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

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

**CASE NO. 23043** 

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<b>ALL INFORMATION IN THE APPLICATIO</b>	ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS								
Case No.:	23043								
Hearing Date:	10/6/2022								
Applicant Cartesian Cartes	Tap Rock Operating, LLC								
Designated Operator & OGRID	372043								
Applicant's Counsel	Michael Rodriguez								
Case Title	APPLICATION OF TAP ROCK OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO								
Entries of Appearance/Intervenors	-								
Well Family	Schlitz								
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	Cottonwood Draw; Bone Spring Oil Pool (97494)								
Well Location Setback Rules	Statewide rules.								
Spacing Unit Size (acres)	640								
Spacing Unit									
Type (Horizontal/Vertical)	Horizontal								
Size (Acres)	640								
Building Blocks	quarter								
Orientation	Standup								
Description: TRS/County	W/2 of Sections 9 and 16, Township 25 South, Range 26 East, NMPM, Eddy County								
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes								
Other Situations									
Depth Severance: Y/N. If yes, description	No								
Proximity Tracts: If yes, description	Yes								
Proximity Defining Well: if yes, description	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								
Well Name (API No)	Surface Hole Location Bottom Hole Location Completion Target (Approx. TVD)								
0.11: 5.1.10 (454) (9.1:)	Completion status (Standard / Non-standard)								
Schlitz Federal Com #151H (Pending)	614 FSL and 1161 FWL of Section 16 30 FNL and 331 FWL of Section 9 Wolfcamp (7650')								
Schlitz Federal Com #152H (Pending)	Standard 639 FSL and 1161 FWL of Section 16 30 FNL and 1599 FWL of Section 9								
	Wolfcamp (7650') Standard								
Horizontal Well First and Last Take Points	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								
Justification for Supervision Costs	Exhibit A								
Description of District Changes	2000/								

200%

Requested Risk Charge

Received by OCD: 10/4/2022 3:06:40 PM Notice of Hearing	Page 3
Proposed Notice of Hearing	Exhibit A-1
Proposed Notice of Hearing Proof of Mailed Notice of Hearing (20 days before	Exhibit A-6
hearing)	Exhibit A-6
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	
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	
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
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-2
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	-
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
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	
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 Rodriquez
Representative):	7.57 Trichael Hourigaez
Date:	9/29/2022
Date.	J  LJ  LULL

# 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

#### SELF-AFFIRMED STATEMENT OF MATTHEW PHILLIPS

- 1. My name is Matthew Phillips, and I am the land manager 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 cases. Copies of TRO's applications and proposed hearing notices are attached as **Exhibit A-1**.

#### 3. In Case No. 23043:

- a) TRO seeks an order pooling all uncommitted interests in the Cottonwood Draw; Bone Spring Oil Pool [97494] 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.
- b) 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.

Tap Rock Operating, LLC
Case No. 23043
Exhibit A

c) 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.

#### 4. In Case No. 23044:

- a) TRO seeks an order pooling all uncommitted interests in the Cottonwood Draw; Bone Spring Oil Pool [97494] 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.
- b) 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.
- c) 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.
- 5. **Exhibit A-2** contains Form C-102s for the Wells which demonstrate the completed intervals of the Wells will be orthodox.
- 6. **Exhibit A-3** contains a plat of the tracts included in the Units and includes any applicable lease numbers, a recapitulation of the ownership interests within the Units, 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.
- 9. 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 the subject applications 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 the subject applications and the Division hearing was published more than ten business days prior to the hearing date. The affidavits of publication are attached as **Exhibit A-7**.
- 13. In my opinion, granting TRO's applications 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 the subject cases. 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.

Matthew Phillips

9|29|21\_ Date

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

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

CASE NO. 23043

#### **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 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. 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"):
- 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.
- 3. 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.
- 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.

Tap Rock Operating, LLC Case No. 23043 Exhibit A-1

- 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 October 6, 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, Eddy County, New Mexico. 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. 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.

