

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

**APPLICATIONS OF TAP ROCK  
OPERATING, LLC FOR COMPULSORY  
POOLING, EDDY COUNTY, NEW MEXICO.**

**CASE NOS. 23043, 23044**

**CONSOLIDATED PRE-HEARING STATEMENT**

Tap Rock Operating, LLC (“TRO” or “Applicant”), the applicant in the above referenced matters, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT:**

Tap Rock Operating, LLC

**ATTORNEYS:**

Michael Rodriguez  
523 Park Point Drive  
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(720) 245-2606  
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**INTERESTED PARTIES:**

Coterra Energy, Inc., and subsidiaries Cimarex Energy Co., and Magnum Hunter Production, Inc.

**ATTORNEYS:**

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**STATEMENT OF THE CASE**

In **Case No. 23043**, Tap Rock Operating, LLC (“TRO”) applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit (“Unit”) comprised of the W/2 of Sections 9 and 16, Township 25 South,

Range 26 East, NMPM, Eddy County, New Mexico. The Unit will be dedicated to the following proposed initial wells (“Wells”): Schlitz Federal Com #151H to be horizontally drilled from a surface hole location in the SW/4SW/4 of Section 16 to a bottom hole location in the NW/4NW/4 of Section 9, and Schlitz Federal Com #152H to be horizontally drilled from a surface hole location in the SW/4SW/4 of Section 16 to a bottom hole location in the NE/4NW/4 of Section 9. The completed interval for the Schlitz Federal Com #152H will be within 330’ of the quarter-quarter line separating the W/2W/2 from the E/2W/2 of Sections 9 and 16 to allow the inclusion of this acreage into a standard horizontal spacing unit.

In **Case No. 23044**, Tap Rock Operating, LLC (“TRO”) applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit (“Unit”) comprised of the E/2 of Sections 9 and 16, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico. The Unit will be dedicated to the following proposed initial wells (“Wells”): Schlitz Federal Com #156H to be horizontally drilled from a surface hole location in the SE/4SE/4 of Section 16 to a bottom hole location in the NW/4NE/4 of Section 9, and Schlitz Federal Com #158H to be horizontally drilled from a surface hole location in the SE/4SE/4 of Section 16 to a bottom hole location in the NE/4NE/4 of Section 9. The completed interval for the Schlitz Federal Com #156H will be within 330’ of the quarter-quarter line separating the W/2E/2 from the E/2E/2 of Sections 9 and 16 to allow the inclusion of this acreage into a standard horizontal spacing unit.

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 5 miles southeast of Whites City, New Mexico.

**PROPOSED EVIDENCE**

<b>WITNESS</b>	<b>ESTIMATED TIME</b>	<b>ESTIMATED EXHIBITS</b>
Matthew Phillips, Land Manager	Via Affidavit	7
Eli DenBesten, Geologist	Via Affidavit	5

**PROCEDURAL MATTERS**

Applicant requests the subject cases be consolidated.

Respectfully submitted,

TAP ROCK OPERATING, LLC

*/s/ Michael Rodriguez*

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*Attorney for Tap Rock Operating, LLC*

**CERTIFICATE OF SERVICE**

I hereby certify that on September 29, 2022, I caused a true and correct copy of this document to be electronically served on the following:

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*/s/ Michael Rodriguez*

Michael Rodriguez

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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
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QUESTIONS

Action 147366

**QUESTIONS**

Operator: TAP ROCK OPERATING, LLC 523 Park Point Drive Golden, CO 80401	OGRID: 372043
	Action Number: 147366
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

<b>Testimony</b>	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	2
Testimony time (in minutes)	0