2022

Via Certified Mail

Enriqueta Garrett 5710 Antares Court Dallas, TX 75252

Re: Well Proposals for:

- Talco State Federal Com #111H
- Talco State Federal Com #112H
- Talco State Federal Com #125H
- Talco State Federal Com #127H

Township 26 South, Range 35 East, Section 16: W/2 & Section 21: W/2

Lea County, New Mexico

(the "Wells")

Dear Working Interest Owner:

Tap Rock Operating, LLC (TRO), as Operator, hereby proposes to drill the following Wells by pad drilling to prevent waste and protect correlative rights. Accordingly, enclosed for your further handling are our AFEs for the following Wells:

Well Name	Surface Hole Location (SHL)	Bottom Hole Location (BHL)	Formation	True Vertical Depth	Measured Depth
TALCO STATE FEDERAL COM #111H	435' FNL & 1,188' FWL of Sec. 16	5' FSL & 331' FWL of Sec. 21	Bone Spring	10,625'	21,285'
TALCO STATE FEDERAL COM #112H	410' FNL & 1,214' FWL of Sec. 16	5' FSL & 1,650' FWL of Sec. 21	Bone Spring	10,625'	21,285'
TALCO STATE FEDERAL COM #125H	410' FNL & 1,189' FWL of Sec. 16	5' FSL & 1,050' FWL of Sec. 21	Bone Spring	11,000'	21,660'
TALCO STATE FEDERAL COM #127H	435' FNL & 1,214' FWL of Sec. 16	5' FSL & 2,310' FWL of Sec. 21	Bone Spring	11,000'	21,660'

The proposed locations and drilling plans described above are subject to change depending on surface or subsurface issues that may be encountered. TRO will advise you of any such modifications. A separate AFE for facility costs is forthcoming. Your election to participate in the drilling and completion of the proposed wells will also be considered an election to participate in the construction of the production facility.

In the event you elect to participate in the proposed Wells, please execute the enclosed AFEs and return to me within 30 days. TRO is proposing to drill these wells under the terms of the AAPL Form 610-1989 Operating Agreement. This Operating Agreement covers Township 26 South, Range 35 East, Section 16: W/2 & Section 21: W/2, Lea County, New Mexico.

If you do not wish to participate in the operation, TRO would like to offer the following terms:

· 3 year primary term, Term Assignment or Lease

Exhibit 5

Taprock Resources, LLC NMOCD Case No. 22654 April 7, 2022 523 PARK POINT DRIVE, SUITE 200 - GOLDEN, COLORADO 80401

TAP ROCK RESOURCES, LLC

TAYLOR FORD - LANDMAN TFORD@TAPRK.COM



- · Royalty equal to the difference between existing burdens and 20%
- · \$500 per net acre bonus consideration

The Term Assignment offer is subject to the approval of TRO's board and verification of title.

Additionally, TRO is open to discuss possible trades or other deal structures related to your interest in the proposed Wells. If an agreement cannot be reached within 30 days of your receipt of this letter, TRO will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed Wells to allow TRO to move forward with planning and drilling the Wells.

Should you have any questions regarding the above, please contact the undersigned.

Sincerely,

TAP ROCK OPERATING, LLC

Taylor Ford

720.459.3726

806.445.7213

tford@taprk.com

Enriqueta Garrett hereby elects to:

	participate in the TALCO STATE FEDE non-consent the TALCO STATE FEDE	
	participate in the TALCO STATE FEDE	
	participate in the TALCO STATE FEDE	
	participate in the TALCO STATE FEDE non-consent the TALCO STATE FEDE	
Ву:		_
Title:		
Date:		

523 Park Point Dr, Golden, Colorado 80401 Authorization For Expenditure

Date: January 5, 2022 MD/TVD: 21285 / 10625 Lateral Length: 10210 Geologic Target: 1st Bone Spring Name: AFE #: County: State: Talco 111H

Well Description:

Drill, complete, and produce a horizontal 1st Bone Spring well with a 10210 foot lateral.

cos	T CODES	INTANGIBLE DRILLING COSTS DESCRIPTION	AMOUNT
1	1	Land - Legal	10,000
1	2	Land - Regulatory	10,000
1	3	Land - Surface Damages	10,000
1	4	Land - Survey	10,000
1	5	Location/Pit Construction	59,000
1	6	Remedial Dirtwork	0
1	7	Reserve/Frac Pit Closing	0
1	8	Drilling - Contractor	552,965
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	141,000
1	11	Cementing Equipment	30,000
1	12	Bits/Drill Out Assemblies	63,500
1	13	Fluid Circulation Equipment/Services	75,757
1	14	Fluids/Chemicals	109,925
1	15	WBM Cuttings/Wastewater Disposal	49,838
1	16	OBM Cuttings/Chemical Disposal	0
1	17	Fuel/Power	51,929
1	18	Water	37,091
1	19	Directional Drilling	254,556
1	20	Mud Logging	24,071
1	21	Open/Cased/Production Hole Logs	24,071
1			
	22	Coring	0
1	23	Geologic Supervision	0
1	24	Engineering Supervision	0
1	25	Consultant Supervision	125,204
1	26	Freight/Transportation	9,000
1	27	Labor	98,500
1	28	Supplies - Surface	2,500
1	29	Supplies - Living Quarters	1,000
1	30	Rentals - Surface	69,853
1	31	Rentals - Living Quarters	43,338
1	32	Rentals - Downhole	2,000
1	33	Rentals - Pipe & Handling Tools	60,584
1	34	Rentals - Frac Stack	
1	35	Rentals - Frac Tanks	7,637
1	36	Coil Tubing Unit/Workover Rig	
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck	
1	40	Stimulation	
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1	47	Plugging & Abandonment	0
1	53	Overhead	0
1	54	Insurance	20,000
1	55	Contingency	59,377

		INTANGIBLE COMPLETION COSTS	
	CODES	DESCRIPTION	AMOUNT
2	1	Land - Legal	
2	2	Land - Regulatory	
2	3	Land - Surface Damages	
2	4	Land - Survey	
2	5	Location/Pit Construction	
2	6	Remedial Dirtwork	
2	7	Reserve/Frac Pit Closing	
2	8	Drilling - Contractor	
2	9	Mob/Rig Up - Contractor/Trucking	
2	10	Cementing Services	
2	11	Cementing Equipment	
2	12	Bits/Drill Out Assemblies	39,421
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	35,875
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	300,800
2	18	Water	311,253
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,440
2	22	Coring	
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	82,000
2	26	Freight/Transportation	2,000
2	27	Labor	14,220
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	20,080
2	31	Rentals - Living Quarters	14,960
2	32	Rentals - Downhole	0
2	33	Rentals - Pipe & Handling Tools	0
2	34	Rentals - Frac Stack	92,688
2	35	Rentals - Frac Tanks	29,315
2	36	Coil Tubing Unit/Workover Rig	94,066
2	37	Wireline/Slickline/Perforating	239,064
2	38	Temporary Packers/Plugs	41,600
2	39	High Pressure Pump Truck	58,300
2	40	Stimulation	2,031,924
2	41	Rentals - Pressure Control	
2	42	Flowback Services	48,681
2	43	Water Transfer Services	79,500
2	44	Flowback Water Trucking & Disposal	13,056
2	45	Permanent Equipment Installation	
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	16,880
2	54	Insurance	
2	55	Contingency	128,108
		TOTAL INTANGIBLE COMPLETION COSTS:	\$3,706,230

COJ	T CODES	DESCRIPTION	AMOUNT
3	1	Land - Legal	
3	2	Land - Regulatory	
3	3	Land - Surface Damages	
3	4	Land - Survey	
3	5	Location/Pit Construction	5,000
3	6	Remedial Dirtwork	
3	7	Reserve/Frac Pit Closing	
3	8	Drilling - Contractor	
3	9	Mob/Rig Up - Contractor/Trucking	
3	10	Cementing Services	
3	11	Cementing Equipment	
3	12	Bits/Drill Out Assemblies	
3	13	Fluid Circulation Equipment/Services	
3	14	Fluids/Chemicals	
3	15	WBM Cuttings/Wastewater Disposal	
3	16	OBM Cuttings/Chemical Disposal	
3	17	Fuel/Power	
3	18	Water	
3	19	Directional Drilling	
3	20	Mud Logging	
3	21	Open/Cased/Production Hole Logs	
3	22	Coring	
3	23	Geologic Supervision	
3	24	Engineering Supervision	
3	25	Consultant Supervision	18,500
3	26	Freight/Transportation	15,000
3	27	Labor	28,000
3	28	Supplies - Surface	28,000
3	29	Supplies - Living Quarters	
3	30	Rentals - Surface	
3	31	Rentals - Surface Rentals - Living Quarters	
3	32	Rentals - Downhole	
3	33	Rentals - Pipe & Handling Tools	
3	34		
		Rentals - Frac Stack Rentals - Frac Tanks	15.000
3	35 36	Coil Tubing Unit/Workover Rig	15,000
		Wireline/Slickline/Perforating	34,500
3	37		
3	38	Temporary Packers/Plugs	
3	39	High Pressure Pump Truck	
3	40	Stimulation	
3	41	Rentals - Pressure Control	
3	42	Flowback Services	43,600
3	43	Water Transfer Services	
3	44	Flowback Water Trucking & Disposal	65,960
3	45	Permanent Equipment Installation	
3	46	Pipeline Tapping Services	
3	47	Plugging & Abandonment	
3	53	Overhead	0
3	54	Insurance	
	ee.	Contingency	11,278
3	55	contingency	11,270

COST	CODES	DESCRIPTION	AMOUNT
4	60	Conductor Casing	18,000
4	61	Surface Casing	56,375
4	62	1st Intermediate Casing	160,800
4	63	2nd Intermediate Casing	0
4	64	Production Casing	425,700
4	65	Tubing	
4	66	Wellhead	78,000
4	67	Permanent Packers/Hangers/Plugs	
4	68	Tanks	

TANGIBLE DRILLING COSTS

TOTAL INTANGIBLE DRILLING COSTS: \$2,038,625

4	90	Conductor Casing	18,000
4	61	Surface Casing	56,375
4	62	1st Intermediate Casing	160,800
4	63	2nd Intermediate Casing	0
4	64	Production Casing	425,700
4	65	Tubing	
4	66	Wellhead	78,000
4	67	Permanent Packers/Hangers/Plugs	
4	68	Tanks	
4	69	Production Vessels	
4	70	Compressors	
4	71	Surface Flowlines	
4	72	Gathering Lines	
4	73	Valves & Controllers	
4	74	Artificial Lift Equipment	
4	75	Instrumentation & Measurement	
4	76	Electrical Grounding/Safety Equipment	
4	77	Permanent Equipment Installation	
4	80	Other - Surface	
4	81	Other - Downhole	15,000
		TOTAL TANGIBLE DRILLING COSTS:	\$753,875

61	Surface Casing	
62	1st Intermediate Casing	
63	2nd Intermediate Casing	
64	Production Casing	C
65	Tubing	
66	Wellhead	C
67	Permanent Packers/Hangers/Plugs	
68	Tanks	
69	Production Vessels	
70	Compressors	
71	Surface Flowlines	

TANGIBLE COMPLETION COSTS

DESCRIPTION

60 Conductor Casing

72 Gathering Lines73 Valves & Controllers

5	74	Artificial Lift Equipment	
5	75	Instrumentation & Measurement	
5	76	Electrical Grounding/Safety Equipment	
5	77	Permanent Equipment Installation	
5	80	Other - Surface	
5	81	Other - Downhole	
		TOTAL TANGIBLE COMPLETION COSTS:	\$0

TOTAL COMPLETION COSTS: \$3,706,230

6	61	Surface Casing	
6	62	1st Intermediate Casing	
6	63	2nd Intermediate Casing	
6	64	Production Casing	
6	65	Tubing	95,400
6	66	Wellhead	62,100
6	67	Permanent Packers/Hangers/Plugs	0
6	68	Tanks	
6	69	Production Vessels	190,000
6	70	Compressors	
6	71	Surface Flowlines	50,000
6	72	Gathering Lines	0
6	73	Valves & Controllers	0
6	74	Artificial Lift Equipment	28,500
6	75	Instrumentation & Measurement	
6	76	Electrical Grounding/Safety Equipment	
6	77	Permanent Equipment Installation	3,500
6	80	Other - Surface	

TANGIBLE PRODUCTION COSTS

DESCRIPTION

6 60 Conductor Casing

TOTAL PRODUCTION COSTS: \$666,338 TOTAL WELL COST: \$7,165,068

TOTAL TANGIBLE PRODUCTION COSTS: \$429,500

TAP ROCK RESOURCES COMPANY APPROVAL:

TOTAL DRILLING COSTS: \$2,792,500

CEO	VP - EXPLORATION
CFO	VP - OPERATIONS
VP - LAND & LEGAL	SENIOR GEOLOGIST

NON OPERATING PARTNER APPROVAL:
COMPANY NAME:
SIGNED BY: TITLE:
WORKING INTEREST (%): DATE:
TAX ID: APPROVAL:

Other - Downhole

AFE is an estimate only. By signing this AFE, you agree to pay your proportionate share of the actual costs.

