

Dingo Fed Com 111H, 115H, 121H

Case No. 22877

Date: July 21, 2022

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. 22877

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS							
Case No.:	22877						
Hearing Date:	7/21/2022						
Applicant	Tap Rock Operating, LLC						
Designated Operator & OGRID	372043						
Applicant's Counsel	Michael Rodriguez						
Case Title	Application of Tap Rock Operating, LLC for Compulsory Pooling, Lea County, New						
	Mexico						
Entries of Appearance/Intervenors	COG operating LLC						
Well Family	Dingo						
Formation/Pool							
Formation Name(s) or Vertical Extent	Bone Spring						
Primary Product (Oil or Gas)	Oil						
Pooling this vertical extent	Bone Spring						
Pool Name and Pool Code	RED HILLS;BONE SPRING, NORTH [96434]						
Well Location Setback Rules	Standard						
Spacing Unit Size	240 acres						
Spacing Unit							
Type (Horizontal/Vertical)	Horizontal						
Size (Acres)	240 acres						
Building Blocks	quarter-quarter						
Orientation	Standup						
Description: TRS/County	W/2W/2 of Section 1 and W/2NW/4 of Section 12, Township 24 South, Range 34 East,						
	NMPM, Lea County, New Mexico						
Standard Horizontal Well Spacing Unit (Y/N), If No,	Yes						
describe							
Other Situations							
Depth Severance: Y/N. If yes, description	No						
Proximity Tracts: If yes, description	No						
Proximity Defining Well: if yes, description	-						
Well(s)							
Name & API (if assigned), surface and bottom hole	Add wells as needed						
location,							
footages, completion target, orientation,							
completion status (standard or non-standard)							
Well #1	Dingo Federal Com #111H (API # pending)						
	SHL: 1787' FNL & 531' FWL, Section 12, T24S-R34E						
	BHL: 5' FNL and 337' FWL of Sec. 1, T24S-R34E Completion Target: Bone Spring (Approx. 10080' TVD)						
Well #2	Dingo Federal Com #115H (API # pending)						
	SHL: 1788' FNL & 581' FWL, , Section 12, T24S-R34E						
	BHL: 5' FNL and 986' FWL of Sec. 1, T24S-R34E						
	Completion Target: Bone Spring (Approx. 10250' TVD)						
Well #2	Dingo Federal Com #121H (API # pending)						
	SHL: 1788' FNL & 556' FWL, Section 12, T24S-R34E						
	BHL: 5' FNL and 660' FWL of Sec. 1, T24S-R34E						
Horizontal Well First and Last Take Points	Completion Target: Bone Spring (Approx. 10600' TVD) Exhibit A-2						
Completion Target (Formation, TVD and MD)	Exhibit A-4						
AFE Capex and Operating Costs							
Drilling Supervision/Month \$	\$8,000.00						
Production Supervision/Month \$	\$800.00						
Production Supervision/Wonth \$	000.00						

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Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before	Exhibit A-6
hearing)	
Proof of Published Notice of Hearing (10 days before	Exhibit A-7
hearing)	
Ownership Determination	
Land Ownership Schematic of Spacing Unit	Exhibit A-3
Tract List (including lease numbers & owners)	Exhibit A-3
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	Exhibit A
Ownership Depth Severance (including percentage	N/A
above & below)	
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined WI	Exhibit A-5
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gross Isopach	Exhibit B-5
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-6
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-3
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	Exhibit B-2 (Gun Barrel Diagram)
CERTIFICATION: I hereby certify that the	
information	
provided in this checklist is complete and	
accurate.	
Printed Name (Attorney or Party	Michael Rodriguez
Representative):	
Signed Name (Attorney or Party	/s/ Michael Rodriguez
Representative):	
Date:	7/19/2022
	// ±J/2022

Tap Rock Operating Lief 40 Case No. 22877 Exhibit A

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. 22877

SELF-AFFIRMED STATEMENT OF TAYLOR FORD

1. My name is Taylor Ford, and I am a landman at Tap Rock Operating, LLC ("TRO"). I am over 18 years of age and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division") and my credentials as a petroleum landman have been accepted and made a matter of record.

2. I am familiar with the land matters involved in the above-referenced case. Copies of TRO's application and proposed hearing notice are attached as **Exhibit A-1**.

3. In this case, TRO seeks an order pooling all uncommitted interests in the RED HILLS;BONE SPRING, NORTH [96434] within the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the W/2W/2 of Section 1 and W/2NW/4 of Section 12, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

- 4. The Unit will be dedicated to the following proposed initial wells ("Wells"):
 - The **Dingo Federal Com #111H**, **Dingo Federal Com #115H**, and **Dingo Federal Com #121H** to be horizontally drilled from surface hole locations in the SW/4NW/4 of Section 12 to bottom hole locations in the NW/4NW/4 of Section 1.

5. **Exhibit A-2** contains Form C-102s for the Wells which demonstrate the completed intervals of the Wells will be orthodox.

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6. **Exhibit A-3** contains a plat of the tracts included in the Unit and includes any applicable lease numbers, a recapitulation of the ownership interests within the Unit, and the interests TRO seeks to pool.

7. **Exhibit A-4** contains a sample well proposal letter and AFEs sent to working interest owners for the Wells. The estimated costs reflected on the AFEs are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

8. TRO conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches.

In my opinion, TRO made a good-faith effort to reach voluntary joinder of uncommitted interests in the Wells as indicated by the chronology of contact described in Exhibit A 5.

10. TRO requests overhead and administrative rates of \$8,000 per month while the Wells are being drilled and \$800 per month while the Wells are producing. These rates are fair and are comparable to the rates charged by TRO and other operators in the vicinity.

11. Notice of this application and the Division hearing was timely provided to the uncommitted interests by certified mail more than 20 days prior to the hearing date. **Exhibit A-6** contains a sample of the notice letters, a list of the parties who were notified of this hearing and the status of whether they received notice.

12. Notice of this application and the Division hearing was published more than ten business days prior to the hearing date. The affidavit of publication is attached as **Exhibit A-7**.

13. In my opinion, granting TRO's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

14. The attached exhibits were either prepared by me or compiled under my direction and supervision.

15. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 14 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Taylor Ford

7/19/22 Date

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. 22877

APPLICATION

Pursuant to NMSA § 70-2-17, Tap Rock Operating, LLC ("TRO") (OGRID No. 372043) applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the W/2W/2 of Section 1 and W/2NW/4 of Section 12, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. In support of its application, TRO states:

1. TRO is a working interest owner in the Unit and has the right to drill wells thereon.

2. The Unit will be dedicated to the following proposed initial wells ("Wells") which it intends to drill simultaneously:

- The Dingo Federal Com #111H, Dingo Federal Com #115H, and Dingo Federal Com #121H to be horizontally drilled from surface hole locations in the SW/4NW/4 of Section 12 to bottom hole locations in the NW/4NW/4 of Section 1.
- 3. The completed intervals of the Wells will be orthodox.

4. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Wells but has been unable to obtain voluntary agreements from all interest owners.

5. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

-

6. To allow TRO to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and TRO should be designated the operator of the Wells and Unit.

WHEREFORE, TRO requests this application be set for hearing before an Examiner of the Oil Conservation Division on July 7, 2022, and after notice and hearing, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the initial Wells in the Unit;
- C. Designating TRO as operator of this Unit and the Wells to be drilled thereon;
- D. Authorizing TRO to recover its costs of drilling, equipping and completing the Wells;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% penalty for the risk assumed by TRO in drilling and completing the Wells against any working interest owner who does not voluntarily participate in the drilling of the Wells.

Respectfully submitted,

TAP ROCK OPERATING, LLC

/s/ Michael Rodriguez Michael Rodriguez 523 Park Point Drive Golden, CO 80401 (720) 245-2606 mdrodriguez@taprk.com Attorney for Tap Rock Operating, LLC **Application of Tap Rock Operating, LLC for compulsory pooling, Lea County, New Mexico.** Tap Rock Operating, LLC ("TRO") applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the W/2W/2 of Section 1 and W/2NW/4 of Section 12, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. The Unit will be dedicated to the following proposed initial wells ("Wells") which it intends to drill simultaneously:

• The Dingo Federal Com #111H, Dingo Federal Com #115H, and Dingo Federal Com #121H to be horizontally drilled from surface hole locations in the SW/4NW/4 of Section 12 to bottom hole locations in the NW/4NW/4 of Section 1.

The completed intervals of the Wells will be orthodox. Also, to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Tap Rock Operating, LLC as operator of the Unit and Wells, and a 200% charge for risk involved in drilling and completing the Wells. The Unit is located approximately 16 miles northwest of Jal, New Mexico.

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1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

Phone: (575) 748-1283 Fax: (575) 748-9720

1220 S. St. Francis Dr., Sante Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

811 S. First St., Artesia, NM 88210

District I

District II

District III

District IV

ín.

Tap Rock Operating, LL Gage 11 of 40

77	Case No. 228 '	
FORM C-102	Exhibit A-2	State of New Mexico
Revised August 1, 2011		Energy, Minerals & Natural Resour
Submit one copy to appropriate		Department
District Office	ON	OIL CONSERVATION DIVISIO

AMENDED REPORT

Woll Number

WELL LOCATION AND ACREAGE DEDICATION PLAT ²Pool Code ¹API Number ³Pool Name onerty Code

1220 South St. Francis Dr.

Santa Fe, NM 87505

r roperty Co	roperty Code roperty Name				wen	Number			
	DINGO FED COM						11	11H	
⁷ OGRID No. ⁸ Operator Name				⁹ Ele	evation				
372043TAP ROCK OPERATING, LLC.				34	435'				
¹⁰ Surface Location									
III. or lot no	Section	Townshin	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Е	12	24-S	34-E	-	1787'	NORTH	531'	WEST	LEA
¹¹ Bottom Hole Location If Different From Surface									

	Bottom Hot Elocation in Directent From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
D	1	24-S	34-E	-	5'	NORTH	337'	WEST	LEA	
¹² Dedicated Acres	¹³ Joint or l	nfill ¹⁴ Co	nsolidation Co	de ¹⁵ Ord	er No.					