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

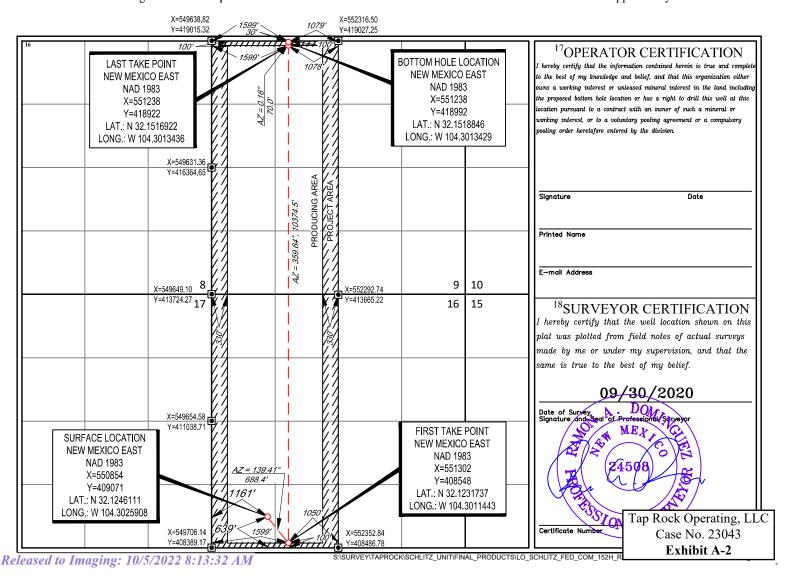
AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number			<sup>2</sup> Pool Code			<sup>3</sup> Pool Name					
<sup>4</sup> Property C			<sup>5</sup> Property Name					Well Number			
		SCHLITZ FED COM						152H			
<sup>7</sup> OGRID N	lo.				<sup>8</sup> Operator I	Name			<sup>9</sup> Elevation		
37204	TAP ROCK OPERATING, LLC.						3428'				
	<sup>10</sup> Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line		County	

M	16	25-S	26-E		639'	SOUTH	1161'	WEST	EDDY
<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	9	25-S	26-E	_	30'	NORTH	1599'	WEST	EDDY
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or l	nfill 14Co	nsolidation Co	de <sup>15</sup> 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.



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

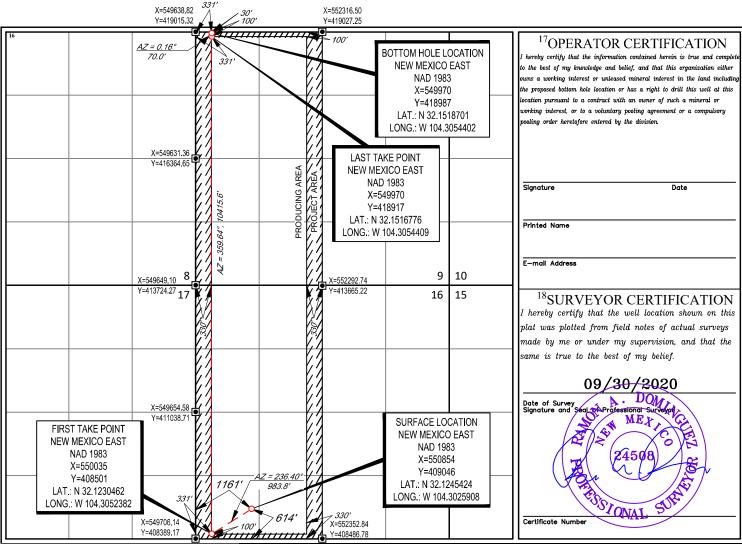
FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name			
<sup>4</sup> Property Code		5 Pr	operty Name		<sup>6</sup> Well Number	
		SCHLITZ FED COM				
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name				
372043		TAP ROCK OPERATING, LLC.				
<sup>10</sup> Surface Location						

M UL or lot no.	16	25-S	26-E	Lot Idn —	614'	SOUTH	1161'	WEST	EDDY
	<sup>11</sup> Bottom Hole Location If Different From Surface								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	9	25-S	26-E	-	30'	NORTH	331'	WEST	EDDY
12Dedicated Acres	<sup>13</sup> Joint or l	Infill 14Co	onsolidation Co	de <sup>15</sup> Ord	er No.				