523 Park Point Dr, Golden, Colorado 80401 Authorization For Expenditure

 Name:
 Talco 112H
 Date: January 5, 2022

 AFE #:
 0
 MD/TVD: 21285 / 10625

 County:
 Lea
 Lateral Length: 10210

 State:
 NM
 Geologic Target: 1st Bone Spring

Well Description:

Drill, complete, and produce a horizontal 1st Bone Spring well with a 10210 foot lateral.

cos	T CODES	INTANGIBLE DRILLING COSTS DESCRIPTION	AMOUNT
1	1	Land - Legal	10,000
1	2	Land - Regulatory	10,000
1	3	Land - Surface Damages	10,000
1	4	Land - Survey	10,000
1	5	Location/Pit Construction	59,000
1	6	Remedial Dirtwork	0
1	7	Reserve/Frac Pit Closing	0
1	8	Drilling - Contractor	552,965
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	141,000
1	11	Cementing Services Cementing Equipment	30,000
1	12	Bits/Drill Out Assemblies	63,500
1	13	Fluid Circulation Equipment/Services	75,757
1	14	Fluids/Chemicals	109,925
1		WBM Cuttings/Wastewater Disposal	
1	15 16		49,838
1		OBM Cuttings/Chemical Disposal	
	17	Fuel/Power	51,929
1	18	Water	37,091
1	19	Directional Drilling	254,556
1	20	Mud Logging	24,071
1	21	Open/Cased/Production Hole Logs	0
1	22	Coring	0
1	23	Geologic Supervision	0
1	24	Engineering Supervision	0
1	25	Consultant Supervision	125,204
1	26	Freight/Transportation	9,000
1	27	Labor	98,500
1	28	Supplies - Surface	2,500
1	29	Supplies - Living Quarters	1,000
1	30	Rentals - Surface	69,853
1	31	Rentals - Living Quarters	43,338
1	32	Rentals - Downhole	2,000
1	33	Rentals - Pipe & Handling Tools	60,584
1	34	Rentals - Frac Stack	
1	35	Rentals - Frac Tanks	7,637
1	36	Coil Tubing Unit/Workover Rig	
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck	
1	40	Stimulation	
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1	47	Plugging & Abandonment	0
1			0
	53	Overhead	
1	54	Insurance	20,000
1	55	Contingency	59,377

COST	CODES	INTANGIBLE COMPLETION COSTS DESCRIPTION	AMOUNT
2	1	Land - Legal	
2	2	Land - Regulatory	
2	3	Land - Surface Damages	
2	4	Land - Survey	
2	5	Location/Pit Construction	
2	6	Remedial Dirtwork	
2	7	Reserve/Frac Pit Closing	
2	8	Drilling - Contractor	
2	9	Mob/Rig Up - Contractor/Trucking	
2	10	Cementing Services	
2	11		
_		Cementing Equipment	20.424
2	12	Bits/Drill Out Assemblies	39,421
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	35,875
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	300,800
2	18	Water	311,253
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,440
2	22	Coring	
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	82,000
2	26	Freight/Transportation	2,000
2	27	Labor	14,220
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	20,080
	31	Rentals - Surface Rentals - Living Quarters	14,960
2	32	-	14,960
_		Rentals - Downhole	0
2	33	Rentals - Pipe & Handling Tools	0
2	34	Rentals - Frac Stack	92,688
2	35	Rentals - Frac Tanks	29,315
2	36	Coil Tubing Unit/Workover Rig	94,066
2	37	Wireline/Slickline/Perforating	239,064
2	38	Temporary Packers/Plugs	41,600
2	39	High Pressure Pump Truck	58,300
2	40	Stimulation	2,031,924
2	41	Rentals - Pressure Control	
2	42	Flowback Services	48,681
2	43	Water Transfer Services	79,500
2	44	Flowback Water Trucking & Disposal	13,056
2	45	Permanent Equipment Installation	
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	16,880
2	54	Insurance	10,080
2	55	Contingency	128,108
	رر	contingency	120,100

COST CODES	INTANGIBLE PRODUCTION COSTS DESCRIPTION	AMOUNT
3 1	Land - Legal	AMOUNT
3 2	Land - Regulatory	
3 3	Land - Negulatory Land - Surface Damages	
3 4	Land - Survey	
3 5	1	E 000
	Location/Pit Construction	5,000
3 6	Remedial Dirtwork	
3 7	Reserve/Frac Pit Closing	
3 8	Drilling - Contractor	
3 9	Mob/Rig Up - Contractor/Trucking	
3 10	Cementing Services	
3 11	Cementing Equipment	
3 12	Bits/Drill Out Assemblies	
3 13	Fluid Circulation Equipment/Services	
3 14	Fluids/Chemicals	
3 15	WBM Cuttings/Wastewater Disposal	
3 16	OBM Cuttings/Chemical Disposal	
3 17	Fuel/Power	
3 18	Water	
3 19	Directional Drilling	
3 20	Mud Logging	
3 21	Open/Cased/Production Hole Logs	
3 22	Coring	
3 23	Geologic Supervision	
3 24	Engineering Supervision	
3 25	Consultant Supervision	18,500
3 26	Freight/Transportation	15,000
3 27	Labor	28,000
3 28	Supplies - Surface	
3 29	Supplies - Living Quarters	
3 30	Rentals - Surface	
3 31	Rentals - Living Quarters	
3 32	Rentals - Downhole	
3 33	Rentals - Pipe & Handling Tools	
3 34	Rentals - Frac Stack	
3 35	Rentals - Frac Tanks	15,000
3 36	Coil Tubing Unit/Workover Rig	34,500
3 37		34,300
	Wireline/Slickline/Perforating	
3 38	Temporary Packers/Plugs	
3 39	High Pressure Pump Truck	
3 40	Stimulation	
3 41	Rentals - Pressure Control	
3 42	Flowback Services	43,600
3 43	Water Transfer Services	
3 44	Flowback Water Trucking & Disposal	65,960
3 45	Permanent Equipment Installation	
3 46	Pipeline Tapping Services	
3 47	Plugging & Abandonment	
3 53	Overhead	(
3 54	Insurance	
3 55	Contingency	11,278
	TOTAL INTANGIBLE PRODUCTION COSTS:	\$236,838

DESCRIPTION 18,000 4 60 Conductor Casing Surface Casing 56,375 1st Intermediate Casing 62 160,800 63 2nd Intermediate Casing
64 Production Casing
65 Tubing 425,700 78,000 67 Permanent Packers/Hangers/Plugs 68 Tanks 69 Production Vessels 70 Compressors 71 Surface Flowlines 72 Gathering Lines 73 Valves & Controllers 74 Artificial Lift Equipment 75 Instrumentation & Measurement
76 Electrical Grounding/Safety Equipment 77 Permanent Equipment Installation 80 Other - Surface

4 81 Other - Downhole

TANGIBLE DRILLING COSTS

TOTAL INTANGIBLE DRILLING COSTS: \$2,038,625

cos	T CODES	DESCRIPTION	AMOUNT
5	60	Conductor Casing	
5	61	Surface Casing	
5	62	1st Intermediate Casing	
5	63	2nd Intermediate Casing	
5	64	Production Casing	0
5	65	Tubing	
5	66	Wellhead	0
5	67	Permanent Packers/Hangers/Plugs	
5	68	Tanks	
5	69	Production Vessels	
5	70	Compressors	
5	71	Surface Flowlines	
5	72	Gathering Lines	
5	73	Valves & Controllers	
5	74	Artificial Lift Equipment	
5	75	Instrumentation & Measurement	
5	76	Electrical Grounding/Safety Equipment	
5	77	Permanent Equipment Installation	
5	80	Other - Surface	
5	81	Other - Downhole	·
		TOTAL TANGIBLE COMPLETION COSTS:	ŚO

TOTAL COMPLETION COSTS: \$3,706,230

TANGIBLE COMPLETION COSTS

COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	
6 61	Surface Casing	
6 62	1st Intermediate Casing	
6 63	2nd Intermediate Casing	
6 64	Production Casing	
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	
6 69	Production Vessels	190,000
6 70	Compressors	
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	0
6 73	Valves & Controllers	0
6 74	Artificial Lift Equipment	28,500
6 75	Instrumentation & Measurement	
6 76	Electrical Grounding/Safety Equipment	
6 77	Permanent Equipment Installation	3,500
6 80	Other - Surface	
6 81	Other - Downhole	
	TOTAL TANGIBLE PRODUCTION COSTS:	\$429.500

TANGIBLE PRODUCTION COSTS

TOTAL PRODUCTION COSTS: \$666,338

TAP ROCK RESOURCES COMPANY APPROVAL:

TOTAL TANGIBLE DRILLING COSTS: \$753,875

TOTAL DRILLING COSTS: \$2,792,500

15,000

CEO ______ VP - EXPLORATION ______

CFO ______ VP - OPERATIONS ______

VP - LAND & LEGAL _____ SENIOR GEOLOGIST ______

N	ION OPERATING PARTNER APPROVAL:	
СС	OMPANY NAME:	
SIGNED BY:	TITLE:	
WORKING INTEREST (%):	DATE:	
TAVID	ADDDOVAL	

FE is an estimate only. By signing this AFE, you agree to pay your proportionate share of the actual costs.

523 Park Point Dr, Golden, Colorado 80401 Authorization For Expenditure

 Pame:
 Talco 125H
 Date: January 5, 2022

 IE #:
 0
 MD/TVD: 21660 / 11000

 punty:
 Lea
 Lateral Length: 10210

 ate:
 NM
 Geologic Target: 2nd Bone Spring

Vell Description:

Drill, complete, and produce a horizontal 2nd Bone Spring well with a 10210 foot lateral.

INTANGIBLE DRILLING COSTS COST CODES DESCRIPTION			AMOUNT
1	1	Land - Legal	10,000
1	2	Land - Regulatory	10,000
1	3	Land - Surface Damages	10,000
1	4	Land - Survey	10,000
1	5	Location/Pit Construction	59,000
1	6	Remedial Dirtwork	0
1	7	Reserve/Frac Pit Closing	0
1	8	Drilling - Contractor	570,614
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	141,000
1	11	Cementing Equipment	30,000
1	12	Bits/Drill Out Assemblies	63,500
1	13	Fluid Circulation Equipment/Services	77,916
1	14	Fluids/Chemicals	110,707
1	15	WBM Cuttings/Wastewater Disposal	51,525
1	16	OBM Cuttings/Chemical Disposal	0
1	17	Fuel/Power	
		Water	53,808
1	18		37,275
L	19	Directional Drilling	263,764
1	20	Mud Logging	24,071
L	21	Open/Cased/Production Hole Logs	0
L	22	Coring	0
L	23	Geologic Supervision	0
1	24	Engineering Supervision	0
L	25	Consultant Supervision	129,256
L	26	Freight/Transportation	9,000
L	27	Labor	98,500
L	28	Supplies - Surface	2,500
L	29	Supplies - Living Quarters	1,000
L	30	Rentals - Surface	72,185
L	31	Rentals - Living Quarters	44,627
L	32	Rentals - Downhole	2,000
L	33	Rentals - Pipe & Handling Tools	62,776
L	34	Rentals - Frac Stack	
L	35	Rentals - Frac Tanks	7,913
ι	36	Coil Tubing Unit/Workover Rig	
ι	37	Wireline/Slickline/Perforating	
L	38	Temporary Packers/Plugs	
L	39	High Pressure Pump Truck	
L	40	Stimulation	
L	41	Rentals - Pressure Control	
ı	42	Flowback Services	
ı	43	Water Transfer Services	
	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1	47	Plugging & Abandonment	0
	53	Overhead	0
	54	Insurance	20,000
	55		60,688
1	55	Contingency	880,00