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District III 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Sante Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 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

Page 12 of 40

WELL LOCATION AND ACREAGE DEDICATION PLAT ¹API Number ²Pool Code ³Pool Name ⁵Property Name Well Number ⁴Property Code DINGO FED COM 121H ⁸Operator Name ⁷OGRID No. ⁹Elevation 3435 372043 TAP ROCK OPERATING, LLC. ¹⁰Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County 12 24-S 34 - E1788' NORTH 556' WEST LEA Ε ¹¹Bottom Hole Location If Different From Surface UL or lot no. Section Township Lot Idn Feet from the North/South line Feet from the East/West line County Rang 5' 660**'** D 1 24-S 34-ENORTH WEST LEA ²Dedicated Acres ³Joint or Infill ⁴Consolidation Code ⁵Order No.

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District III 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Sante Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 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 ¹API Number ²Pool Code ³Pool Name ⁵Property Name Well Number ⁴Property Code DINGO FED COM 115H⁸Operator Name ⁷OGRID No. ⁹Elevation 3435 372043 TAP ROCK OPERATING, LLC. ¹⁰Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County 12 24-S 34 - E1788' NORTH 581' WEST LEA Ε 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 5' 986' D 1 24-S 34-ENORTH WEST LEA ²Dedicated Acres ³Joint or Infill ⁴Consolidation Code ⁵Order No.

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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Tap Rock Operating, LLCase No. 22877Exhibit A-3

R	-
Tract	List
S I UCC	

ract #	Legal	Mineral	Lease Number	Owners
		Ownership Type		
1 2	W/2NW/4 and NW/4SW/4 of Section 1, Township 24 South, Range 34 East	Fed	NMNM 113417	Chevron Midcontinent, L.P. COG Operating, LLC**
	SW/4SW/4 of Section 1, Township 24 South, Range 34 East	Fee	N/A	BEXP I OG, LLC
3	W/2NW/4 of Section 12, Township 24 South, Range 34 East	Fee	N/A	 BEXP I OG, LLC Franklin Mountain Energy, LLC c/o Franklin Mountain Royalty Investments Marathon Oil Permian, LLC Cayuga Royalties LLC COG Operating, LLC** Malibu Resources, LLC ** Innoventions, Inc ** RRIG Energy, LLC ** Arrington Oil & Gas Royalty Fund, LLC** Prevail Energy, LLC **

antity	Interest Type	Approximate Percentage
T Rock Resources II, LLC	Working Interest	18.75123
Crevron Midcontinent L.P.	Uncommitted Working Interest	37.50312%
BBKP I OG, LLC	Uncommitted Working Interest	24.0337
Cog Operating, LLC	Committed Working Interest	14.16757%
Franklin Mountain Energy, LLC	Uncommitted Working Interest	1.83735%
Marathon Oil Permian, LLC	Uncommitted Working Interest	1.66653%
Cayuga Royalties LLC	Uncommitted Working Interest	0.01582%
Malibu Resources, LLC	Committed Working Interest	0.97214%
Innoventions, Inc.	Committed Working Interest	0.41663%
RRIG Energy, LLC	Committed Working Interest	0.41663%
Arrington Oil & Gas Royalty Fund, LLC	Committed Working Interest	0.20832%
Prevail Energy, LLC	Committed Working Interest	0.01091%

Overriding Royalty Interest

The Allar Company Regen Royalty Corp Allar Development, LLC CrownRock Minerals, LP John Kyle Thomas, Trustee of The Cornerstone Family Trust

- Parties highligted in yellow are subject to pooling.
- * Final interest subject to division order title verification

TAP ROCK RESOURCES, LLC TAYLOR FORD – LANDMAN TFORD@TAPRK.COM 523 Park Point Drive, Suite 200 - Golden, Colorado 80401



Tap Rock Operating, LLC Case No. 22877 Exhibit A-4

March 24, 2022

Via Certified Mail

ARRINGTON OIL & GAS ROYALTY FUND, LLC PO BOX 2071 MIDLAND, TX 79702

Re: Well Proposals for:

- Dingo Federal Com #111H
- Dingo Federal Com #115H
- Dingo Federal Com #121H
- Dingo Federal Com #131H
- Dingo Federal Com #201H

Township 24 South, Range 34 East, Section 1: W/2W/2 and Section 12: W/2NW/4 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
DINGO FEDERAL COM #111H	W/2NW/4 of Sec. 12	5' FNL and 330' FWL of Sec. 1	1st Bone Spring	10,080'	18,140'
DINGO FEDERAL COM #115H	W/2NW/4 of Sec. 12	5' FNL and 990' FWL of Sec. 1	1st Bone Spring	10,250'	18,310'
DINGO FEDERAL COM #121H	W/2NW/4 of Sec. 12	5' FNL and 660' FWL of Sec. 1	2nd Bone Spring	10,600'	18,660'
DINGO FEDERAL COM #131H	W/2NW/4 of Sec. 12	5' FNL and 330' FWL of Sec. 1	Wolfcamp A	11,850'	19,910'
DINGO FEDERAL COM #201H	W/2NW/4 of Sec. 12	5' FNL and 990' FWL of Sec. 1	Wolfcamp A	11,850'	19,910'

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 enclosed AAPL Form 610-1989 Operating Agreement. This Operating Agreement covers W/2W/2 of Section 1 and W/2NW/4 of Section 12, Township 24 South, Range 34 East,

TAP ROCK RESOURCES, LLC TAYLOR FORD – LANDMAN TFORD@TAPRK.COM 523 PARK POINT DRIVE, SUITE 200 - GOLDEN, COLORADO 80401



Lea County, New Mexico, 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
- \cdot 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

Jaywa to

Taylor Ford 720.459.3726 806.445.7213 tford@taprk.com

ARRINGTON OIL & GAS ROYALTY FUND, LLC hereby elects to:

participate in the DINGO FEDERAL COM #111H non-consent the DINGO FEDERAL COM #111H participate in the DINGO FEDERAL COM #115H non-consent the DINGO FEDERAL COM #115H participate in the DINGO FEDERAL COM #121H non-consent the DINGO FEDERAL COM #121H participate in the DINGO FEDERAL COM #131H non-consent the DINGO FEDERAL COM #131H participate in the DINGO FEDERAL COM #131H participate in the DINGO FEDERAL COM #201H non-consent the DINGO FEDERAL COM #201H By:

TAP ROCK RESOURCES, LLC

Taylor Ford – Landman tford@taprk.com



Title: ______
Date: _____

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

Dingo Fed Com #111H Name: AFE #: County: State: 0 Lea NM

Well Description:

Date: January 12, 2022 MD/TVD: 18140 / 10080 Lateral Length: 7610 Geologic Target: 1st Bone Spring

Drill, complete, and produce a horizontal 1st Bone Spring well with a 7610 foot lateral.

005	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	655,184
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	12	Fluid Circulation Equipment/Services	88,074
1	13	Fluids/Chemicals	104,738
1	19	WBM Cuttings/Wastewater Disposal	
-			47,385
1	16 17	OBM Cuttings/Chemical Disposal	0
-		Fuel/Power	62,880
1	18	Water	38,165
1	19	Directional Drilling	308,237
1	20	Mud Logging	18,654
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	148,824
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	83,446
1	31	Rentals - Living Quarters	50,853
1	32	Rentals - Downhole	2,000
1	33	Rentals - Pipe & Handling Tools	73,360
1	34	Rentals - Frac Stack	
1	35	Rentals - Frac Tanks	9,247
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	44	Permanent Equipment Installation	
1	45		
1	46	Pipeline Tapping Services Plugging & Abandonment	0
			-
1	53	Overhead	0
1	54	Insurance	20,000
1	55	Contingency	66,166

	T 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	35,440
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	25,313
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	225,600
2	18	Water	232.603
2	19	Directional Drilling	252,005
2	20	Mud Logging	
2	20	Open/Cased/Production Hole Logs	8,440
2	22	Coring	0,440
-		*	
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	66,000
2	26	Freight/Transportation	2,000
2	27	Labor	11,720
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	16,560
2	31	Rentals - Living Quarters	12,320
2	32	Rentals - Downhole	0
2	33	Rentals - Pipe & Handling Tools	0
2	34	Rentals - Frac Stack	81,894
2	35	Rentals - Frac Tanks	28,730
2	36	Coil Tubing Unit/Workover Rig	68,190
2	37	Wireline/Slickline/Perforating	179,298
2	38	Temporary Packers/Plugs	31,200
2	39	High Pressure Pump Truck	46,640
2	40	Stimulation	1,918,676
2	40	Rentals - Pressure Control	2,520,070
2	42	Flowback Services	41,231
2	42	Water Transfer Services	63,600
2	43	Flowback Water Trucking & Disposal	10.649
_			10,649
2	45	Permanent Equipment Installation	
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	13,715
2	54	Insurance	
2	55	Contingency	108.224

cos	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	
3	29	Supplies - Living Quarters	
3	30	Rentals - Surface	9,80
3	31	Rentals - Living Quarters	5,00
3	32	Rentals - Downhole	
3	33	Rentals - Pipe & Handling Tools	
3	34	Rentals - Frac Stack	12,95
3	35	Rentals - Frac Tanks	12,95
3	36	Coil Tubing Unit/Workover Rig	34,50
3	37	Wireline/Slickline/Perforating	54,50
3	38	Temporary Packers/Plugs	5,50
3	39	High Pressure Pump Truck	
3	40	Stimulation	
3	40	1	
_	41	Rentals - Pressure Control	42.00
3		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: \$2,271,713

COST CODES DESC 4 60 Conductor Casing 4 61 Surface Casing

72 Gathering Lines

80 Other - Surface

4 81 Other - Downhole

73 Valves & Controllers
 74
 Artificial Lift Equipment

 75
 Instrumentation & Measurement

4

4

4 4

4 4

4

62 1st Intermediate Casing 4 63 2nd Intermediate Casing 4 64 Production Casing 4 65 Tubing