COST	CODES	INTANGIBLE COMPLETION COSTS DESCRIPTION	AMOUNT
2	1	Land - Legal	
2	2	Land - Regulatory	
2	3	Land - Surface Damages	
2	4	Land - Survey	
2	5	Location/Pit Construction	
2	6	Remedial Dirtwork	
2	7	Reserve/Frac Pit Closing	
2	8	Drilling - Contractor	
2	9	Mob/Rig Up - Contractor/Trucking	
2	10	Cementing Services	
	11		
2		Cementing Equipment	20.424
2	12	Bits/Drill Out Assemblies	39,421
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	35,875
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	300,800
2	18	Water	311,253
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,440
2	22	Coring	
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	82,000
		1	
2	26	Freight/Transportation	2,000
2	27	Labor	14,220
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	20,080
2	31	Rentals - Living Quarters	14,960
2	32	Rentals - Downhole	
2	33	Rentals - Pipe & Handling Tools	C
2	34	Rentals - Frac Stack	92,688
2	35	Rentals - Frac Tanks	29,315
2	36	Coil Tubing Unit/Workover Rig	94,066
2	37	Wireline/Slickline/Perforating	239,064
2	38	Temporary Packers/Plugs	41,600
2	39	High Pressure Pump Truck	58,300
2	40	Stimulation	2,031,924
2	41	Rentals - Pressure Control	2,001,02
2	42	Flowback Services	48,681
2	43	Water Transfer Services	79,500
2	44	Flowback Water Trucking & Disposal	13,056
2	45	Permanent Equipment Installation	
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	16,880
	54	Insurance	
2			

\neg	T CODES	DESCRIPTION	AMOUNT
3	1	Land - Legal	
3	2	Land - Regulatory	
3	3	Land - Surface Damages	
3	4	Land - Survey	
3	5	Location/Pit Construction	5,00
3	6	Remedial Dirtwork	
3	7	Reserve/Frac Pit Closing	
3	8	Drilling - Contractor	
3	9	Mob/Rig Up - Contractor/Trucking	
3	10	Cementing Services	
3	11	Cementing Equipment	
3	12	Bits/Drill Out Assemblies	
3	13	Fluid Circulation Equipment/Services	
3	14	Fluids/Chemicals	
3	15	WBM Cuttings/Wastewater Disposal	
3	16	OBM Cuttings/Chemical Disposal	
3	17	Fuel/Power	
3	18	Water	
3	19	Directional Drilling	
3	20	Mud Logging	
3	21	Open/Cased/Production Hole Logs	
3	22	Coring	
3	23	Geologic Supervision	
3	24	Engineering Supervision	
3	25	Consultant Supervision	18,50
3	26	Freight/Transportation	15,00
3	27	Labor	28,00
3	28	Supplies - Surface	20,00
3	29	Supplies - Living Quarters	
3	30	Rentals - Surface	
3	31	Rentals - Living Quarters	
3	32	Rentals - Downhole	
3	33		
3		Rentals - Pipe & Handling Tools	
	34	Rentals - Frac Stack	45.00
3	35	Rentals - Frac Tanks	15,00
3	36	Coil Tubing Unit/Workover Rig	34,50
3	37	Wireline/Slickline/Perforating	
3	38	Temporary Packers/Plugs	
3	39	High Pressure Pump Truck	
3	40	Stimulation	
3	41	Rentals - Pressure Control	
3	42	Flowback Services	43,60
3	43	Water Transfer Services	
3	44	Flowback Water Trucking & Disposal	65,96
3	45	Permanent Equipment Installation	
3	46	Pipeline Tapping Services	
3	47	Plugging & Abandonment	
3	53	Overhead	
3	54	Insurance	
3	55	Contingency	11,27

TOTAL INTANGIBLE DRILLING COSTS: \$2,083,625

TOTAL INTANGIBLE COMPLETION COSTS: \$3,706,230

TOTAL COMPLETION COSTS: \$3,706,230

TANGIBLE PRODUCTION COSTS	

COST CODES

COST CODES	DESCRIPTION	AMOUNT
4 60	Conductor Casing	18,000
4 61	Surface Casing	56,375
4 62	1st Intermediate Casing	160,800
4 63	2nd Intermediate Casing	C
4 64	Production Casing	433,200
4 65	Tubing	
4 66	Wellhead	78,000
4 67	Permanent Packers/Hangers/Plugs	
4 68	Tanks	
4 69	Production Vessels	
4 70	Compressors	
4 71	Surface Flowlines	
4 72	Gathering Lines	
4 73	Valves & Controllers	
4 74	Artificial Lift Equipment	
4 75	Instrumentation & Measurement	
4 76	Electrical Grounding/Safety Equipment	
4 77	Permanent Equipment Installation	·
4 80	Other - Surface	
4 81	Other - Downhole	15,000
	TOTAL TANGIBLE DRILLING COSTS:	\$761,375

COST CODES		DESCRIPTION	AMOUNT
5	60	Conductor Casing	
5	61	Surface Casing	
5	62	1st Intermediate Casing	
5	63	2nd Intermediate Casing	
5	64	Production Casing	0
5	65	Tubing	
5	66	Wellhead	0
5	67	Permanent Packers/Hangers/Plugs	
5	68	Tanks	
5	69	Production Vessels	
5	70	Compressors	
5	71	Surface Flowlines	
5	72	Gathering Lines	
5	73	Valves & Controllers	
5	74	Artificial Lift Equipment	
5	75	Instrumentation & Measurement	
5	76	Electrical Grounding/Safety Equipment	
5	77	Permanent Equipment Installation	
5	80	Other - Surface	
5	81	Other - Downhole	
		TOTAL TANGIBLE COMPLETION COSTS:	\$0

TANGIBLE COMPLETION COSTS

6	60	Conductor Casing	
6	61	Surface Casing	
6	62	1st Intermediate Casing	
6	63	2nd Intermediate Casing	
6	64	Production Casing	
6	65	Tubing	95,400
6	66	Wellhead	62,100
6	67	Permanent Packers/Hangers/Plugs	0
6	68	Tanks	
6	69	Production Vessels	190,000
6	70	Compressors	
6	71	Surface Flowlines	50,000
6	72	Gathering Lines	0
6	73	Valves & Controllers	0
6	74	Artificial Lift Equipment	28,500
6	75	Instrumentation & Measurement	
6	76	Electrical Grounding/Safety Equipment	
6	77	Permanent Equipment Installation	3,500
6	80	Other - Surface	
6	81	Other - Downhole	
		TOTAL TANGIBLE PRODUCTION COSTS:	\$429,500

TOTAL WELL COST: \$7,217,568

\$666,338

TOTAL PRODUCTION COSTS:

TAP ROCK RESOURCES COMPANY APPROVAL:

TOTAL DRILLING COSTS: \$2,845,000

CEO _______ VP - EXPLORATION ______

CFO ______ VP - OPERATIONS ______

VP - LAND & LEGAL _____ SENIOR GEOLOGIST _____

NON OPERATING PARTNER APPROVAL:	1
COMPANY NAME:	
SIGNED BY: TITLE:	
WORKING INTEREST (%): DATE:	
TAX ID: APPROVAL:	

E is an estimate only. By signing this AFE, you agree to pay your proportionate share of the actual costs.

523 Park Point Dr, Golden, Colorado 80401 Authorization For Expenditure

> 39,421 35,875

300,800 311,253

8,440

2,000 14,220 2,000 2,000 20,080 14,960

92,688 29,315 94,066 239,064 41,600 2,031,924 48,681 79,500 13,056

> 16,880 128,108

Date: January 5, 2022 MD/TVD: 21660 / 11000 Lateral Length: 10210 Geologic Target: 2nd Bone Spring lame: NFE #: County: tate: Talco 127H

Vell Description:

Drill, complete, and produce a horizontal 2nd Bone Spring well with a 10210 foot lateral.

INTANGIBLE DRILLING COSTS COST CODES DESCRIPTION		****		T 00000	INTANGIBLE COMPLETION COST
		AMOUNT		T CODES	DESCRIPTION
	Land - Legal	10,000	2	1	Land - Legal
	Land - Regulatory	10,000	2	2	Land - Regulatory
	Land - Surface Damages Land - Survey	10,000 10,000	2	3	Land - Surface Damages
	Land - Survey Location/Pit Construction	59,000	2	5	Land - Survey Location/Pit Construction
		59,000	2	6	Remedial Dirtwork
	Remedial Dirtwork Reserve/Frac Pit Closing	0	2	7	Reserve/Frac Pit Closing
	B Drilling - Contractor	570,614	2	8	Drilling - Contractor
	Mob/Rig Up - Contractor/Trucking	50,000	2	9	Mob/Rig Up - Contractor/Trucking
	O Cementing Services	141,000	2	10	Cementing Services
	1 Cementing Services	30,000	2	11	Cementing Services Cementing Equipment
	2 Bits/Drill Out Assemblies	63,500	2	12	Bits/Drill Out Assemblies
_	3 Fluid Circulation Equipment/Services	77,916	2	13	Fluid Circulation Equipment/Services
		110,707	2	14	Fluids/Chemicals
	4 Fluids/Chemicals 5 WBM Cuttings/Wastewater Disposal	51,525	2	15	WBM Cuttings/Wastewater Disposal
	6 OBM Cuttings/Chemical Disposal	51,525	2	16	OBM Cuttings/Chemical Disposal
	7 Fuel/Power	53,808	2	17	Fuel/Power
			2	18	Water
		37,275	2		
	9 Directional Drilling 0 Mud Logging	263,764	2	19 20	Directional Drilling
_	50 5	24,071	2		Mud Logging
	1 Open/Cased/Production Hole Logs	0	2	21	Open/Cased/Production Hole Logs
	2 Coring	0	2	22	Coring
	3 Geologic Supervision	0	2	23	Geologic Supervision
	4 Engineering Supervision		_	24	Engineering Supervision
	5 Consultant Supervision	129,256	2	25	Consultant Supervision
_	6 Freight/Transportation	9,000	2	26	Freight/Transportation
	7 Labor	98,500	2	27 28	Labor
	8 Supplies - Surface 9 Supplies - Living Quarters	2,500	2	28	Supplies - Surface
		1,000	2		Supplies - Living Quarters
_	0 Rentals - Surface	72,185 44,627	2	30 31	Rentals - Surface
	1 Rentals - Living Quarters		2	32	Rentals - Living Quarters
	2 Rentals - Downhole 3 Rentals - Pipe & Handling Tools	2,000 62,776	2	33	Rentals - Downhole
	' ×	02,770	2	34	Rentals - Pipe & Handling Tools
		7.012	2		Rentals - Frac Stack
	5 Rentals - Frac Tanks 6 Coil Tubing Unit/Workover Rig	7,913	2	35 36	Rentals - Frac Tanks Coil Tubing Unit/Workover Rig
_			2		
_	7 Wireline/Slickline/Perforating		2	37	Wireline/Slickline/Perforating
_	8 Temporary Packers/Plugs		2	38 39	Temporary Packers/Plugs
	9 High Pressure Pump Truck 0 Stimulation		2	40	High Pressure Pump Truck Stimulation
	1 Rentals - Pressure Control		2	41	Rentals - Pressure Control
	2 Flowback Services		2	41	Flowback Services
_			2	42	
	3 Water Transfer Services		2		Water Transfer Services
	4 Flowback Water Trucking & Disposal			44	Flowback Water Trucking & Disposal
	5 Permanent Equipment Installation		2	45	Permanent Equipment Installation
	6 Pipeline Tapping Services		_	46	Pipeline Tapping Services
	7 Plugging & Abandonment	0	2	47	Plugging & Abandonment
	3 Overhead	0	2	53	Overhead
	4 Insurance	20,000	2	54	Insurance
1 !	5 Contingency	60,688	2	55	Contingency

cor	T CODES	INTANGIBLE PRODUCTION COSTS DESCRIPTION	AMOUNT
			AIVIOUNT
3	1	Land - Legal	
3	2	Land - Regulatory	
3	3	Land - Surface Damages	
3	4	Land - Survey	
3	5	Location/Pit Construction	5,000
3	6	Remedial Dirtwork	
3	7	Reserve/Frac Pit Closing	
3	8	Drilling - Contractor	
3	9	Mob/Rig Up - Contractor/Trucking	
3	10	Cementing Services	
3	11	Cementing Equipment	
3	12	Bits/Drill Out Assemblies	
3	13	Fluid Circulation Equipment/Services	
3	14	Fluids/Chemicals	
3	15	WBM Cuttings/Wastewater Disposal	
3	16	OBM Cuttings/Chemical Disposal	
3	17	Fuel/Power	
3	18	Water	
3	19	Directional Drilling	
3	20	Mud Logging	
3	21	Open/Cased/Production Hole Logs	
3	22	Coring	
3	23		
		Geologic Supervision	
3	24	Engineering Supervision	40.500
3	25	Consultant Supervision	18,500
3	26	Freight/Transportation	15,000
3	27	Labor	28,000
3	28	Supplies - Surface	
3	29	Supplies - Living Quarters	
3	30	Rentals - Surface	
3	31	Rentals - Living Quarters	
3	32	Rentals - Downhole	
3	33	Rentals - Pipe & Handling Tools	
3	34	Rentals - Frac Stack	
3	35	Rentals - Frac Tanks	15,000
3	36	Coil Tubing Unit/Workover Rig	34,500
3	37	Wireline/Slickline/Perforating	
3	38	Temporary Packers/Plugs	
3	39	High Pressure Pump Truck	
3	40	Stimulation	
3	41	Rentals - Pressure Control	
3	42	Flowback Services	43,600
3	43	Water Transfer Services	-,
3	44	Flowback Water Trucking & Disposal	65,960
3	45	Permanent Equipment Installation	03,900
3	46	Pipeline Tapping Services	
3			
_	47	Plugging & Abandonment	-
3	53	Overhead	0
3	54	Insurance	
3	55	Contingency	11,278
		TOTAL INTANGIBLE PRODUCTION COSTS:	\$236,838