 4
 65
 Tubing

 4
 66
 Wellbead

 4
 67
 Permanent Packers/Hangers/Plugs

 4
 68
 Tanks

 4
 69
 Production Vessels

 4
 70
 Compressors

 4
 71
 Surface Howlines

76 Electrical Grounding/Safety Equipment

77 Permanent Equipment Installation

CEO

CFO_

VP - LAND & LEGAL ____

TANGIRI E COMPLETION COSTS

TANGIBLE DRILLING COSTS			TANGIBLE COMPLETION COSTS						TANGIBLE PRODUCTION COSTS	
DESCRIPTION	AMOUNT	COST CODES		T CODES	DESCRIPTION	AMOUNT	COS	CODES	DESCRIPTION	
ductor Casing	18,000		5	60	Conductor Casing		6	60	Conductor Casing	
ace Casing	56,375		5	61	Surface Casing		6	61	Surface Casing	
ntermediate Casing	160,800		5	62	1st Intermediate Casing		6	62	1st Intermediate Casing	
Intermediate Casing	0	[5	63	2nd Intermediate Casing		6	63	2nd Intermediate Casing	
luction Casing	362,800		5	64	Production Casing	0	6	64	Production Casing	
ng			5	65	Tubing		6	65	Tubing	
head	78,000	[5	66	Wellhead	0	6	66	Wellhead	
nanent Packers/Hangers/Plugs		[5	67	Permanent Packers/Hangers/Plugs		6	67	Permanent Packers/Hangers/Plugs	
rs		ſ	5	68	Tanks		6	68	Tanks	
luction Vessels		[5	69	Production Vessels		6	69	Production Vessels	
pressors		[5	70	Compressors		6	70	Compressors	
ace Flowlines		[5	71	Surface Flowlines		6	71	Surface Flowlines	
nering Lines		[5	72	Gathering Lines		6	72	Gathering Lines	
es & Controllers		[5	73	Valves & Controllers		6	73	Valves & Controllers	
icial Lift Equipment			5	74	Artificial Lift Equipment		6	74	Artificial Lift Equipment	
umentation & Measurement		[5	75	Instrumentation & Measurement		6	75	Instrumentation & Measurement	
trical Grounding/Safety Equipment		[5	76	Electrical Grounding/Safety Equipment		6	76	Electrical Grounding/Safety Equipment	
nanent Equipment Installation		[5	77	Permanent Equipment Installation		6	77	Permanent Equipment Installation	
er - Surface		[5	80	Other - Surface		6	80	Other - Surface	
er - Downhole	15,000	[5	81	Other - Downhole		6	81	Other - Downhole	
TOTAL TANGIBLE DRILLING COSTS:	\$690,975				TOTAL TANGIBLE COMPLETION COSTS:	\$0			TOTAL TANGIBLE PRODUCTION COSTS:	

DESCRIPTION AMOUNT uctor 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 PRODUCTION COSTS: \$694,588

TOTAL WELL COST: \$6,889,319

.

TAP ROCK RESOURCES COMPANY APPROVAL:	NON OPERATING PARTNER APPROVAL:
VP - EXPLORATION	COMPANY NAME:
VP - OPERATIONS	SIGNED BY: TITLE:
SENIOR GEOLOGIST	WORKING INTEREST (%): DATE:
	TAX ID: APPROVAL:

TOTAL COMPLETION COSTS: \$3,232,043

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

TOTAL DRILLING COSTS: \$2,962,688

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

INTANGIBLE COMPLETION COSTS

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Dingo Fed Com #115H
0
Lea
NM

Well Description:

Date: January 12, 2022 MD/TVD: 18310 / 10250 Lateral Length: 7610 Geologic Target: 1st Bone Spring

Drill, complete, and produce a horizontal 1st Bone Spring well with a 7610 foot lateral.

~~~	T CODES	INTANGIBLE DRILLING COSTS DESCRIPTION	AMOUNT
1	1	Land - Legal	
1	2	Land - Regulatory	10,000
1	3		10,000
		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	653,475
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	87,865
1	14	Fluids/Chemicals	104,662
1	15	WBM Cuttings/Wastewater Disposal	48,150
1	16	OBM Cuttings/Chemical Disposal	0
1	17	Fuel/Power	62,698
1	18	Water	38,147
1	19	Directional Drilling	307,345
1	20	Mud Logging	18,654
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	148,432
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	83,220
1	31	Rentals - Living Quarters	50,728
1	32	Rentals - Downhole	2,000
1	33	Rentals - Pipe & Handling Tools	73,148
1	34	Rentals - Frac Stack	
1	35	Rentals - Frac Tanks	9.220
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	40	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	43	Flowback Water Trucking & Disposal	
1	44	Permanent Equipment Installation	
1			
-	46	Pipeline Tapping Services	0
1	47	Plugging & Abandonment	
1	53	Overhead	0
1	54	Insurance	20,000
1	55	Contingency	66,067

n	T CODES	DESCRIPTION	AMOUNT
2	1	Land - Legal	Alloon
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	35,440
2	13	Fluid Circulation Equipment/Services	55,440
2	14	Fluids/Chemicals	25,313
2	15	WBM Cuttings/Wastewater Disposal	25,515
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	225,600
2	18	Water	232,603
2	19	Directional Drilling	232,003
2	20	Mud Logging	
2	20	Open/Cased/Production Hole Logs	8,440
2	22	Coring	8,440
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	24	Consultant Supervision	66,000
2	25		2,000
2	20	Freight/Transportation Labor	2,000
2	27	Supplies - Surface	2,000
2	20		
2	30	Supplies - Living Quarters	2,000
2	30	Rentals - Surface Rentals - Living Quarters	16,560 12,320
_	31		
2		Rentals - Downhole	0
2	33	Rentals - Pipe & Handling Tools	0
2	34	Rentals - Frac Stack	81,894
2	35	Rentals - Frac Tanks	28,730
2	36	Coil Tubing Unit/Workover Rig	68,190
2	37	Wireline/Slickline/Perforating	179,298
2	38	Temporary Packers/Plugs	31,200
2	39	High Pressure Pump Truck	46,640
2	40	Stimulation	1,918,676
2	41	Rentals - Pressure Control	
2	42	Flowback Services	41,231
2	43	Water Transfer Services	63,600
2	44	Flowback Water Trucking & Disposal	10,649
2	45	Permanent Equipment Installation	
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	13,715
2	54	Insurance	
2	55	Contingency	108,224

os	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	15	OBM Cuttings/Wastewater Disposal	
3	10	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	
3	29	Supplies - Living Quarters	
3	30	Rentals - Surface	9,80
3	31	Rentals - Living Quarters	
3	32	Rentals - Downhole	
3	33	Rentals - Pipe & Handling Tools	
3	34	Rentals - Frac Stack	12,95
3	35	Rentals - Frac Tanks	15,00
3	36	Coil Tubing Unit/Workover Rig	34,50
3	37	Wireline/Slickline/Perforating	5,50
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	45,00
3	43	Flowback Water Trucking & Disposal	65.00
-			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: \$2,268,313

#### TANGIRI E COMPLETION COSTS

		TANGIBLE DRILLING COSTS				TANGIBLE COMPLETION COSTS					TANGIBLE PRODUCTION COST
co	ST CODES	DESCRIPTION	AMOUNT COST CODES DESCRIPTION AMOUNT			AMOUNT	_	OST /	CODES	DESCRIPTION	
4	60	Conductor Casing	18,000	5	60	Conductor Casing		1	6	60	Conductor Casing
4	61	Surface Casing	56,375	5	61	Surface Casing		1	6	61	Surface Casing
4	62	1st Intermediate Casing	160,800	5	62	1st Intermediate Casing		1	6	62	1st Intermediate Casing
4	63	2nd Intermediate Casing	0	5	63	2nd Intermediate Casing		1	6	63	2nd Intermediate Casing
4	64	Production Casing	366,200	5	64	Production Casing	0	1	6	64	Production Casing
4	65	Tubing		5	65	Tubing		1	6	65	Tubing
4	66	Wellhead	78,000	5	66	Wellhead	0	1	6	66	Wellhead
4	67	Permanent Packers/Hangers/Plugs		5	67	Permanent Packers/Hangers/Plugs		1	6	67	Permanent Packers/Hangers/Plugs
4	68	Tanks		5	68	Tanks		1	6	68	Tanks
4	69	Production Vessels		5	69	Production Vessels		1	6	69	Production Vessels
4	70	Compressors		5	70	Compressors		1	6	70	Compressors
4	71	Surface Flowlines		5	71	Surface Flowlines		1	6	71	Surface Flowlines
4	72	Gathering Lines		5	72	Gathering Lines		1	6	72	Gathering Lines
4	73	Valves & Controllers		5	73	Valves & Controllers		1	6	73	Valves & Controllers
4	74	Artificial Lift Equipment		5	74	Artificial Lift Equipment		1	6	74	Artificial Lift Equipment
4	75	Instrumentation & Measurement		5	75	Instrumentation & Measurement		1	6	75	Instrumentation & Measurement
4	76	Electrical Grounding/Safety Equipment		5	76	Electrical Grounding/Safety Equipment		1	6	76	Electrical Grounding/Safety Equipment
4	77	Permanent Equipment Installation		5	77	Permanent Equipment Installation		1	6	77	Permanent Equipment Installation
4	80	Other - Surface		5	80	Other - Surface		1	6	80	Other - Surface
4	81	Other - Downhole	15,000	5	81	Other - Downhole		1	6	81	Other - Downhole
_		TOTAL TANGIBLE DRILLING COSTS:	\$694,375			TOTAL TANGIBLE COMPLETION COSTS:	\$0				TOTAL TANGIBLE PRODUCTION COS
4 4 4 4	76 77 80	Electrical Grounding/Safety Equipment Permanent Equipment Installation Other - Surface Other - Downhole		5	76 77 80	Electrical Grounding/Safety Equipment Permanent Equipment Installation Other - Surface Other - Downhole	\$0	6	6 6 6	76 77	Electrical Grounding/Safety Equipm Permanent Equipment Installation Other - Surface Other - Downhole

TOTAL COMPLETION COSTS: \$3,232,043

#### TANGIBLE PRODUCTION 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	(
6 68	Tanks	
6 69	Production Vessels	190,000
6 70	Compressors	
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	(
6 73	Valves & Controllers	(
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 PRODUCTION COSTS: \$694,588

NON OPERATING PARTNER APPROVAL:

TITLE:

DATE: __

APPROVAL:

COMPANY NAME: ____

SIGNED BY: ____

TAX ID: _____

WORKING INTEREST (%): _____

TOTAL WELL COST: \$6,889,319

TAP ROC	K RESOURCES COMPANY APPROVAL:	
CEO	VP - EXPLORATION	
CFO	VP - OPERATIONS	
VP - LAND & LEGAL	SENIOR GEOLOGIST	

TOTAL DRILLING COSTS: \$2,962,688

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

INTANGIBLE COMPLETION COSTS

Dingo Fed Com #121H Name: AFE #: County: State: 0 Lea NM

Well Description:

## Date: January 12, 2022 MD/TVD: 18660 / 10600 Lateral Length: 7610 Geologic Target: 2nd Bone Spring

#### Drill, complete, and produce a horizontal 2nd Bone Spring well with a 7610 foot lateral.

INTANGIBLE DRILLING COSTS								
COS	T 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	674,589					
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	90,448					
1	14	Fluids/Chemicals	105,598					
1	15	WBM Cuttings/Wastewater Disposal	49,725					
1	16	OBM Cuttings/Chemical Disposal	0					
1	17	Fuel/Power	64,946					
1	18	Water	38,367					
1	19	Directional Drilling	318,361					
1	20	Mud Logging	18,654					
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	153,279					
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	86,009					
1	31	Rentals - Living Quarters	52,270					
1	32	Rentals - Downhole	2,000					
1	33	Rentals - Pipe & Handling Tools	75,770					
1	34	Rentals - Frac Stack						
1	35	Rentals - Frac Tanks	9,551					
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					
1	40	Rentals - Pressure Control	1					
1	42	Flowback Services						
1	43	Water Transfer Services	1					
1	45	Flowback Water Trucking & Disposal	1 1					
1	45	Permanent Equipment Installation	1					
1	46	Pipeline Tapping Services	1					
1	40	Plugging & Abandonment	0					
1	53	Overhead	0					
1	54	Insurance	20,000					
1								
1	55	Contingency	67,622					

<b>CO</b> 3	T CODES	INTANGIBLE COMPLETION COSTS DESCRIPTION	AMOUNT
2	1	Land - Legal	ANOUNT
2	2	Land - Regulatory	
2	3	Land - Surface Damages	
2	4	Land - Survey	
2	4	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	35,440
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	25,313
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	225,600
2	18	Water	232,603
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	66,000
2	26	Freight/Transportation	2,000
2	27	Labor	11,720
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	16,560
2	31	Rentals - Living Quarters	12,320
2	32	Rentals - Downhole	12,520
2	33	Rentals - Pipe & Handling Tools	0
2	34	Rentals - Frac Stack	81,894
-	35		
2		Rentals - Frac Tanks	28,730
2	36	Coil Tubing Unit/Workover Rig	68,190
2	37	Wireline/Slickline/Perforating	179,298
2	38	Temporary Packers/Plugs	31,200
2	39	High Pressure Pump Truck	46,640
2	40	Stimulation	1,918,676
2	41	Rentals - Pressure Control	
2	42	Flowback Services	41,231
2	43	Water Transfer Services	63,600
2	44	Flowback Water Trucking & Disposal	10,649
2	45	Permanent Equipment Installation	
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	13,715
2	54	Insurance	
2	55	Contingency	108,224
_		TOTAL INTANGIBLE COMPLETION COSTS:	\$3,232,043

os	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	29	Consultant Supervision	18,500
3	25	Freight/Transportation	15,000
3	20	Labor	28,000
3	28	Supplies - Surface	28,000
3	29	Supplies - Living Quarters	9.80
3	30 31	Rentals - Surface	9,800
-		Rentals - Living Quarters	
3	32	Rentals - Downhole	
3	33	Rentals - Pipe & Handling Tools	
3	34	Rentals - Frac Stack	12,95
3	35	Rentals - Frac Tanks	15,00
3	36	Coil Tubing Unit/Workover Rig	34,50
3	37	Wireline/Slickline/Perforating	5,500
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	65,960
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 DRILLING COSTS: \$2,321,688 TANGIRI E DRILLING COSTS

#### TANGIRI E COMPLETION COSTS

TANGIBLE DRILLING COSTS				TANGIBLE COMPLETION COSTS			TAT			TANGIBLE PRODUCTION COSTS	
COST CODES		DESCRIPTION	AMOUNT	COST CODES		DESCRIPTION	AMOUNT		cos	T CODES	DESCRIPTION
4	60	Conductor Casing	18,000	5	60	Conductor Casing			6	60	Conductor Casing
4	61	Surface Casing	56,375	5	61	Surface Casing			6	61	Surface Casing
4	62	1st Intermediate Casing	160,800	5	62	1st Intermediate Casing			6	62	1st Intermediate Casing
4	63	2nd Intermediate Casing	0	5	63	2nd Intermediate Casing			6	63	2nd Intermediate Casing
4	64	Production Casing	373,200	5	64	Production Casing	0		6	64	Production Casing
4	65	Tubing		5	65	Tubing			6	65	Tubing
4	66	Wellhead	78,000	5	66	Wellhead	0		6	66	Wellhead
4	67	Permanent Packers/Hangers/Plugs		5	67	Permanent Packers/Hangers/Plugs			6	67	Permanent Packers/Hangers/Plugs
4	68	Tanks		5	68	Tanks			6	68	Tanks
4	69	Production Vessels		5	69	Production Vessels			6	69	Production Vessels