TOTAL INTANGIBLE COMPLETION COSTS: \$3,706,230

TOTAL COMPLETION COSTS: \$3,706,230

TANGIBLE PRODUCTION COSTS
DESCRIPTION

	TANGIBLE DRILLING COSTS				
cos	CODES	DESCRIPTION	AMOUNT		
4	60	Conductor Casing	18,000		
4	61	Surface Casing	56,375		
4	62	1st Intermediate Casing	160,800		
4	63	2nd Intermediate Casing	0		
4	64	Production Casing	433,200		
4	65	Tubing			
4	66	Wellhead	78,000		
4	67	Permanent Packers/Hangers/Plugs			
4	68	Tanks			
4	69	Production Vessels			
4	70	Compressors			
4	71	Surface Flowlines			
4	72	Gathering Lines			
4	73	Valves & Controllers			
4	74	Artificial Lift Equipment			
4	75	Instrumentation & Measurement			
4	76	Electrical Grounding/Safety Equipment			
4	77	Permanent Equipment Installation			
4	80	Other - Surface			
4	81	Other - Downhole	15,000		

cos	T CODES	DESCRIPTION	AMOUNT
5	60	Conductor Casing	
5	61	Surface Casing	
5	62	1st Intermediate Casing	
5	63	2nd Intermediate Casing	
5	64	Production Casing	0
5	65	Tubing	
5	66	Wellhead	0
5	67	Permanent Packers/Hangers/Plugs	
5	68	Tanks	
5	69	Production Vessels	
5	70	Compressors	
5	71	Surface Flowlines	
5	72	Gathering Lines	
5	73	Valves & Controllers	
5	74	Artificial Lift Equipment	
5	75	Instrumentation & Measurement	
5	76	Electrical Grounding/Safety Equipment	
5	77	Permanent Equipment Installation	
5	80	Other - Surface	
5	81	Other - Downhole	
		TOTAL TANGIBLE COMPLETION COSTS:	\$0

TANGIBLE COMPLETION COSTS

COST COD	ES DESCRIPTION	AMOUNT
6 60	Conductor Casing	
6 61	Surface Casing	
6 62	1st Intermediate Casing	
6 63	2nd Intermediate Casing	
6 64	Production Casing	
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	
6 69	Production Vessels	190,000
6 70	Compressors	
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	0
6 73	Valves & Controllers	0
6 74	Artificial Lift Equipment	28,500
6 75	Instrumentation & Measurement	
6 76	Electrical Grounding/Safety Equipment	
6 77	Permanent Equipment Installation	3,500
6 80	Other - Surface	
6 81	Other - Downhole	
	TOTAL TANGIBLE PRODUCTION COSTS:	\$429,500

TOTAL WELL COST: \$7,217,568

\$666,338

TOTAL PRODUCTION COSTS:

TAP ROCK RESOURCES COMPANY APPROVAL:

TOTAL TANGIBLE DRILLING COSTS: \$761,375 TOTAL DRILLING COSTS: \$2,845,000

___ VP - EXPLORATION __ __ VP - OPERATIONS _ ___ SENIOR GEOLOGIST _

	NON OPERATING PARTNER APPROVAL:
	COMPANY NAME:
SIGNED BY:	TITLE:
WORKING INTEREST (%):	DATE:
TAX ID:	APPROVAL:

E is an estimate only. By signing this AFE, you agree to pay your proportionate share of the actual costs.

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

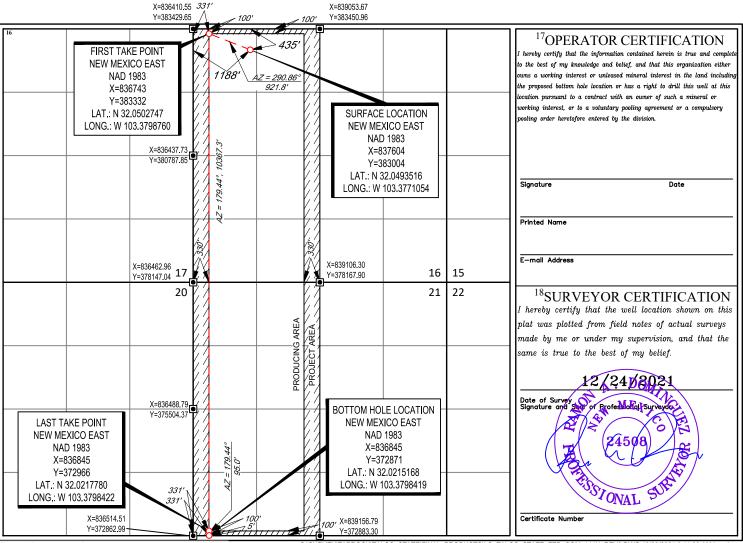
FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code	³ Pool Name					
⁴ Property Code		⁵ Pr	⁶ Well Number					
		TALCO STATE FED COM 111H						
⁷ OGRID No.		⁸ O _I	⁹ Elevation					
372043		TAP ROCK OPERATING, LLC. 3201'						
	¹⁰ Surface Location							

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
D	16	26-S	35-E	_	435'	NORTH	1188'	WEST	LEA	
	11Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
M	21	26-S	35-E	_	5'	SOUTH	331'	WEST	LEA	
¹² Dedicated Acres	¹³ Joint or I	nfill 14Co	nsolidation Co	de ¹⁵ Ord	er No.					



State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

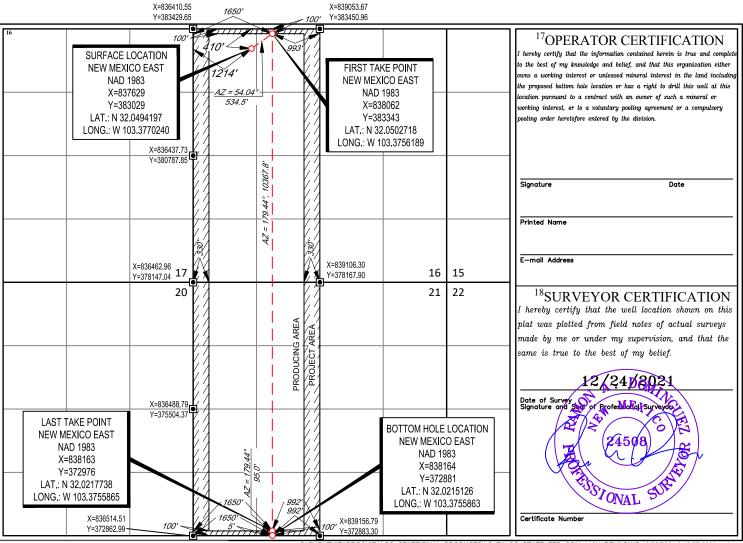
FORM C-102 Revised August 1, 2011 Submit one copy to appropriate **District Office**

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code		³ Pool Name			
⁴ Property Code		5Property Name				
	TALCO	TALCO STATE FED COM				
⁷ OGRID No.		⁸ Operator Name		⁹ Elevation		
372043	TAP RO	TAP ROCK OPERATING, LLC.				
•	11	OSurface Location	•			

UL or lot no. D	Section 16	Township 26-S	35-E	Lot Idn —	Feet from the 410'	North/South line NORTH	Feet from the 1214'	East/West line WEST	County LEA		
	¹¹ Bottom Hole Location If Different From Surface										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
N	21	26-S	35-E	_	5'	SOUTH	1650'	WEST	LEA		
12Dedicated Acres	¹³ Joint or l	Infill 14Co	nsolidation Co	de ¹⁵ Ord	er No.						



State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

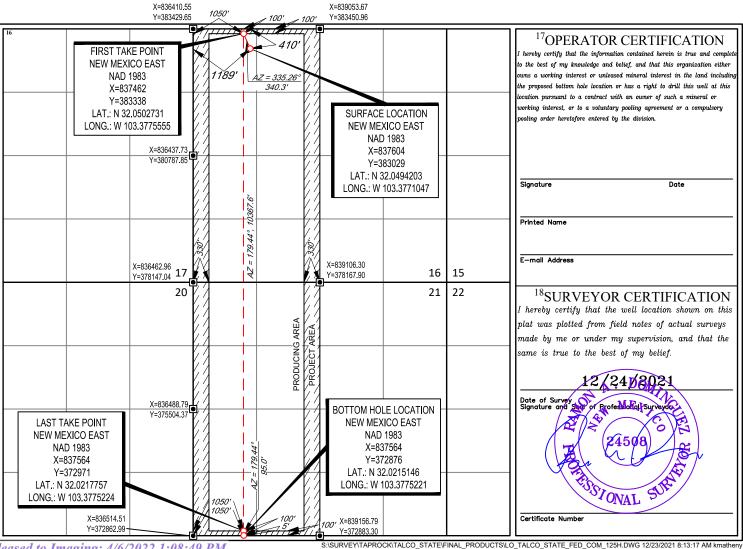
FORM C-102 Revised August 1, 2011 Submit one copy to appropriate **District Office**

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code	³ Pool Name				
⁴ Property Code		5Pr	⁶ Well Number				
		TALCO STATE FED COM					
⁷ OGRID No.		⁸ Operator Name					
372043		TAP ROCK OPERATING, LLC.					
10 Surface Location							

UL or lot no.	Section 16	Township 26-S	35-E	Lot Idn —	Feet from the 410'	North/South line NORTH	Feet from the 1189'	East/West line WEST	County LEA		
	¹¹ Bottom Hole Location If Different From Surface										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
M	21	26-S	35-E	_	5'	SOUTH	1050'	WEST	LEA		
¹² Dedicated Acres	¹³ Joint or l	Infill 14Co	nsolidation Co	de ¹⁵ Ord	er No.			•			



State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

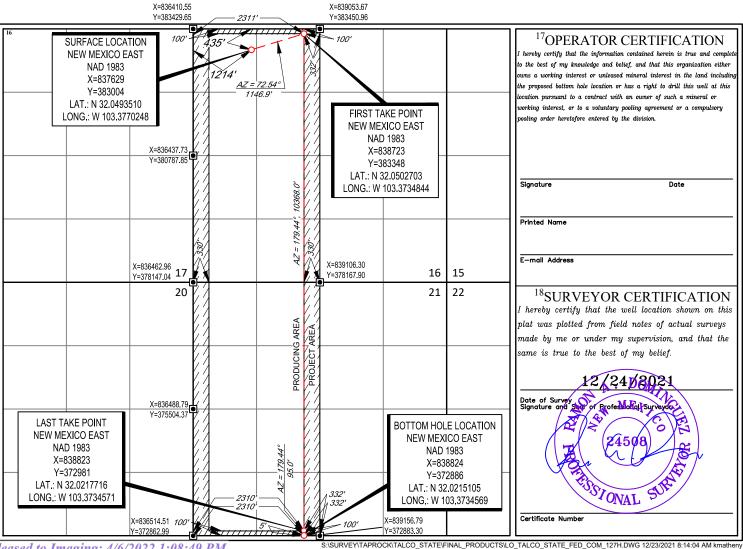
FORM C-102 Revised August 1, 2011 Submit one copy to appropriate **District Office**

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number			² Pool Code			³ Pool Name				
⁴ Property Code	Code SProperty Name							⁶ Well N	umber	
	TALCO STATE FED COM 127H							7H		
⁷ OGRID No.	⁷ OGRID No. ⁸ Operator Name					Name			9Eleva	ation
372043	372043 TAP ROCK OPERATING, LLC.						320	00'		
	¹⁰ Surface Location									

D UL or lot no.	Section 16	Z6-S	35-E	Lot Idn —	Feet from the	NORTH	1214'	WEST	LEA			
	¹¹ Bottom Hole Location If Different From Surface											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
N	21	26-S	35-E	_	5'	SOUTH	2310'	WEST	LEA			
¹² Dedicated Acres	¹³ Joint or l	Infill 14Co	onsolidation Co	de ¹⁵ Ord	er No.		-					



ummary of Communication Imaging: 4/6/20



	Party	Communication	5.02
Ī	riqueta Garrett	1/5/22 - Sent well proposals via Certified Mail	27
	49	2/4/22 - Tap Rock reached out via email regarding said interest; no response	La
	PA		

Exhibit 6 Taprock Resources, LLC NMOCD Case No. 22654 April 7, 2022

• * Final interest subject to division order title verification

Page 37 of 8

Tab 5.