4	70	Compressors		5	70	Compressors			6	70	Compressors
4	71	Surface Flowlines		5	71	Surface Flowlines			6	71	Surface Flowlines
4	72	Gathering Lines		5	72	Gathering Lines			6	72	Gathering Lines
4	73	Valves & Controllers		5	73	Valves & Controllers			6	73	Valves & Controllers
4	74	Artificial Lift Equipment		5	74	Artificial Lift Equipment			6	74	Artificial Lift Equipment
4	75	Instrumentation & Measurement		5	75	Instrumentation & Measurement			6	75	Instrumentation & Measurement
4	76	Electrical Grounding/Safety Equipment		5	76	Electrical Grounding/Safety Equipment			6	76	Electrical Grounding/Safety Equipment
4	77	Permanent Equipment Installation		5	77	Permanent Equipment Installation			6	77	Permanent Equipment Installation
4	80	Other - Surface		5	80	Other - Surface			6	80	Other - Surface
4	81	Other - Downhole	15,000	5	81	Other - Downhole			6	81	Other - Downhole
		TOTAL TANGIBLE DRILLING COSTS:	\$701,375			TOTAL TANGIBLE COMPLETION COSTS:	\$0				TOTAL TANGIBLE PRODUCTION COSTS:
TOTAL DRILLING COSTS:			\$3,023,063			TOTAL COMPLETION COSTS:	\$3,232,043				TOTAL PRODUCTION COSTS:

#### 50,000

AMOUNT

95,400 62,100 190,000

> 0 28,500

3,500 \$429,500 S:

#### TOTAL PRODUCTION COSTS: \$694,588

TOTAL WELL COST: \$6,949,694

TAP ROCK RESOURCES COMPANY APPROVAL:	NON OPERATING PARTNER APPROVA	L:
CEO VP - EXPLORATION	COMPANY NAME:	-
CFO VP - OPERATIONS	SIGNED BY: TITLE:	
VP - LAND & LEGAL	WORKING INTEREST (%): DATE:	
	TAX ID: APPROVAL:	

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

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Name:	Dingo Fed Com #131H
AFE #:	0
County:	Lea
State:	NM

Well Description:

Date: January 12, 2022 MD/TVD: 19910 / 11850 Lateral Length: 7610 Geologic Target: Wolfcamp A

Drill, complete, and produce a horizontal Wolfcamp A well with a 7610 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	777,365
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	103,023
1	14	Fluids/Chemicals	112,431
1	15	WBM Cuttings/Wastewater Disposal	55,350
1	16	OBM Cuttings/Chemical Disposal	22,830
1	17	Fuel/Power	75,884
1	18	Water	39,440
1	19	Directional Drilling	371,982
1	20	Mud Logging	18,654
1	21	Open/Cased/Production Hole Logs	10,004
1	22	Coring	0
1	23	Geologic Supervision	0
1	24	Engineering Supervision	0
1	29	Consultant Supervision	176,872
1	25	Freight/Transportation	9,000
1	20	Labor	98,500
1	28	Supplies - Surface	2,500
1	29	Supplies - Surface Supplies - Living Quarters	1,000
1	30	Rentals - Surface	99,586
1	31	Rentals - Living Quarters	59,778
1	32	Rentals - Downhole	2.000
1	32	Rentals - Downhole Rentals - Pipe & Handling Tools	88,532
1	33		88,532
1	34	Rentals - Frac Stack Rentals - Frac Tanks	11,159
			11,159
1	36 37	Coil Tubing Unit/Workover Rig 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	75,882

:05	T 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	35,440
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	25,313
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	225,600
2	18	Water	232,603
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,440
2	22	Coring	
	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	66,000
,	26	Freight/Transportation	2,000
2	27	Labor	11,720
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	16,560
	31	Rentals - Living Quarters	12,320
2	32	Rentals - Downhole	12,520
2	33	Rentals - Pipe & Handling Tools	0
2	34	Rentals - Frac Stack	81,894
2	35	Rentals - Frac Tanks	
2	35	Coil Tubing Unit/Workover Rig	28,730
2			
-	37	Wireline/Slickline/Perforating	179,298
2	38	Temporary Packers/Plugs	31,200
2	39	High Pressure Pump Truck	46,640
2	40	Stimulation	1,962,110
2	41	Rentals - Pressure Control	
2	42	Flowback Services	41,231
2	43	Water Transfer Services	63,600
2	44	Flowback Water Trucking & Disposal	10,649
2	45	Permanent Equipment Installation	
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	13,715
	54	Insurance	
,	55	Contingency	109,310

.US	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	20	Open/Cased/Production Hole Logs	
3	22	Coring	
2 2	22		
-		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	9,80
3	31	Rentals - Living Quarters	
3	32	Rentals - Downhole	
3	33	Rentals - Pipe & Handling Tools	
3	34	Rentals - Frac Stack	12,95
3	35	Rentals - Frac Tanks	15,00
3	36	Coil Tubing Unit/Workover Rig	34,50
3	37	Wireline/Slickline/Perforating	5,50
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	05,500
3	46	Pipeline Tapping Services	
3	40	Plugging & Abandonment	
3	53	Overhead	
-			
3	54	Insurance	
3	55	Contingency	11,2

TOTAL INTANGIBLE DRILLING COSTS: \$2,605,268

TANGIBLE DRILLING COSTS

DESCRIPTION

COST CODES DESCRIPTI 4 60 Conductor Casing 4 61 Surface Casing 4 62 1st Intermediate Casing

4 63 2nd Intermediate Casing 4 64 Production Casing 4 65 Tubing

 4
 72
 Gathering Lines

 4
 73
 Valves & Controllers

4 81 Other - Downhole

4 4 4

 4
 65
 Hourneg

 4
 66
 Weilhead

 4
 67
 Permanent Packers/Hangers/Plugs

 4
 68
 Tanks

 4
 69
 Production Vessels

 4
 70
 Compressors

 4
 71
 Surface Flowlines

 74
 Artificial Lift Equipment

 75
 Instrumentation & Measurement

76 Electrical Grounding/Safety Equipment 4 77 Permanent Equipment Installation 4 80 Other - Surface

TOTAL TANGIBLE DRILLING COSTS:

TOTAL DRILLING COSTS: \$3,635,438

#### TANGIBLE COMPLETION COSTS

			TANGIBLE CONPLETION COSTS				TANC
AMOUNT	COS	T CODES	DESCRIPTION	AMOUNT	COST	CODES	
18,000	5	60	Conductor Casing		6	60	Conductor Ca
56,375	5	61	Surface Casing		6	61	Surface Casir
160,800	5	62	1st Intermediate Casing		6	62	1st Intermed
286,375	5	63	2nd Intermediate Casing		6	63	2nd Intermed
415,620	5	64	Production Casing	0	6	64	Production C
	5	65	Tubing		6	65	Tubing
78,000	5	66	Wellhead	0	6	66	Wellhead
	5	67	Permanent Packers/Hangers/Plugs		6	67	Permanent P
	5	68	Tanks		6	68	Tanks
	5	69	Production Vessels		6	69	Production V
	5	70	Compressors		6	70	Compressors
	5	71	Surface Flowlines		6	71	Surface Flow
	5	72	Gathering Lines		6	72	Gathering Lir
	5	73	Valves & Controllers		6	73	Valves & Cor
	5	74	Artificial Lift Equipment		6	74	Artificial Lift
	5	75	Instrumentation & Measurement		6	75	Instrumenta
	5	76	Electrical Grounding/Safety Equipment		6	76	Electrical Gro
	5	77	Permanent Equipment Installation		6	77	Permanent E
	5	80	Other - Surface		6	80	Other - Surfa
15,000	5	81	Other - Downhole		6	81	Other - Dowr
\$1,030,170			TOTAL TANGIBLE COMPLETION COSTS:	\$0			TOTAL TA
			CONTRACTOR CONTRACTOR COSTO	ŢĴ			

#### TANGIBLE PRODUCTION 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	C
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	C
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: \$694,588

TOTAL WELL COST: \$7,606,588

TAP ROCK RESOURCES COMPANY APPROVAL:	NON OPERATING PARTNER APPROVAL:	
CEO VP - EXPLORATION	COMPANY NAME:	
CFO VP - OPERATIONS	SIGNED BY: TITLE:	
D & LEGAL SENIOR GEOLOGIST	WORKING INTEREST (%): DATE:	
	TAX ID: APPROVAL:	

TOTAL COMPLETION COSTS: \$3,276,562

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

VP - LAN

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

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Name:	Dingo Fed Com #201H
AFE #:	0
County:	Lea
State:	NM

Well Description:

## Date: January 12, 2022 MD/TVD: 19910 / 11850 Lateral Length: 7610 Geologic Target: Wolfcamp A

Drill, complete, and produce a horizontal Wolfcamp A well with a 7610 foot lateral.

	INTANGIBLE DRILLING COSTS	
COST CO		AMOUNT
_	1 Land - Legal	10,000
_	2 Land - Regulatory	10,000
_	3 Land - Surface Damages	10,000
_	4 Land - Survey	10,000
_	5 Location/Pit Construction	59,000
	6 Remedial Dirtwork	0
_	7 Reserve/Frac Pit Closing	0
_	B Drilling - Contractor	777,365
1	Mob/Rig Up - Contractor/Trucking	50,000
1 1	0 Cementing Services	141,000
1 1	1 Cementing Equipment	30,000
1 1	2 Bits/Drill Out Assemblies	63,500
1 1	3 Fluid Circulation Equipment/Services	103,023
1 1	4 Fluids/Chemicals	112,431
1 1	5 WBM Cuttings/Wastewater Disposal	55,350
1 1	6 OBM Cuttings/Chemical Disposal	22,830
1 1	7 Fuel/Power	75,884
1 1	8 Water	39,440
_	9 Directional Drilling	371,982
-	0 Mud Logging	18,654
	1 Open/Cased/Production Hole Logs	0
	2 Coring	0
_	3 Geologic Supervision	0
		0
_		
_	5 Consultant Supervision	176,872
_	6 Freight/Transportation	9,000
	7 Labor	98,500
_	8 Supplies - Surface	2,500
_	9 Supplies - Living Quarters	1,000
	0 Rentals - Surface	99,586
1 3	1 Rentals - Living Quarters	59,778
1 3	2 Rentals - Downhole	2,000
1 3	3 Rentals - Pipe & Handling Tools	88,532
1 3	4 Rentals - Frac Stack	
1 3	5 Rentals - Frac Tanks	11,159
1 3	6 Coil Tubing Unit/Workover Rig	
1 3	7 Wireline/Slickline/Perforating	
1 3	8 Temporary Packers/Plugs	
1 3	9 High Pressure Pump Truck	
1 4	0 Stimulation	
_	1 Rentals - Pressure Control	
1 4	2 Flowback Services	
_	3 Water Transfer Services	
-	4 Flowback Water Trucking & Disposal	
-	Permanent Equipment Installation	1
_		+
		-
-	7 Plugging & Abandonment	0
1 5	3 Overhead	0
1 5	4 Insurance	20,000

os	T 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	
	9	Mob/Rig Up - Contractor/Trucking	
	10	Cementing Services	
	11	Cementing Equipment	
	12	Bits/Drill Out Assemblies	35,440
	13	Fluid Circulation Equipment/Services	
	14	Fluids/Chemicals	25,313
	15	WBM Cuttings/Wastewater Disposal	
	16	OBM Cuttings/Chemical Disposal	
	17	Fuel/Power	225,600
	18	Water	232,603
	19	Directional Drilling	
	20	Mud Logging	
	21	Open/Cased/Production Hole Logs	8,440
	22	Coring	
	23	Geologic Supervision	
	24	Engineering Supervision	
	25	Consultant Supervision	66,000
	26	Freight/Transportation	2,000
	20	Labor	11,720
	28	Supplies - Surface	2,000
	20	Supplies - Surface Supplies - Living Quarters	2,000
	30	Rentals - Surface	
	30	Rentals - Living Quarters	16,560
-	-		
_	32	Rentals - Downhole	0
_	33	Rentals - Pipe & Handling Tools	0
	34	Rentals - Frac Stack	81,894
_	35	Rentals - Frac Tanks	28,730
	36	Coil Tubing Unit/Workover Rig	68,190
	37	Wireline/Slickline/Perforating	179,298
	38	Temporary Packers/Plugs	31,200
	39	High Pressure Pump Truck	46,640
	40	Stimulation	1,962,110
	41	Rentals - Pressure Control	
	42	Flowback Services	41,231
	43	Water Transfer Services	63,600
	44	Flowback Water Trucking & Disposal	10,649
	45	Permanent Equipment Installation	
	46	Pipeline Tapping Services	
	47	Plugging & Abandonment	
	53	Overhead	13,715
	54	Insurance	
	55	Contingency	109,310

	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	
3	29	Supplies - Living Quarters	
3	30	Rentals - Surface	9,80
3	31	Rentals - Living Quarters	
3	32	Rentals - Downhole	
3	33	Rentals - Pipe & Handling Tools	
3	34	Rentals - Frac Stack	12,95
3	35	Rentals - Frac Tanks	15,00
3	36	Coil Tubing Unit/Workover Rig	34,50
3	37	Wireline/Slickline/Perforating	5,50
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	23,50
3	46	Pipeline Tapping Services	
3	47	Plugging & Abandonment	
3	53	Overhead	
-	54	Insurance	
3		moundance	

TOTAL INTANGIBLE DRILLING COSTS: \$2,605,268

COST CODES DESCRIPTI 4 60 Conductor Casing 4 61 Surface Casing 4 62 1st Intermediate Casing

4 63 2nd Intermediate Casing 4 64 Production Casing 4 65 Tubing

4 72 Gathering Lines

4 81 Other - Downhole

73 Valves & Controllers 
 74
 Artificial Lift Equipment

 75
 Instrumentation & Measurement

4

4 4 4

 4
 65
 Folding

 4
 66
 Wellbad

 4
 67
 Permanent Packers/Hangers/Plugs

 4
 68
 Tanks

 4
 69
 Production Vessels

 4
 70
 Compressors

 4
 71
 Surface Flowlines

76 Electrical Grounding/Safety Equipment 4 77 Permanent Equipment Installation 4 80 Other - Surface

#### TANGIBLE COMPLETION COSTS

DESCRIPTION         AMOUNT         COST CODES         DESCRIPTION         AMOUNT         COST CODES         DESCRIPTION           ductor Casing         18.000         5         60         Conductor Casing         6         60         Conductor Casing           ace Casing         15.602         15         61         Surface Casing         6         61         Surface Casing           intermediate Casing         16.0000         5         62         1st intermediate Casing         6         61         2st face Casing           intermediate Casing         2         64         Production Casing         0         6         64         Production Casing           nament Packers/Hangers/Plugs         5         64         Production Casing         0         6         65         Tubing           s         6         64         Production Casing         0         6         65         Tubing           s         6         64         Production Vessels         6         65         Tubing           s         6         64         Production Vessels         6         67         Permanent Packers/Hangers/Plugs         6         6         70         Compressors           s         70         Compr	TANGIBLE DRILLING COSTS TANGIBLE COMPLETION COSTS TANGIBLE PRODUCTION COSTS									
ace Casing     56.375     5     61     Surface Casing     6     61     Surface Casing       intermediate Casing     100,000     5     62     1st intermediate Casing     6     62     1st intermediate Casing       intermediate Casing     208,6375     5     63     2nd intermediate Casing     6     63     2nd intermediate Casing       intermediate Casing     208,6375     5     64     Production Casing     0     6     64     Production Casing       nament Packers/Hangers/Plugs     5     66     Wellnead     0     6     66     Wellnead       s     5     68     Tanks     6     68     Tanks     6     68     Permanent Packers/Hangers/Plugs       s     5     69     Production Vessels     6     70     Compressors       s     71     Surface Flowlines     6     71     Surface Controllers       s     73     Valves & Controllers     6     73     Valves & Controllers       s     73     Valves & Controllers     6     73     Valves & Controllers       s     74     Artificial Lift Equipment     6     73     Valves & Controllers       s     73     Valves & Controllers     6     73     Valves & Controllers </th <th>DESCRIPTION</th> <th>AMOUNT</th> <th colspan="2">COST CODES</th> <th>DES</th> <th>DESCRIPTION</th> <th>AMOUNT</th> <th colspan="2">AMOUNT COST CODES</th> <th>DESCRIPTION</th>	DESCRIPTION	AMOUNT	COST CODES		DES	DESCRIPTION	AMOUNT	AMOUNT COST CODES		DESCRIPTION
Intermediate Casing     160,800       intermediate Casing     266,375       intermediate Casing     266,375       intermediate Casing     266,375       intermediate Casing     0       intermediate Casing     0 <t< td=""><td>ductor Casing</td><td>18,000</td><td>5</td><td></td><td>60</td><td>Conductor Casing</td><td></td><td>6</td><td>60</td><td>Conductor Casing</td></t<>	ductor Casing	18,000	5		60	Conductor Casing		6	60	Conductor Casing
Intermediate Casing         286,375         5         6.3         2nd Intermediate Casing         6         6.3         2nd Intermediate Casing           ng         5         6.4         Production Casing         0         6         6.4         Production Casing           ng         5         6.5         Tobing         6         6.5         Tobing           head         78,000         5         6.6         Tanks         6         6.6         Wellhead           s         5         6.6         Tanks         6         6.6         Tanks           s         6         6.7         Permanent Packers/Hangers/Plugs         6         6.6         Tanks           s         6         6.7         Permanent Packers/Hangers/Plugs         6         6.8         Tanks           s         5         6.6         Tanks         6         6.8         Tanks           s         6         6.7         Permanent Packers/Hangers/Plugs         6         6.7         7.0         Compressors           s         6         7.0         Compressors         6         7.1         Surface Flowlines         6         7.2         Surface Flowlines         6         7.3         Valves &	ace Casing	56,375	5		61	Surface Casing		6	61	Surface Casing
Luction Casing     415.620     5     6.6     Production Casing     0       ng     5     6.5     Tubing     6     6.6     Wellhead       head     78.000     5     6.6     Wellhead     0     6     6.6     Wellhead       nament Packers/Hangers/Plugs     5     6.6     Wellhead     0     6     6.6     Wellhead       s     5     6.8     Transent Packers/Hangers/Plugs     6     6.6     Wellhead       s     5     6.8     Production Vessels     6     6.8     Permanent Packers/Hangers/Plugs       s     5     6.9     Production Vessels     6     6.8     Tanks       ser Flowlines     5     7.0     Compressors     6     7.0     Compressors       set Controllers     5     7.3     Valves & Controllers     6     7.3     Valves & Controllers       set Controllers     5     7.3     Valves & Controllers     6     7.3     Valves & Controllers       set Controllers     5     7.2     Permanent Equipment     6     7.3     Valves & Controllers       set Controllers     5     7.3     Valves & Controllers     6     7.3     Valves & Controllers       set Controllers     5     7.2 <t< td=""><td>ntermediate Casing</td><td>160,800</td><td>5</td><td></td><td>62</td><td>1st Intermediate Casing</td><td></td><td>6</td><td>62</td><td>1st Intermediate Casing</td></t<>	ntermediate Casing	160,800	5		62	1st Intermediate Casing		6	62	1st Intermediate Casing
ng     5     65     Tubing     6     65     Tubing       head     78.000     5     66     Wellhead     0     6     66     Wellhead       nament Zackers/Hangers/Plugs     5     66     71     Permanent Packers/Hangers/Plugs     6     68     Tanks       s     5     68     Tanks     6     68     Tanks     6     68     Tanks       s     5     68     Production Vessels     6     67     Permanent Packers/Hangers/Plugs       s     6     70     Compressors     6     70     Compressors       ace Flowlines     5     71     Surface Flowlines     6     71     Surface Flowlines       s     71     Surface Flowlines     6     72     Gathering Lines       s     73     Valves & Controllers     6     73     Valves & Controllers       sicial Uff Equipment     5     75     Instrumentation & Measurement     6     74     Artificial Uff Equipment       rical Grounding/Safety Equipment     5     72     Bermanent Eguipment Installation     6     77     Permanent Eguipment Installation       er - Downhole     15,000     5     80     Other - Downhole     6     80     Other - Surface	Intermediate Casing	286,375	5		63	2nd Intermediate Casing		6	63	2nd Intermediate Casing
head     78.000     5     66     Wellhead     0       nament Packers/Hangers/Plugs     5     66     Permanent Packers/Hangers/Plugs     6     66     Wellhead       ss     5     67     Permanent Packers/Hangers/Plugs     6     68     Tanks       uction Vessels     5     68     Tanks     6     68     Production Vessels       se Flowlines     5     70     Compressors     6     70     Compressors       se Rownlers     5     71     Surface Flowlines     6     71     Surface Flowlines       icial Lift Equipment     5     72     Gathering Lines     6     73     Valves & Controllers       icial Crounding/Safety Equipment     5     72     Artificial Lift Equipment     6     73     Valves & Controllers       icial Grounding/Safety Equipment     5     77     Permanent Equipment installation     6     77     Permanent Equipment       sr. Surface     7     6     80     Other - Surface     6     80     Other - Surface       r - Downhole     15.000     5     80     Other - Downhole     6     80     Other - Surface       Total TANGIBLE COMPLETION COSTS:     \$1,030,170     Total TANGIBLE COMPLETION COSTS:     \$0     Total TANGIBLE COMPLETION COSTS	luction Casing	415,620			64	Production Casing	0	6	64	Production Casing
nanent Packers/Hangers/Plugs     5     67     Permanent Packers/Hangers/Plugs     6     67     Permanent Packers/Hangers/Plugs       s     5     68     Tanks     6     68     Tanks       pressors     5     69     Production Vessels     6     68     Tanks       pressors     5     70     Compressors     6     69     Production Vessels       ace Flowlines     5     70     Compressors     6     70     Compressors       se Rowlines     5     73     Surface Flowlines     6     71     Surface Flowlines       es & Controllers     5     73     Valves & Controllers     6     73     Valves & Controllers       icial Lift Equipment     5     74     Artificial Lift Equipment     6     73     Valves & Controllers       icial Grounding/Safety Equipment     5     76     Electrical Grounding/Safety Equipment     6     75     Instrumentation & Measurement       rical Grounding/Safety Equipment Installation     5     77     Permanent Equipment Installation     6     77     Permanent Equipment Installation       er - Surface     5     80     Other - Surface     6     80     Other - Surface       r - Downhole     15,001/70     5     81     Other - Downhole	ng		5		65	Tubing		6	65	Tubing