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

APPLICATION OF TAP ROCK OPERATING, LLC
FOR A STANDARD HORIZONTAL SPACING
AND PRORATION UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

Case No. 22654

<u>AFFIDAVIT OF ELI DENBESTEN</u>

I, being duly sworn on oath, state the following:

- 1. I am over the age of 18, and I have personal knowledge of the matters stated herein.
- 2. I am employed as a petroleum geologist for Tap Rock Operating, LLC ("Tap Rock"), and I am familiar with the subject applications and the geology involved.
- 3. This affidavit is submitted in connection with the filing by Tap Rock of the above-referenced compulsory pooling applications pursuant to 19.15.4.12.A(1) NMAC.
- 4. I have not previously testified before the New Mexico Oil Conservation Division. I hold a bachelor's degree in Geology from Grand Valley State University. Since 2014 I have been employed as a petroleum geologist for several independent and small private oil and gas companies. Much of my professional work since 2018 has focused on the Midland Basin of Texas and the Delaware Basin of New Mexico and Texas.
- 5. **Exhibit 7** is a Project Locator Map depicting the location of the Horizontal Spacing Unit ("HSU") within the Delaware Basin. Within Section 16 of Township 26 South, Range 35 East, and Section 21 of Township 26 South, Range 35 East, is the proposed HSU dedicated to the Talco State Federal Com #111H, #112H, #125H, and #127H wells (the "Wells").
- 6. **Exhibit 8** is a Gun Barrel Diagram showing the planned Bone Spring horizontal spacing for the Wells. This diagram shows the projected development of the Bone Spring Wells.

EXHIBIT B

Taprock Resources, LLC NMOCD Case No. 22654 April 7, 2022

{01399598-2}

A nearby type log has been included (for log descriptions, see **Exhibit 10** below) to show approximate depths and reservoir quality of the landing zones.

- 7. **Exhibit 9** is a 1st Bone Spring Sand structure map in subsea vertical depth. This map shows the location of the Talco State Federal Com W/2 HSU outlined by the red box. The surface/bottom hole locations of the Wells is shown, zoomed in, to the right. The contour intervals are 25 feet each. There is a synclinal feature to the south of the surface hole location with an axis in the middle of Section 21 of 26S 35E. The orientation of the Wells will be approximately perpendicular to the synclinal axis. One horizontal well to the northwest of the Talco State Federal Com HSU (Love Shack Fed Com #111H) targeted the 2nd Bone Spring Sand, and a second horizontal well to the west of the Talco State Federal Com HSU (Madera 17 Fed #001H) targeted the Brushy. All other unmarked horizontals shown on the map are landed in the Wolfcamp formation. The vertical wells controlling the structure map have the subsea vertical depth posted in maroon. The subsequent cross-section from A-A' (Exhibit 10) is also identified to locate our closest control on the reservoir properties for the Wells. I do not observe any faulting, pinch-outs, or other geologic impediments or hazards to developing this targeted interval with a horizontal well.
- 8. **Exhibit 10** is a Bone Spring Stratigraphic Cross Section (flattened on the uppermost 1st Bone Spring Sand surface). For each well, track 1 has a gamma ray log with interpreted color fill for lithology and scaled from 0 to 150 api units. For gamma ray, the blue colors indicate carbonate, yellow to orange are sandstone/siltstones, and the darker browns are shale facies. Track 2 has the deep resistivity log, scaled from 2 ohmm to 2000 ohmm. The red shading cutoff is at 20 ohmm or less to help identify the more siliciclastic rocks. Track 3 is the porosity track and contains the red neutron porosity curve and the blue density porosity curve, both

scaled from 20% to 0%. The gray shading is separation of neutron and density porosity curves and typically interpreted as increasing clay content with increasing separation. The purple shading on the density porosity curve highlights anything greater than 8% porosity. This cutoff indicates the best rock properties for reservoir evaluation. The cross-section identifies the key tops used to evaluate reservoirs and landing targets for the Wells. Peach circles on the depth track of Well 3 show the landing target intervals for the Wells.

- 9. **Exhibit 11** is an Isopach Map of the Gross Bone Spring Sand interval. This map shows the location of the Talco State Federal Com HSU outlined by the red box. The surface/bottom hole location of the Wells is shown, zoomed in, to the right. The anticipated gross thickness of the interval is 3100-3150' throughout the HSU. The contour intervals are 25'. One horizontal well to the northwest of the Talco State Federal Com HSU (Love Shack Fed Com #111H) targeted the 2nd Bone Spring Sand, and a second horizontal well to the west of the Talco State Federal Com HSU (Madera 17 Fed #001H) targeted the Brushy. All other unmarked horizontals shown on the map are landed in the Wolfcamp formation. The location of the previous cross-section from A-A' is also shown on this map.
 - 10. Based on my geologic study of the area, I conclude the following:
 - The horizontal spacing and proration unit is justified from a geologic standpoint.
 - There are no structural impediments or faulting that will interfere with horizontal development.
 - c. Each quarter-quarter section in the unit will contribute more or less equally to production.

- d. The preferred well orientation in this area is north-south. This is because the inferred orientation of the maximum horizontal stress is roughly northwest-southeast.
- 11. **Exhibit 12** shows a Simplified Wellbore Diagram of the Wells in the HSU and demonstrates that the first and last take points for the Wells will be standard.
- 12. The Exhibits to this Affidavit were prepared by me, or compiled from Tap Rock's company business records.
- 13. The granting of this Application is in the interests of conservation and the prevention of waste.
 - 14. The foregoing is correct and complete to the best of my knowledge and belief.

FURTHER AFFIANT SAYETH NAUGHT

ELI DENBESTEN

STATE OF COLORADO

)ss

COUNTY OF JEFFERSON)

Subscribed to and sworn before me this 2014 day of March, 2022.

TIARA PRESTON

NOTARY PUBLIC - STATE OF COLORADO

NOTARY ID 20214042743

MY COMMISSION EXPIRES OCT 29, 2025

Notary Public

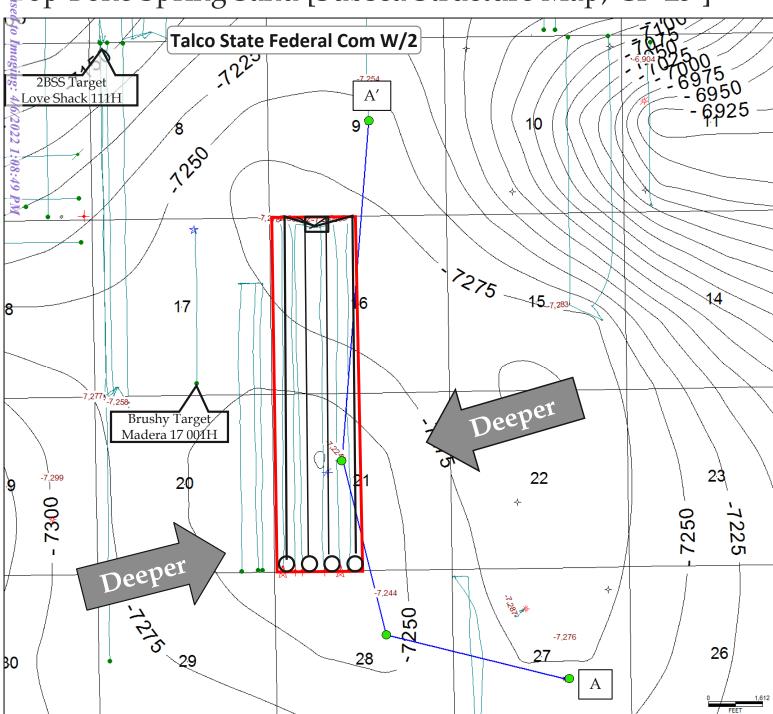
My Commission expires October 29, 2025.

Tab 6.

NMOCD Case No. 22654 April 7, 2022

Fop Bone Spring Sand [Subsea Structure Map; CI=25']





Talco State Fed Com 111H, 112H, 125H, 127H

Map Legend

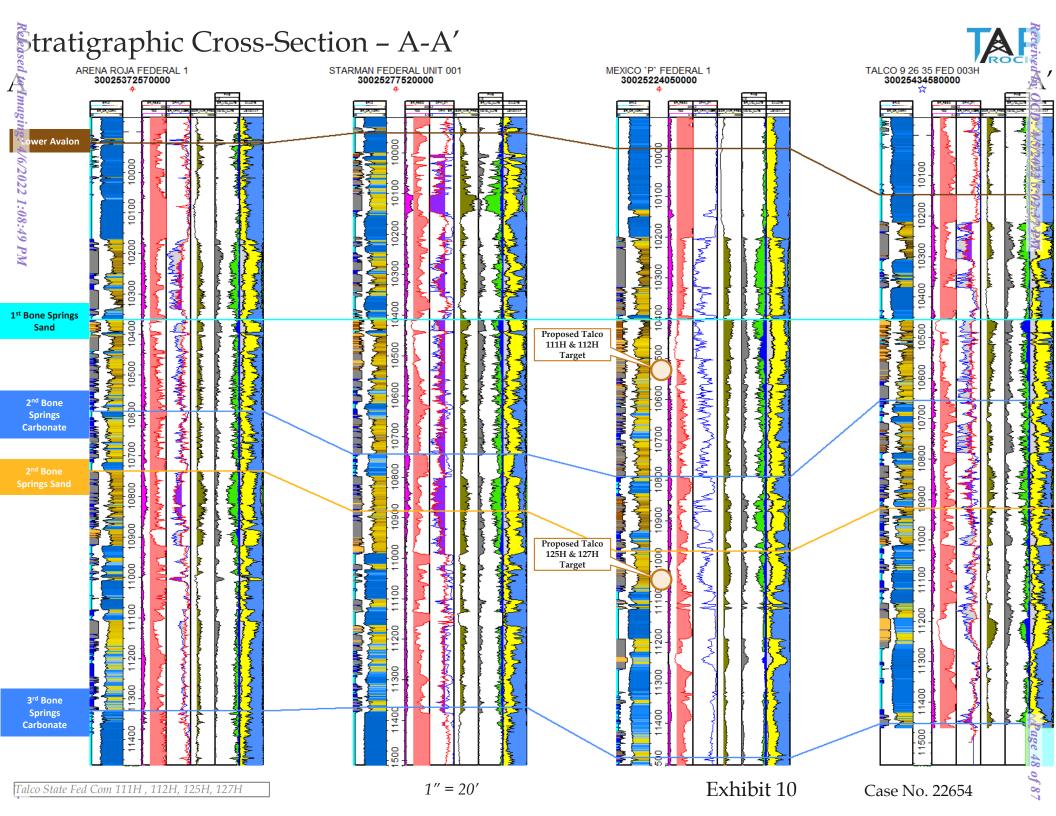
Legend
Tap Rock –
Horizontal Locato SHL BHL

Spacing Unit

C.I. = 25'



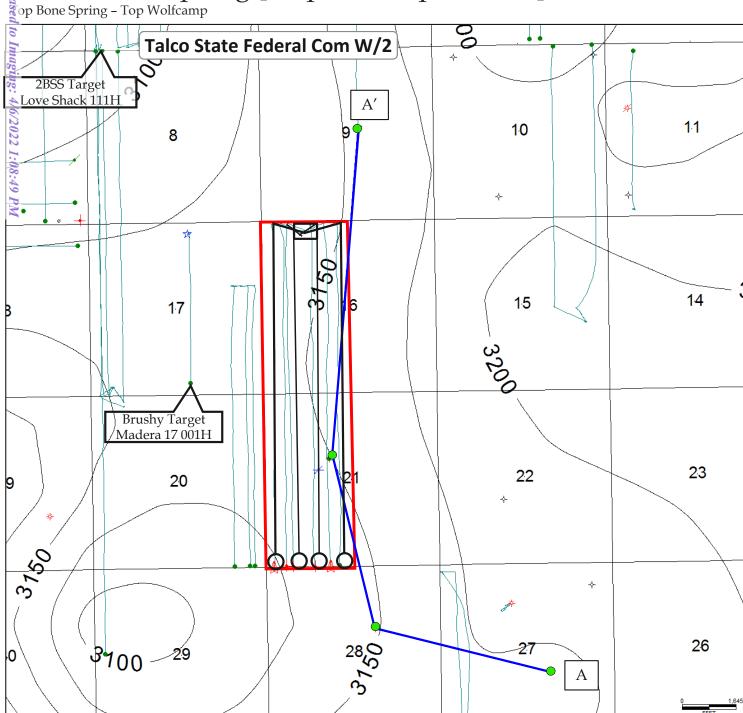
Exhibit 9 Taprock Resources, LLC NMOCD Case No. 22654 April 7, 2022