s     5     68     Tanks     6     68     Tanks       juditon Vessels     5     69     Production Vessels     6     69     Production Vessels       pressors     5     70     Compressors     6     70     Compressors       ace Flowlines     5     71     Surface Flowlines     6     71     Surface Flowlines       s & Controllers     5     72     Gathering Lines     6     73     Valves & Controllers       s & Controllers     5     73     Valves & Controllers     6     74     Artificial Lift Equipment       icial Lift Equipment     5     75     Instrumentation & Measurement     6     74     Artificial Lift Equipment       icial Grounding/Safety Equipment     5     77     Permanent Equipment Installation     6     77     Permanent Equipment Installation       r- Surface     75     80     Other - Surface     6     80     Other - Surface       r- Downhole     15,000     5     81     Other - Downhole     6     81     Other - Surface       TOTAL TANGIBLE DRILLING COSTS:     \$1,030,170     TOTAL TANGIBLE COMPLETION COSTS:     \$0     TOTAL TANGIBLE PRODUCTION COSTS:	head	78,000			66	Wellhead	0	6	66	Wellhead
Juction Vessels     5     69     Production Vessels     6     69     Production Vessels       pressors     5     70     Compressors     6     70     Compressors       see Flowlines     5     70     Compressors     6     70     Compressors       see Flowlines     5     72     Surface Flowlines     6     71     Surface Flowlines       see flowlines     5     72     Gathering Lines     6     73     Valves & Controllers       se & Controllers     5     73     Valves & Controllers     6     73     Valves & Controllers       umentation & Measurement     5     76     Electrical Grounding/Safety Equipment     6     76     Electrical Grounding/Safety Equipment       rcial Grounding/Safety Equipment Installation     5     77     Permanent Equipment Installation     6     77     Permanent Equipment Installation       rs- Surface     5     80     Other - Surface     6     80     Other - Surface       r - Downhole     15,000,170     5     80     Other - Downhole     6     81     Other - Downhole	nanent Packers/Hangers/Plugs				67	Permanent Packers/Hangers/Plugs		6	67	Permanent Packers/Hangers/Plugs
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sce Flowlines     5     71     Surface Flowlines     6     71     Surface Flowlines       see Flowlines     5     72     Gathering Lines     6     72     Gathering Lines       se & Controllers     5     72     Autificial Lift Equipment     6     73     Valves & Controllers       sicial Lift Equipment     5     74     Artificial Lift Equipment     6     74     Artificial Lift Equipment       sicial Grounding/Safety Equipment     5     75     Instrumentation & Measurement     6     75     Instrumentation & Measurement       rical Grounding/Safety Equipment     5     76     Electrical Grounding/Safety Equipment     6     77     Permanent Equipment Installation       sr - Surface     5     80     Other - Surface     6     80     Other - Surface       r - Downhole     15,000     5     81     Other - Downhole     6     81     Other - Surface       TOTAL TANGIBLE COMPLETION COSTS:     \$1,030,170     TOTAL TANGIBLE COMPLETION COSTS:     \$0     TOTAL TANGIBLE PRODUCTION COSTS:     \$0	luction Vessels				69	Production Vessels		6	69	Production Vessels
sering Lines     5     72     Gathering Lines     6     72     Gathering Lines       es & Controllers     5     73     Valves & Controllers     6     73     Valves & Controllers       icial Lift Equipment     5     74     Artificial Lift Equipment     6     74     Artificial Lift Equipment       umentation & Measurement     5     76     Electrical Grounding/Safety Equipment     6     76     Electrical Grounding/Safety Equipment       r. Surface     5     80     Other - Surface     6     80     Other - Surface       r - Downhole     15,000     5     81     Other - Downhole     6     81     Other - Downhole       TOTAL TANGIBLE DRILLING COSTS:     \$1,030,170     TOTAL TANGIBLE COMPLETION COSTS:     \$0     \$0     TOTAL TANGIBLE COMPLETION COSTS:     \$0	pressors		5		70	Compressors		6	70	Compressors
es & Controllers 5 73 Valves & Controllers 6 73 Valves & Controllers 6 73 Valves & Controllers 74 Artificial Lift Equipment 75 75 Instrumentation & Measurement 6 75 Electrical Grounding/Safety Equipment 1stallation 75 76 Electrical Grounding/Safety Equipment 1stallation 75 77 Permanent Equipment Installation 75 80 Other - Surface 75 81 Other - Surface 75 81 0ther - Surfac	ace Flowlines		5		71	Surface Flowlines		6	71	Surface Flowlines
icial Lift Equipment     5     7.4     Artificial Lift Equipment     6     7.4     Artificial Lift Equipment       umentation & Measurement     5     7.5     Instrumentation & Measurement     6     7.5     Instrumentation & Measurement       ricial Grounding/Safety Equipment     5     7.6     Electricial Grounding/Safety Equipment     6     7.6     Electricial Grounding/Safety Equipment       r - Surface     7     Permanent Equipment Installation     6     7.7     Permanent Equipment Installation       r - Surface     5     8.0     Other - Surface     6     8.0     Other - Surface       r - Downhole     15,000     5     8.0     Other - Downhole     6     8.0     Other - Surface       TOTAL TANGIBLE COMPLETION COSTS:     \$1,030,170     TOTAL TANGIBLE COMPLETION COSTS:     \$0     TOTAL TANGIBLE PRODUCTION COSTS:	nering Lines				72	Gathering Lines	6 72 Gathering Lines		Gathering Lines	
umentation & Measurement     5     75     Instrumentation & Measurement     6     75     Instrumentation & Measurement       trical Grounding/Safety Equipment     5     76     Electrical Grounding/Safety Equipment     6     76     Electrical Grounding/Safety Equipment       nanent Equipment Installation     5     77     Permanent Equipment Installation     6     77     Permanent Equipment Installation       r - Surface     5     80     Other - Surface     6     80     Other - Surface       r - Downhole     15,000     5     81     Other - Downhole     6     81     Other - Downhole       TOTAL TANGIBLE DRILLING COSTS:     \$1,030,170     TOTAL TANGIBLE COMPLETION COSTS:     \$0     TOTAL TANGIBLE PRODUCTION COSTS:     \$0	es & Controllers		5		73	Valves & Controllers		6	73	Valves & Controllers
trical Grounding/Safety Equipment     5     76     Electrical Grounding/Safety Equipment       nament Equipment Installation     5     77     Permanent Equipment Installation       ar: Surface     5     80     Other - Surface       r - Downhole     15,000     5     81     Other - Surface       TOTAL TANGIBLE DRILLING COSTS:     \$1,030,170     TOTAL TANGIBLE COMPLETION COSTS:     \$0	icial Lift Equipment				74	Artificial Lift Equipment		6	74	Artificial Lift Equipment
nanent Equipment Installation         5         77         Permanent Equipment Installation         6         77         Permanent Equipment Installation           r - Surface         5         80         Other - Surface         6         80         Other - Surface           r - Downhole         15.000         5         81         Other - Downhole         6         81         Other - Obwnhole           TOTAL TANGIBLE DRILLING COSTS:         \$1,030,170         TOTAL TANGIBLE COMPLETION COSTS:         \$0         TOTAL TANGIBLE PRODUCTION COSTS:         \$0	umentation & Measurement		5		75	Instrumentation & Measurement		6	75	Instrumentation & Measurement
Ser - Surface         5         80         Other - Surface         6         80         Other - Surface           r - Downhole         15,000         5         81         Other - Downhole         6         81         Other - Surface           TOTAL TANGIBLE DRILLING COSTS:         \$1,030,170         TOTAL TANGIBLE COMPLETION COSTS:         \$0         TOTAL TANGIBLE PRODUCTION COSTS:	trical Grounding/Safety Equipment		5		76	Electrical Grounding/Safety Equipment		6	76	Electrical Grounding/Safety Equipment
pr - Downhole         15,000         5         81         Other - Downhole         6         81         Other - Downhole           TOTAL TANGIBLE DRILLING COSTS:         \$1,030,170         TOTAL TANGIBLE COMPLETION COSTS:         \$0         TOTAL TANGIBLE PRODUCTION COSTS:	nanent Equipment Installation		5		77	Permanent Equipment Installation		6	77	Permanent Equipment Installation
TOTAL TANGIBLE DRILLING COSTS: \$1,030,170 TOTAL TANGIBLE COMPLETION COSTS: \$0 TOTAL TANGIBLE PRODUCTION COSTS:	er - Surface		5		30	Other - Surface		6	80	Other - Surface
	er - Downhole	15,000	5	1	31	Other - Downhole		6	81	Other - Downhole
TOTAL DRILLING COSTS: \$3,635,438 TOTAL COMPLETION COSTS: \$3,276,562 TOTAL PRODUCTION COSTS:	TOTAL TANGIBLE DRILLING COSTS:	\$1,030,170				TOTAL TANGIBLE COMPLETION COSTS:	\$0	_		TOTAL TANGIBLE PRODUCTION COSTS:
	TOTAL DRILLING COSTS:	\$3,635,438				TOTAL COMPLETION COSTS:	\$3,276,562			TOTAL PRODUCTION 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	(
6	68	Tanks	
6	69	Production Vessels	190,000
6	70	Compressors	
6	71	Surface Flowlines	50,000
6	72	Gathering Lines	(
6	73	Valves & Controllers	(
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 PRODUCTION COSTS: \$694,588

TOTAL WELL COST: \$7,606,588

AMOUNT

TAP ROCK RESOURCES COMPANY APPROVAL:	NON OPERATING PARTNER APPROVAL:
CEO VP - EXPLORATION	COMPANY NAME:
CFO VP - OPERATIONS	SIGNED BY: TITLE:
VP - LAND & LEGAL SENIOR GEOLOGIST	WORKING INTEREST (%): DATE:
	TAX ID: APPROVAL:

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

# Reference of Communication Imaging: 720/2022 8:1

Reference to Imaging: 7720/2022 8:1	<b>Received</b> by OCD: 7/19/2022 4:40::
8:1 <u>2:55</u>	Communication
evron Midcontinent, LP	1/12/22 – Sent well proposals and JOA 3/24/22 – Sent updated well proposals 3/24/22 – Present: Sent updated JOAs; Tap Rock and Chevron continue JOA negotiations with anticipation of Chevron participating
BEXP I, LLC BEXP I OG, LLC	1/12/22 – Sent well proposals and JOA 3/24/22 – Present: Sent updated well proposals and JOAs; Tap Rock and BEXP enter into Letter Agreement
Franklin Mountain Royalty Investments Franklin Mountain Energy ("FME")	1/12/22 – Sent well proposals and JOA 3/24/22 – Present: Sent updated well proposals and JOAs; anticipate FME to participate
Marathon Oil Permian, LLC	1/12/22 – Sent well proposals and JOA 3/24/22 – Present: Sent updated well proposals and JOAs; anticipate Marathon to elect under Order
Cayuga Royalties, LLC	5/4/22 – Present: Sent well proposals and JOAs; no response from Cayuga

• * Final interest subject to division order title verification

TAP ROCK OPERATING, LLC MICHAEL RODRIGUEZ – ATTORNEY MDRODRIGUEZ@TAPRK.COM



July 19, 2022

#### <u>VIA CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

Tap Rock Operating, LLC Case No. 22877 Exhibit A-6

#### **TO: ALL INTERESTED PARTIES SUBJECT TO NOTICE**

**Re:** Case No. 22877 - Application of Tap Rock Operating, LLC for Compulsory Pooling, Lea County, New Mexico.

## **Re:** Case No. 22878 - Application of Tap Rock Operating, LLC for Compulsory Pooling, Lea County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed applications were filed with the New Mexico Oil Conservation Division. The hearing will be conducted on July 7, 2022, beginning 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 OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter later. Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. MST, on the Thursday preceding the scheduled hearing date. The statement must be filed at the Division's Santa Fe office or submitted through the OCD E-Permitting system (https://wwwapps.emnrd.state.nm.us/ocd/ocdpermitting/) and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about the subject applications, please contact the following:

Taylor Ford Tap Rock Operating, LLC (720) 459-3726 tford@taprk.com

Thank you,

<u>/s/ Michael Rodriguez</u> Michael Rodriguez ATTORNEY FOR TAP ROCK OPERATING, LLC

ea									
-	ailClass	TrackingNo	ToName	DeliveryAddress	City	State	Zip MailDate USPS	'S_Status	Last_Modified
2	ertified with Return Receipt (Si	i 9414811898765877740909	Bexp I Og, LLC	5914 W Courtyard Dr Ste 340	Austin	ТΧ	78730-4928 06/10/2022 Your	r item was delivered to an individual at the address at 10:20 am on June 15, 2022 in AUSTIN, TX 78731.	06/16/2022 03:02:14
3	rtified with Return Receipt (Si	i 9414811898765877740695	Franklin Mountain Energy	PO Box 6977	Denver	CO	80206-0977 06/10/2022 Your	r item was picked up at the post office at 3:41 pm on June 15, 2022 in DENVER, CO 80206.	06/16/2022 03:02:15
R	ertified with Return Receipt (Si	i 9414811898765877740640	Cog Operating LLC	600 W Illinois Ave	Midland	ТΧ	79701-4882 06/10/2022 Your	r package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.	06/10/2022 05:12:23
00	ertified with Return Receipt (Si	i 9414811898765877740992	Marathon Oil Permian, LLC	5555 San Felipe St	Houston	ТΧ	77056-2701 06/10/2022 Your	r item was delivered to the front desk, reception area, or mail room at 2:32 pm on June 17, 2022 in HOUSTON, TX 77024.	06/18/2022 08:06:25
3	ertified with Return Receipt (Si	i 9414811898765877740947	The Allar Company	PO Box 1567	Graham	ТΧ	76450-7567 06/10/2022 Your	r item was picked up at the post office at 10:13 am on June 13, 2022 in GRAHAM, TX 76450.	06/14/2022 01:55:30
00	ertified with Return Receipt (Si	i 9414811898765877740930	Cayuga Royalties, LLC	PO Box 540711	Houston	ТΧ	77254-0711 06/10/2022 Your	r item was delivered at 10:40 am on June 28, 2022 in HOUSTON, TX 77098.	06/28/2022 14:05:00
Ċ	ertified with Return Receipt (Si	i 9414811898765877740978	Attn MCBU Land	1400 Smith St	Houston	ТΧ	77002-7327 06/10/2022 Your	r package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.	06/10/2022 05:12:24
3	rtified with Return Receipt (Si	i 9414811898765877740619	Crownrock Minerals, Lp	PO Box 51933	Midland	ТΧ	79710-1933 06/10/2022 Your	r item was picked up at a postal facility at 10:15 am on June 17, 2022 in MIDLAND, TX 79705.	06/17/2022 14:02:23
2	rtified with Return Receipt (Si	i 9414811898765877740657	Regen Royalty Corp	PO Box 210	Artesia	NM	88211-0210 06/10/2022 Your	r item was picked up at the post office at 11:24 am on June 13, 2022 in ARTESIA, NM 88210.	06/14/2022 01:55:31
6	ertified with Return Receipt (Si	i 9414811898765877740664	John Kyle Thoma, Trustee Of	PO Box 558	Peyton	CO	80831-0558 06/10/2022 Your	r item was delivered at 9:12 am on June 13, 2022 in PEYTON, CO 80831.	06/14/2022 01:55:31
7.02	rtified with Return Receipt (Si	i 9414811898765877740626	Trustee William C. Walker	2501 Museum Way Apt 810	Fort Worth	ТХ	76107-3089 06/10/2022 The	delivery status of your item has not been updated as of June 14, 2022, 2:20 am. We apologize that it may arrive later than expected	.06/10/2022 05:12:23

•

Received by OCD: 7/19/2022 4:40:48 PM

Received by OCD: 7/19/2022 4:40:48 PM

## Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

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 June 10, 2022 and ending with the issue dated June 10, 2022.

Publisher

Sworn and subscribed to before me this 10th day of June 2022.

**Business Manager** 

My commission expires January 29, 2023 (Seal)



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 67117307

MICHAEL RODRIGUEZ TAP ROCK OPERATING LLC 523 PARK POINT DR GOLDEN, CO 80401 Page 28 of 40 Tap Rock Operating, LLC Case No. 22877 Exhibit A-7

LEGAL

LEGAL NOTICE June 10, 2022

LEGAL

To all interested parties subject to notice including: BXP I OG, LLC; Marathon Oil Permian, LLC; The Alir Company; Cayuga Royaitles, LLC; Chevron Midcontinent, LP; Franklin Mountain Energy; COG Operating LLC; CrownRock Minerals, LP; Regen Royaity Corp; John Kyle Thoma, Trustee of The Cornerstone Family Trust; William C. Walker, trustee of the William C. and Elaine M. Walker Family Trust, and their successors or assigns. On July 7, 2022, the New Mexico Oil Conservation Division will onduct a fibearing on an application submitted by Fa Pock Operating, LLC in Case No. 22877. During the GOVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the order of the William C. Walker Family Trust, State County, New Mexico, The Unit will be section in chearing view of the space of the William on the William C. and Faine M. Walker Family Trust, William G. and Page Web St fe of https://www.emmrd.nm.gov/ocd/hearing-info/. Tap rok Operating, LLC ("TRO") applies for an order oping all uncommitted interests within the Bone oping formation underlying a 240-acre, more of pring formation will be spacing unit ("Unit") order the Willy of Section 1 and Willow the bedicated to the following proposed initial wills will be the cost of the Will simultaneously. The MMMM, Lea County, New Mexico. The Unit will be swith which it intends to drill simultaneously in the bis will be onthodox. Also, to be considered interval of Section 1. The completed interval will be the cost of drilling and completing the Weils will be the cost of drilling and completing the Weils will be the allocation of the cost, the designation of Tap of Coperating, LLC as operator of the Unit and weils, and a 200% charge for risk Involved in drilling and completing the Weils. The Unit is located weils, and a 200% charge for risk Involved in drilling and completing the Weils. The Unit is located and completing the Weils. The Unit is on the and completing the Weils. The Unit is on the and completing

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#### 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. 22877** 

#### <u>SELF-AFFIRMED STATEMENT OF</u> <u>ELI DENBESTEN</u>

1. I am over the age of 18 and have personal knowledge of the matters stated herein. I am employed as a petroleum geologist for Tap Rock Operating, LLC ("Tap Rock") and am familiar with the subject application and the geology matters involved. I have testified before the New Mexico Oil Conservation Division in the past and my credentials as an expert in petroleum geology matters was accepted and made a matter of record.

2. **Exhibit B-1** is a Project Locator Map depicting the location of the Horizontal Spacing Unit ("HSU") within the Delaware Basin. Within Section 12 of Township 24 South, Range 34 East, and Section 1 of Township 24 South, Range 34 East, is the proposed HSU dedicated to the Dingo Fed Com #111H, #115H, and #121H wells (the "Wells").

3. **Exhibit B-2** 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. A nearby type log has been included to show approximate depths and reservoir quality of the landing zones.

4. **Exhibit B-3** is a 1st Bone Spring Sand structure map in subsea vertical depth. This map shows the location of the Dingo Fed Com W/2 HSU outlined by the red box. The surface/bottom hole locations of the Wells are shown, zoomed in, to the right. The contour intervals are 25 feet each. Structure is down dipping from north to the south through the HSU of Section 12 of 24S 34E and Section 1 of 24S 34E. The orientation of the Wells will be approximately perpendicular to the down dipping structure. One horizontal well to the southwest of the Dingo Fed Com Com HSU (Mandelbaum Fee 143H) is targeted in the 1st Bone Spring Sand, and a second horizontal well to the southwest of the Dingo Fed Com HSU (Antelope Ridge 11 24 34 Federal FEDE 3H) is targeted in the 2nd Bone Spring Sand. All wells on the map marked with a blue dot are landed in the 1st Bone Spring Sand and all wells on the map marked with an orange dot are landed in the 2nd Bone Spring Sand. The vertical wells controlling the structure map have the subsea vertical depth posted in black. The subsequent cross-section from A-A' (**Exhibit B-4**) 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.

5. **Exhibit B-4** 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 25% 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.

6. **Exhibit B-5** is an Isopach Map of the Gross Bone Spring Sand interval. This map shows the location of the Dingo Fed 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 2825-2900' throughout the HSU. The contour intervals are 25'. The location of the previous cross-section from A-A' is also shown on this map.

7. Based on my geologic study of the area, I conclude the following:

a. The horizontal spacing unit is justified from a geologic standpoint.

- b. 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 south-north. This is because the inferred orientation of the maximum horizontal stress is roughly west-east.

8. **Exhibit B-6** 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.

9. The Exhibits contained herein were prepared by me or compiled from business records.

10. The granting of this Application is in the interests of conservation and the prevention of waste.

I understand this Self-Affirmed Statement will be used as written testimony in 11. this case. I affirm that my testimony in paragraphs 1 through 10 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Eli DenBesten

7-19-2022 Date









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Exhibit B-5

## Dingo Federal Com 111H (2 mile S-N Lateral)









Tap Rock Operating, LL **Case No. 22877** 38 of 40 **Exhibit B-6** 

# Dingo Federal Com 115H (2 mile S-N Lateral)





# Dingo Federal Com 121H (2 mile S-N Lateral)





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