Gross Bone Spring [Isopach Map; CI=25']

Talco State Fed Com 111H, 112H, 125H, 127H





Map Legend

egend

Tap Rock –
Horizontal Locato 2:37 F SHL BHL

Spacing Unit

C.I. = 25'

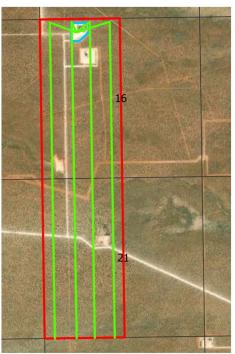


Exhibit 11 Taprock Resources, LLC NMOCD Case No. 22654 April 7, 2022

Talco State Federal Com 111H (2 mile N-S Lateral)



SH: 435' FNL, 1188' FWL, Sec 16 26S-35E BH: 5' FSL, 331' FWL, Sec 21 26S-35E

*Diagram not to scale

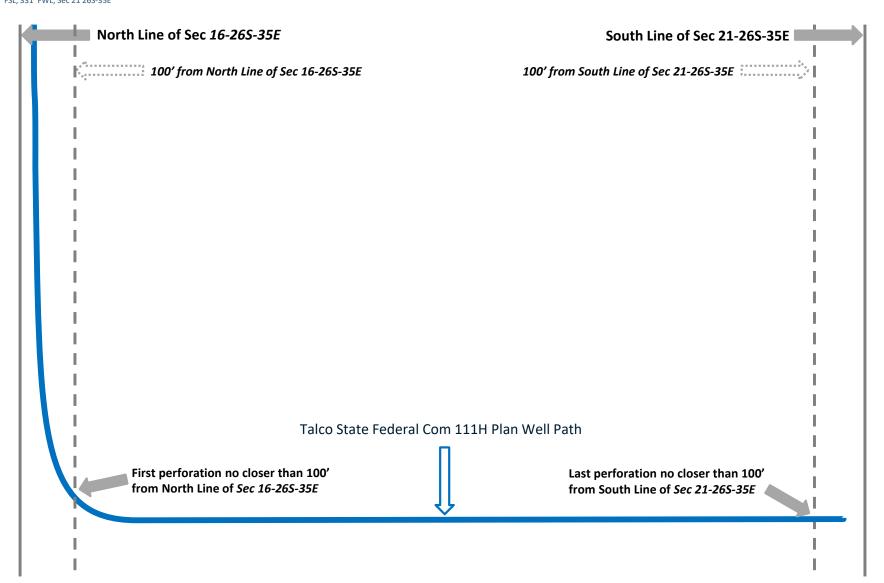


Exhibit 12A. Taprock Resources, LLC NMOCD Case No. 22654 April 7, 2022

Talco State Federal Com 112H (2 mile N-S Lateral)



SH: 410' FNL, 1214' FWL, Sec 16 26S-35E BH: 5' FSL, 1650' FWL, Sec 21 26S-35E *Diagram not to scale

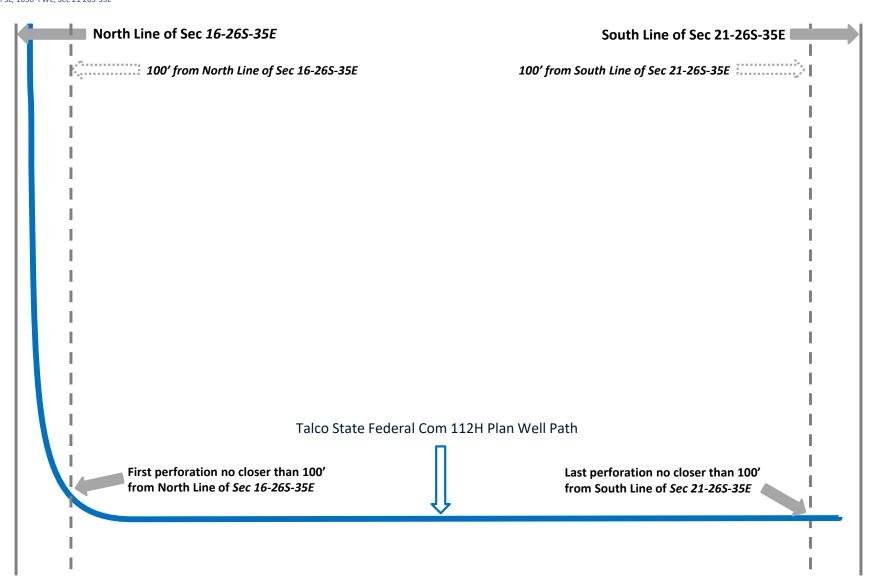


Exhibit 12B.

Taprock Resources, LLC

NMOCD Case No. 22654

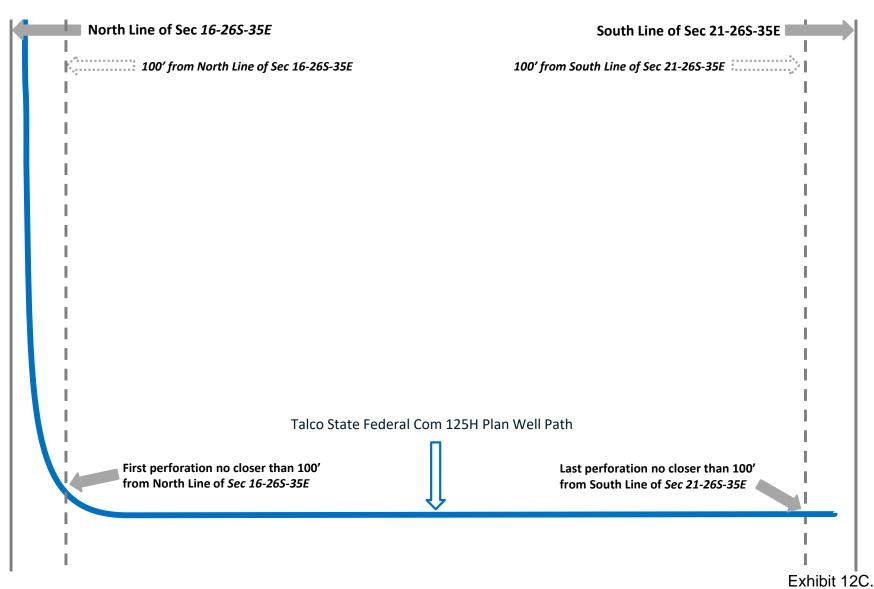
April 7, 2022

Talco State Federal Com 125H (2 mile N-S Lateral)



SH: 410' FNL, 1189' FWL, Sec 16 26S-35E BH: 5' FSL, 1050' FWL, Sec 21 26S-35E

*Diagram not to scale



Taprock Resources, LLC NMOCD Case No. 22654 April 7, 2022

Talco State Federal Com 127H (2 mile N-S Lateral)



SH: 435' FNL, 1214' FWL, Sec 16 26S-35E BH: 5' FSL, 2310' FWL, Sec 21 26S-35E *Diagram not to scale

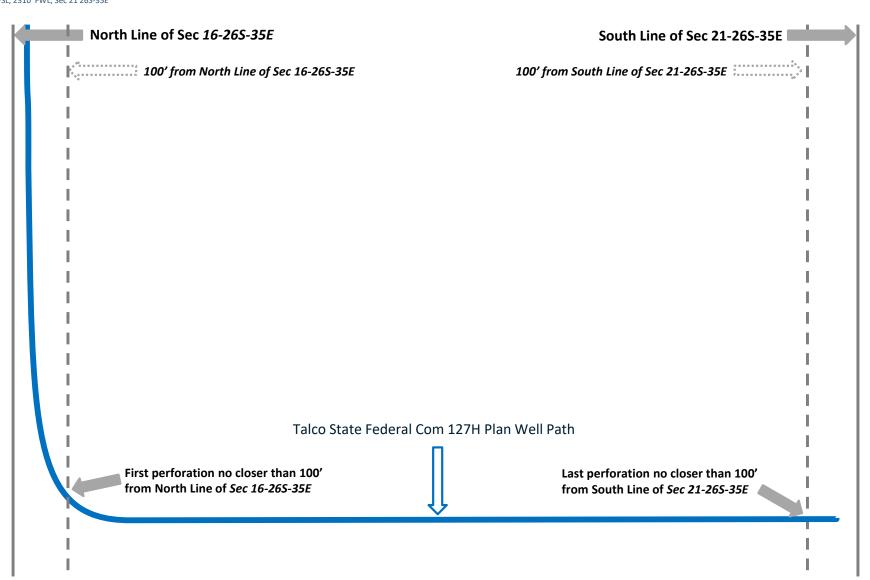


Exhibit 12D.

Taprock Resources, LL© NMOCD Case No. 22654

April 7, 2022

7.

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

APPLICATION OF TAP ROCK OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 22654

AFFIDAVIT OF NOTICE

STATE OF NEW MEXICO)	
) ss	,
COUNTY OF SANTA FE)	

- I, Sharon T. Shaheen, attorney for TAP ROCK OPERATING, LLC ("Tap Rock"), Applicant in the above-captioned matter, being first duly sworn, state the following:
- 1. I caused notice of the application to be sent by certified mail through the United States Postal Service on March 16, 2022, to all uncommitted interest owners sought to be pooled in this proceeding. See Exhibit 1, attached hereto. Evidence of mailing to all parties and proof of receipt to a majority of the parties is attached hereto as Exhibit 2. Notice by publication was directed to all of those parties who did not receive personal notice in the Hobbs News-Sun on March 20, 2022, which is reflected in the Affidavit of Publication attached hereto as Exhibit 3. Exhibit 3 demonstrates to my satisfaction that those owners who did not receive personal notice through the certified mailing were properly served by publication.

EXHIBIT C
Taprock Resources, LLC
NMOCD Case No. 22654
April 7, 2022

2. Tap Rock has conducted a good faith, diligent effort to find the names and correct addresses for the interest owners entitled to receive notice of the application filed herein.

SHARON T. SHAHEEN

SUBSCRIBED AND SWORN to before me this 5th day of April, 2022.



Notary Public

My Commission Expires:

2.12.24

SHARON T. SHAHEEN

Direct: (505) 986-2678

Email: <u>sshaheen@montand.com</u>

www.montand.com

March 16, 2022

Via U.S. Certified Mail, return receipt requested

TO: ALL INTEREST OWNERS ON ATTACHED LIST

Re: Case No. 22654 - Application of Tap Rock Operating, LLC for Compulsory

Pooling, Lea County, New Mexico

Dear Interest Owner:

This will advise that pursuant to NMSA 1978, § 70-2-17, Tap Rock Operating, LLC ("Tap Rock") has filed an Application with the New Mexico Oil Conservation Division for an order regarding the proposed wells described below. You are receiving this notice because you may have an interest in one or more of these wells.

Case No. 22654. Application of Tap Rock Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation (WC-025 G-09 S263527D; BONE SPRING [98143]) in a standard 640-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the W/2 of Sections 16 and 21, Township 26 South, Range 35 East in Lea County, New Mexico. The HSU is to be dedicated to the following two-mile wells: (1) Talco State Fed Com #111H well, to be horizontally drilled from an approximate surface hole location 435' FNL and 1188' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 5' FSL and 331' FWL of Section 21, T26S-R35E; (2) Talco State Fed Com #112H well, to be horizontally drilled from an approximate surface hole location 410' FNL and 1214' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 5' FSL and 1650' FWL of Section 21, T26S-R35E; (3) Talco State Fed Com #125H well, to be horizontally drilled from an approximate surface hole location 410' FNL and 1189' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 5' FSL and 1050' FWL of Section 21, T26S-R35E; (4) Talco State Fed Com #127H well, to be horizontally drilled from an approximate surface hole location 435' FNL and 1214' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 5' FSL and 2310' FWL of Section 21, T26S-R35E. The Talco State Fed Com #125H well is a proximity well located within the W/2 W/2 of Sections 16 and 21. Its completed interval will be

Exhibit 1
Taprock Resources, LLC
NMOCD Case No. 22654
April 7, 2022

All Interest Owners March 16, 2022 Page 2

less than 330' from the E/2 W/2 of Sections 16 and 21. The E/2 W/2 of Sections 16 and 21 is therefore included in the HSU under 19.15.16.15(B)(1)(b) NMAC as proximity tracts. The first and last take points and completed intervals meet the setback requirements set forth in the statewide rules for horizontal oil wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 12 miles southwest of Jal, New Mexico.

The attached application will be set for hearing before a Division Examiner at the New Mexico Oil Conservation Division. During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on **April 7**, **2022**, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: http://www.emnrd.state.nm.us/OCD/hearings.html. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony.

Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to present testimony or evidence at the hearing, you must enter your appearance by **March 30, 2022**, and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement by **March 31, 2022**, in accordance with Division Rule 19.15.4.13 NMAC.

Please feel free to contact me if you have any questions about these Applications.

Very truly yours,

<u>/s/ Sharon T. Shaheen</u> Sharon T. Shaheen

STS/cp Enclosure

cc: Tap Rock Operating, LLC., via email

EXHIBIT A

INTEREST OWNERS

Working Interest Owners:

Enriqueta Garrett 5710 Antares Court Dallas, TX 75252 Devon Energy Production Company, LP 333 West Sheridan Ave Oklahoma City, OK 73102

Overriding Royalty Interest Owners:

Dorchester Minerals, LP f/k/a Spinnaker Royalty Company 3838 OAK LAWN AVE. STE #300 Dallas, TX 75219-4541 TD Minerals, LLC 8111 Westchester, Suite 900 Dallas, TX 75225 Devon Energy Production Company, LP 333 West Sheridan Ave Oklahoma City, OK 73102

Sophia Augusta Toraby 1243 Hardscrabble Rd. Chappaqua, NY 10514

Gabriel Joshua Heafitz Gracie Terrace, #19-A New York, NY 10028 Tap Rock Minerals II, LLC 523 Park Point Dr., Suite 200 Golden, CO 80401

Samara Galit Heafitz Gracie Terrace, #19-A New York, NY 10028 Carrie Bridget Fisher 1144 S. Gaylord Denver, CO 80210 Wing Resources V LLC 2100 McKinney Ave. Suite 1540

LLC

Bruce Heafitz 3802 NE 207th St. Apt. 2703 Miami, FL 33180 Innerarity Family Minerals, LLC 600 N. Marienfeld, Suite 320 Midland, TX 79701 Jeanette Fisher McKillop 1144 S. Gaylord Denver, CO 80210

Dallas, TX 75201

Jules Russell Toraby 1243 Hardscrabble Rd. Chappaqua, NY 10514

Additional Parties:

State Land Office 310 Old Santa Fe Trail Santa Fe, NM 87501

Bureau of Land Management 414 W. Taylor Hobbs, NM 88240-1157

TITUS OIL & GAS PRODUCTION, LLC

Talco State Fed Com #111H, Talco State Fed Com #115H, Talco State Fed Com #125H, Talco State Fed Com #127H / Case No. 22654

April 7, 2022 Hearing

Entity	Date Letter Mailed	Certified Mail Number	Status of Delivery	Date Received
	WORKING	G INTEREST PARTY(IES)		
Enriqueta Garrett 5710 Antares Court Dallas, TX 75252	March 16, 2022	7021 0950 0001 6540 2488	Delivered	March 19, 2022
Devon Energy Production Company, LP 333 West Sheridan Avenue Oklahoma City, OK 73102	March 16, 2022	7021 0950 0001 6540 2495	Delivered	March 21, 2022
	OVERRIDIN	NG INTEREST PARTY(IES)		
Dorchester Minerals, LP f/k/a Spinnaker Royalty Company 3838 OAK LAWN AVE. STE #300 Dallas, TX 75219-4541	March 16, 2022	7021 0950 0001 6540 2501	Delivered	March 22, 2022
TD Minerals, LLC 8111 Westchester, Suite 900 Dallas, TX 75225	March 16, 2022	7021 0950 0001 6540 2518	Delivered	March 19, 2022
Devon Energy Production Company, LP 333 West Sheridan Ave Oklahoma City, OK 73102	March 16, 2022	7021 0950 0001 6540 2525	Delivered	March 21, 2022
Sophia Augusta Toraby 1243 Hardscrabble Rd. Chappaqua, NY 10514	March 16, 2022	7021 0950 0001 6540 2617	Delivered	March 21, 2022
		Exhibit 2		

Taprock Resources, LLC NMOCD Case No. 22654 April 7, 2022

1

Updated: April 5, 2022

TITUS OIL & GAS PRODUCTION, LLC

Talco State Fed Com #111H, Talco State Fed Com #115H, Talco State Fed Com #125H, Talco State Fed Com #127H / Case No. 22654

April 7, 2022 Hearing

Entity	Date Letter Mailed	Certified Mail Number	Status of Delivery	Date Received
Gabriel Joshua Heafitz Gracie Terrace, #19-A New York, NY 10028	March 16, 2022	7021 0950 0001 6540 2549	Delivered	March 23, 2022
Tap Rock Minerals II, LLC 523 Park Point Dr., Suite 200 Golden, CO 80401	March 16, 2022	7021 0950 0001 6540 2532	Delivered	March 23, 2022
Samara Galit Heafitz Gracie Terrace, #19-A New York, NY 10028	March 16, 2022	7021 0950 0001 6540 2563	Returned 3/28 (address unknown)	
Carrie Bridget Fisher 1144 S. Gaylord Denver, CO 80210	March 16, 2022	7021 0950 0001 6540 2624	Returned 3/20 (unable to forward)	
Wing Resources V LLC 2100 McKinney Ave. Suite 1540 Dallas, TX 75201	March 16, 2022	7021 0950 0001 6540 2556	Delivered	March 18, 2022
Bruce Heafitz 3802 NE 207th St., Apt. 2703 Miami, FL 33180	March 16, 2022	7021 0950 0001 6540 2570	Delivered	March 22, 2022
Innerarity Family Minerals, LLC 600 N. Marienfeld, Suite 320 Midland, TX 79701	March 16, 2022	7021 0950 0001 6540 2587	Delivered	March 21, 2022

Received by OCD: 4/5/2022 5:02:37 PM

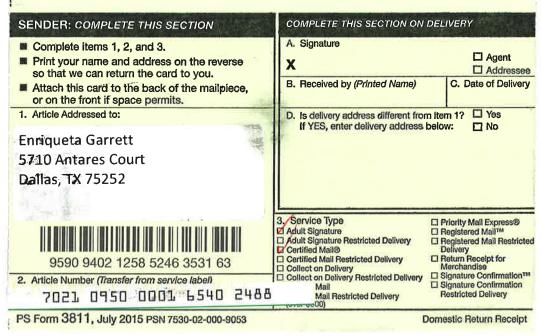
TITUS OIL & GAS PRODUCTION, LLC

Talco State Fed Com #111H, Talco State Fed Com #115H, Talco State Fed Com #125H, Talco State Fed Com #127H / Case No. 22654

April 7, 2022 Hearing

Entity	Date Letter Mailed	Certified Mail Number	Status of Delivery	Date Received
Jeanette Fisher McKillop 1144 S. Gaylord Denver, CO 80210	March 16, 2022	7021 0950 0001 6540 2594	Returned (unable to forward)	
Jules Russell Toraby 1243 Hardscrabble Rd. Chappaqua, NY 10514	March 16, 2022	7021 0950 0001 6540 2600	Delivered	March 21, 2022
	ADDITION	AL INTEREST PARTY(IES)		
Bureau of Land Management 414 W. Taylor March 16, 2022 7015 1730 0000 9774 7569 Delivered March 19, Hobbs, NM 88240-1157		March 19, 2022		
State Land Office 310 Old Santa Fe Trail Santa Fe, NM 87501	March 16, 2022	7021 0950 0001 6540 2631	Delivered	March 18, 2022





FAQs >

Track Another Package +

Tracking Number: 70210950000165402488

Remove X

Your item was delivered to an individual at the address at 3:59 pm on March 19, 2022 in DALLAS, TX 75252.

USPS Tracking Plus[®] Available ✓

Oblivered, Left with Individual

March 19, 2022 at 3:59 pm DALLAS, TX 75252

Get Updates ✓

Text & Email Updates	~
Tracking History	~
USPS Tracking Plus®	~
Product Information	~

See Less ∧

Released to Imaging: 4/6/2022 1:08:49 PM



FAQs >

Track Another Package +

Tracking Number: 70210950000165402495

Remove X

Your item was picked up at the post office at 8:59 am on March 21, 2022 in OKLAHOMA CITY, OK 73102.

USPS Tracking Plus[®] Available ✓

Delivered, Individual Picked Up at Post Office

March 21, 2022 at 8:59 am OKLAHOMA CITY, OK 73102 reedback

Get Updates ✓

Text & Email Updates	~
Tracking History	~
USPS Tracking Plus®	~
Product Information	~

See Less ^







SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY A. Signature	
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: 	B. Received by (Printed Name) D. Is delivery address different from Item ? If Yes, enter delivery address below:	ssee
TD Minerals, LLC	it (Ed, dikar damary disease)	
8111 Westchester, Suite 900		
Dallas, TX 75225	-	
	3. Service Type	s®
9590 9402 1258 5246 3531 32 2. Article Number (Transfer from service label) 2.023, 0950 0001 6540 251	III Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Signature Confirm ☐ Signature Confirm ☐ Restricted Delivery	ation™ ation
7021 0950 0001 6540 251 PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Re	celpt



FAQs >

Track Another Package +

Tracking Number: 70210950000165402525

Remove X

Your item was picked up at the post office at 8:59 am on March 21, 2022 in OKLAHOMA CITY, OK 73102.

USPS Tracking Plus[®] Available ✓

Oblivered, Individual Picked Up at Post Office

March 21, 2022 at 8:59 am OKLAHOMA CITY, OK 73102

Get Updates ✓

Text & Email Updates	~
Tracking History	~
USPS Tracking Plus®	~
Product Information	~

See Less ∧

edback

17	U.S. Postal Service [™] CERTIFIED MAIL [®] REC Domestic Mail Only	XI X COLL LAND
50 0001 6540 2617	For delivery information; visit our website Certified Mail Fee 33 \$ Extra Services & Fees (check box, add fee as appropriate) Return Recelpt (hardcopy) Return Recelpt (electronic) Certified Mail Restricted Delivery \$ Adult Signature Required Adult Signature Restricted Delivery \$ Postage	Postmark Here
0420	Sophia Augusta Toraby	
7027	\$\frac{1}{S_6}\$ 1243 Hardscrabble Rd. \$\text{S1}\$ Chappaqua, NY 10514	
	PS Form 3800, April 2015 PSN 7530-02-000-9047	See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON E	DELIVERY
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, 	A. Signature X B. Received by (Printed Name)	☐ Agent ☐ Addressee ☐ C. Date of Delivery
or on the front if space permits. 1. Article Addressed to: Sophia Augusta Toraby 1243 Hardscrabble Rd. Chappaqua, NY 10514	D. Is delivery address different from If YES, enter delivery address to	nitem 17 🔲 Yes below: 🔲 No
9590 9402 1258 5246 3530 26 2. Article Number (Transfer from service label) 7021 0950 0001 6540 26	3./Service Type Adult Signature Adult Signature Restricted Delivery Certified Mall® Certified Mall Restricted Delivery Collect on Delivery Collect on Delivery All Restricted Delivery	☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricte Delivery ☐ Return Receipt for Merchandise ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery
PS Form 3811, July 2015 PSN 7530-02-000-9053		Domestic Return Receipt

FAQs >

Track Another Package +

Tracking Number: 70210950000165402617

Remove X

Your item was delivered to the front desk, reception area, or mail room at 10:50 am on March 21, 2022 in CHAPPAQUA, NY 10514.

USPS Tracking Plus[®] Available ✓

⊘ Delivered, Front Desk/Reception/Mail Room

March 21, 2022 at 10:50 am CHAPPAQUA, NY 10514

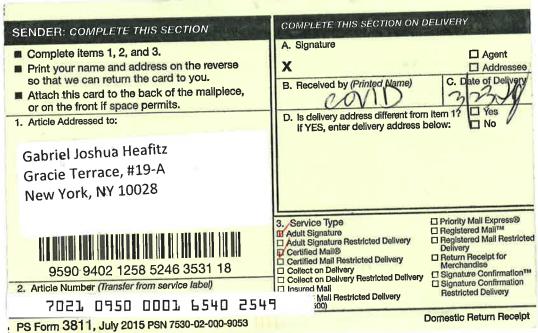
Get Updates ✓

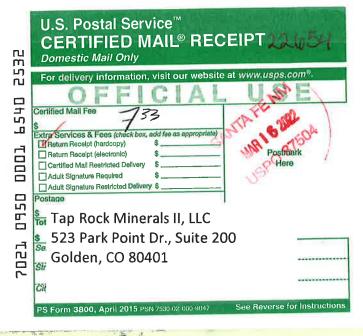
Text & Email Updates	×
Tracking History	~
USPS Tracking Plus®	~
Product Information	~

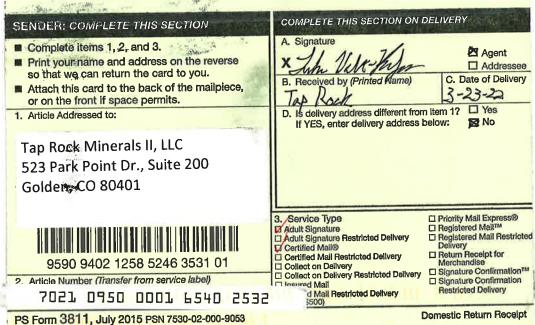
See Less ^

Feedbac









2563	U.S. Postal Service [™] CERTIFIED MAIL® RECEIPT Domestic Mail Only
L 5	For delivery information, visit our website at www.usps.com®.
0450 0001 6540	Certified Mail Fee 7 33 Extra Services & Fees (check box, add fee as appropriato) Return Receipt (inardcopy) \$ Return Receipt (oloctronic) \$ Certified Mail Restricted Delivery \$ Adult Signature Restricted Delivery \$ Postage \$ Tot Samara Galit Heafitz
급	Gracie Terrace, #19-A
7021	New York, NY 10028
•	Cit
	PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

Returned 3/28/2002

USPS Tracking®

FAQs >

Track Another Package +

Tracking Number: 70210950000165402563

Remove X

Your item was returned to the sender on March 28, 2022 at 4:27 pm in NEW YORK, NY 10028 because the addressee was not known at the delivery address noted on the package.

USPS Tracking Plus[®] Available ✓

Addressee Unknown

March 28, 2022 at 4:27 pm NEW YORK, NY 10028 reedback

Get Updates ✓

Text & Email Updates

V

Tracking History

March 28, 2022, 4:27 pm

Addressee Unknown

NEW YORK, NY 10028

Your item was returned to the sender on March 28, 2022 at 4:27 pm in NEW YORK, NY 10028 because the addressee was not known at the delivery address noted on the package.

March 27, 2022

In Transit to Next Facility









Carrie Bridget Fisher 1144 S. Gaylord Denver, CO 30210

NIXIE

808 FE 1

0003/20/22

RETURN TO SENDER ATTEMPTED - NOT KNOWN UNABLE TO FORWARD

.. 9327020146501436

AN<mark>K</mark> BO21**0**87**564**32**4**907 5C: 87504230707 *1468-00663-20-46







USPS Tracking®

FAQs >

Track Another Package +

Tracking Number: 70210950000165402570

Remove X

Your item was delivered to an individual at the address at 3:29 pm on March 22, 2022 in MIAMI, FL 33180.

USPS Tracking Plus[®] Available ✓

Oblivered, Left with Individual

March 22, 2022 at 3:29 pm MIAMI, FL 33180

Get Updates ✓

Text & Email Updates	. 3	~
Tracking History		~
USPS Tracking Plus®		~
Product Information		~

See Less ∧

2587	U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only
75	For delivery information, visit our website at www.usps.com*.
0003 6540	Certified Mail Fee 133 Extra Services & Fees (check box, add fee as appropriate) Return Receipt (electronic) Return Receipt (electronic) Adult Signature Required SANTA FE NIM MA [Postr@ar2022 Here
0950	Postage Innerarity Family Minerals, LLC
1007	\$\frac{\sigma}{Se}\$ 600 N. Marienfeld, Suite 320 \$\frac{\sigma}{Sit}\$ Midland, TX 79701 \$\frac{\sigma}{Sit}\$
-	PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

X Kelli Williams Addressee B. Received by (Printed Name) C. Date of Delivery Kelli Williams 3-21-22 D. Is delivery address different from Item 1? Yes If YES, enter delivery address below: No
3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Insured Mail ☐ 1 Mail Restricted Delivery ☐ 500) ☐ Certified Mail® ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery ☐ Domestic Return Receipt





2307

New Mexico 87504-2307



7021 0950 0001 6540 2594



Jeanette Fisher McKillop 1144 S. Gaylord Denver, CO 80210

NIXIE

808 FE :

0003

RETURN TO SENDER ATTEMPTED - NOT KNOWN UNASLE TO FORWARD

ANK

#7399>1E@7

BC: 87504230707

<u> Ավելի Մերի իրի Միրի Միրի</u>

Released to Imaging: 4/6/2022 1:08:49 PM

U.S. Postal Service™ CERTIFIED MAIL® RE Domestic Mail Only	CEIPT 22654
For delivery information, visit our webs Certified Mail Fee 7 53 Extra Services & Fees (check box, add fee as appropriation of the fee as ap	Postmant Here
City, \$	7 See Reverse for Instructions
SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailplece, or on the front if space permits. Article Addressed to: Jules Russell Toraby 1243 Hardscrabble Rd. Chappaqua, NY 10514	A. Signature X A. Signature X Agent Addressee B. Received by (Printed Name) C. Date of Delivery 3 2 2 22 D. Is delivery address different from item 1? If YES, enter delivery address below: No
9590 9402 1258 5246 3530 33 2. Article Number (Transfer from service label) 7021 0950 0001 6540 260	3. Service Type ✓ Adult Signature ✓ Adult Signature Restricted Delivery ✓ Certified Mail® ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Insured Mail ☐ Mail Restricted Delivery ☐ Registered Mail Restricted Delivery
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt

7569	U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only
~	For delivery information, visit our website at www.usps.com®,
977 4	Certified Mail Fee 733
30 0000	Extra Services & Faes (check box, add fee as appropriate) Geturn Receipt (hardcopy) Return Receipt (electronic) Certified Mail Restricted Delivery Adult Signature Required Adult Signature Restricted Delivery Postage
5 1,730	Bureau of Land Management
7015	414 W. Taylor
7	Hobbs, NM 88240-1157
	PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON	DELIVERY
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: 	A. Signature X BUV B. Received by (Printed Name) L D S C 9 D. Is delivery address different from If YES, enter delivery address	
Bureau of Land Management 414 W. Taylor Hobbs, NM 88240-1157		
9590 9402 1258 5246 3529 82 2. Article Number (Transfer from service label) 7015 1730 0000 9774	3. Service Type Adult Signature L/Adult Signature Restricted Delivery Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Restricted Delivery Restricted Delivery Restricted Delivery Restricted Delivery	☐ Priority Mail Express®☐ Registered Mail ™☐ Registered Mail Restricted Delivery☐ Return Receipt for Merchandise☐ Signature Confirmation ™☐ Signature Confirmation Restricted Delivery
PS Form 3811, July 2015 PSN 7530-02-000-9053		Domestic Return Receipt

37	U.S. Postal Service [™] CERTIFIED MAIL [®] RECEIPT Domestic Mail Only
- L	For delivery information, visit our website at www.usps.com®.
0001 6540	Certified Mall Fee \$35 \$ Ext/a Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) \$ Return Receipt (electronic) \$ Certified Mall Restricted Delivery \$ Adult Stanature Required \$
	Adult Signature Restricted Delivery \$
0420	State Land Office
-7	310 Old Santa Fe Trail
7027	Santa Fe, NM 87501
	Ċliý,
	PS Form 3800, April 2015 PSN 7530-02 000-9047 See Reverse for Instructions

1	
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailplece, or on the front if space permits. 	A. Signature X
1. Article Addressed to: State Land Office 310 Old Santa Fe Trail Santa Fe, NM 87501	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
9590 9402 1258 5246 3530 02 2. Article Number (Transfer from service label) 7021 0950 0001 6540 2631	3 Service Type Adult Signature Adult Signature Restricted Delivery Certified Mail® Collect on Delivery Collect on Delivery Restricted Delivery Collect on Delivery Restricted Delivery I Collect on Delivery Restricted Delivery Stool) Registered Mail Restricted Delivery Return Receipt for Merchandise Signature Confirmation Signature Confirmation Restricted Delivery Stool)
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt

USPS Tracking®

FAQs >

Track Another Package +

Tracking Number: 70210950000165402631

Remove X

Your item was picked up at a postal facility at 6:47 am on March 18, 2022 in SANTA FE, NM 87501.

USPS Tracking Plus[®] Available ✓

Oblivered, Individual Picked Up at Postal Facility

March 18, 2022 at 6:47 am SANTA FE, NM 87501 reedback

Get Updates ✓

Text & Email Updates	~
Tracking History	 ~
USPS Tracking Plus®	~
Product Information	~

See Less ^

Can't find what you're looking for?

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

Exhibit 3 Taprock Resources, LLC NMOCD Case No. 22654 April 7, 2022

I. Daniel Russell. Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated March 20, 2022 and ending with the issue dated March 20, 2022.

Publisher

Sworn and subscribed to before me this 20th day of March 2022.

Business Manager

My commission expires January 29, 2023

(Seal)

GUSSIE BLACK Notary Public - State of New Mexico Commission # 1087526 My Comm. Expires Jan 29, 2023

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE March 20, 2022

NOTICE

To the following entities, individuals, their heirs, personal representatives, trustees, successors or assigns, and any other uncommitted interest owners:

Enriqueta Garrett; Devon Energy Production Company, LP; Dorchester Minerals, LP f/k/a Spinnaker Royalty Company; TD Minerals, LLC; Gabriel Joshua Heafitz; Tap Rock Minerals II, LLC; Samara Galit Heafitz; Wing Resources V LLC; Bruce Heafitz; Innerarity Family Minerals, LLC; Jeanette Fisher McKillop; Jules Russell Toraby; Sophia Augusta Toraby; Carrie Bridget Fisher; Bureau of Land Management; and State Land Office.

Tap Rock Operating, LLC, has filed an application with the New Mexico Oil Conservation Division as follows:

Case No. 22654: Application of Tap Rock Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Bone Spring formation (WC-025 G-09 S263527D; BONE SPRING [98143]) in a standard 640-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the W/2 of Sections 16 and 21, Township 26 South, Range 35 East in Lea County, New Mexico. The HSU is to be dedicated to the following two-mile wells: (1) Talco State Fed Com #111H well, to be horizontally drilled from an approximate surface hole location 435' FNL and 1188' FWL of Section 16, T265-R35E, to an approximate bottom hole location 5' FSL and 331' FWL of Section 21, T26S-R35E; (2) Talco State Fed Com #112H well, to be horizontally drilled from an approximate surface hole location 410' FNL and 1214' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 5' FSL and 1650' FWL of Section 21, T26S-R35E; (3) Talco State Fed Com #125H well, to be horizontally drilled from an approximate surface hole location 410' FNL and 1189' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 410' FNL and 1189' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 5' FSL and 1050' FWL of Section 21, T26S-R35E; (4) Talco State Fed Com #127H well, to be horizontally drilled from an approximate bottom hole location 435' FNL and 1214' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 5' FSL and 2310' FWL of Section 21, T26S-R35E, to an approximate bottom hole location 5' FSL and 2310' FWL of Section 21, T26S-R35E, to an approximate bottom hole location 5' FSL and 2310' FWL of Section 16, T26S-R35E, to an approximate bottom hole location 5' FSL and 2310' FWL of Section 16 and 21. Its completed interval will be less than 330' from the E/2 W/2 of Sections 16 and 21. The E/2'... of Sections 16 and 21 is therefore included in the HSU under 19.15.16.15(B)(1)(b) NMAC as proximity tracts. The first and

This application will be set for hearing before a Division Examiner at the New Mexico Oil Conservation Division in Santa Fe, New Mexico on April 7, 2022, at 8:15 a.m. During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: http://www.emnrd.state.nm.us/OCD/hearings.html. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your appearance by March 30, 2022, and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement by March 31, 2022, in accordance with Division Rule 19.15.4.13 NMAC. For further information, contact the applicant's attorney, Sharon T. Shaheen, Montgomery & Andrews, P.A., 325 Paseo de Peralta, Santa Fe, New Mexico 87501, (505) 986-2678.

01101398

00264917

SHARON T. SHAHEEN MONTGOMERY & ANDREWS, P.A. P.O. BOX OFFICE BOX 2307 A/C 451986 SANTA FE,, NM 87504-2307