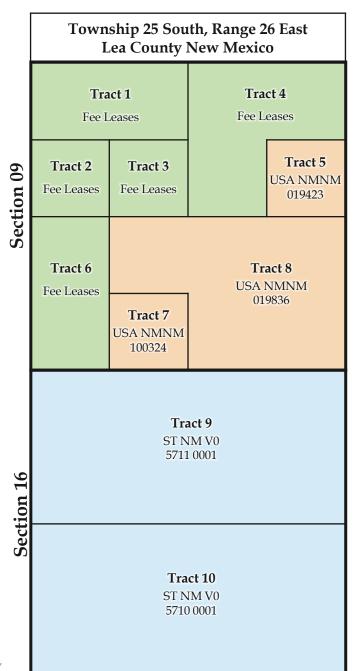
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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State Acreage

Federal Acreage

Fee Acreage

Tap Rock Operating, LLC Case No. 23043 Exhibit A-3



#### Township 25 South, Range 26 East Lea County New Mexico

Lea County New Mexico						
Fee I	act 1 Leases Acres					
Tract 2 Fee Leases 40 Acres	Tract 3 Fee Leases 40 Acres	Secti	on 09			
Tract 4 Fee Leases	Tract 5 USA NMNM 019836 40 Acres					
Fee Leases 80 Acres	Tract 6 USA NMNM 100324 40 Acres					
	.ct 7 M V0					
5711 160 <i>E</i>	0001 Acres	Section	on 16			
<b>Tra</b> ST N	ct 8 M V0					
5710	0001 Acres					

State Acreage
Federal Acreage
Fee Acreage
Schlitz W2 Unit

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### Tract List - W/2 Bone Spring HSU



Tract #	Legal	Mineral Ownership Type	Lease Number	Owners
1	N/2NW/4 Section 9, T25S, R26E, Eddy County, NM	Fee	N/A	Tap Rock Resources, LLC
	SW/4NW/4 Section 9, T25S, R26E, Eddy County, NM	Fee	N/A	Tap Rock Resources, LLC Murchison Oil & Gas, LLC MEC Petroleum Corp.
3	SE/4NW/4 Section 9, T25S, R26E, Eddy County, NM	Fee	N/A	Tap Rock Resources, LLC Kastleford Land Company, LLC Occidental Permian Limited Partnership Barbara Maltby Weldon, s/p Bradley Macey, s/p Bryan Macey, s/p Dorothy L. Kenyon, s/p Dorothy Mary Gravely, s/p Enplat III, LLC Osprey Oil and Gas II, LLC Estate of Edward Chamberlain Estate of George P. Larremore, Jr. Estate of Gladys Fairweather Vaughn Estate of James M. Larremore Estate of Leona Hunter BEXP II Alpha, LLC BEXP II Omega, LLC Estate of Oaty Fairweather Thompson Estate of Ray Ann Wright Gary G. Jones and wife, Kim Jones Janet Macey, s/p Larrimer F. Larremore, s/p Mary Ann Maltby Berry, s/p JKM Energy, LLC Myrtle Maltby Combs Cook, s/p William Allen Wright, s/p

## Received by OCD: 10/4/2022 3:06:40 PM Tract List - vv/2 Bone Spring HSU Cont'd.



Tract #	Legal	Mineral Ownership Type	Lease Number	Owners
4	W/2SW/4 Section 9, T25S, R26E, Eddy County, NM	Fee	N/A	Tap Rock Resources, LLC Murchison Oil & Gas, LLC MEC Petroleum Corp.
3	NE/4SW/4 Section 9, T25S, R26E, Eddy County, NM	BLM	USA NMNM 019836	Tap Rock Resources, LLC OXY USA WTP Limited Partnership OXY Y-1 Company Magnum Hunter Production, Inc.
6	SE/4SW/4 Section 9, T25S, R26E, Eddy County, NM	BLM	USA NMNM 100324	Tap Rock Resources, LLC OXY USA WTP Limited Partnership OXY Y-1 Company Magnum Hunter Production, Inc.
7	NW/4 Section 16, T25S, R26E, Eddy County, NM	State	St NM VO-5711	Tap Rock Resources, LLC OXY USA WTP Limited Partnership OXY Y-1 Company
8	SW/4 Section 16, T25S, R26E, Eddy County, NM	State	St NM VO-5710	Tap Rock Resources, LLC OXY USA WTP Limited Partnership OXY Y-1 Company

## W/2 HSU Kecapitulation\*



•			
Party	Interest Type	Working Interest	Status
Tap Rock Resources, LLC	WI	0.71021329	JOA
Magnum Hunter Production, Inc.	WI	0.15625000	Uncommitted
MEC Petroleum Corp.	WI	0.00312500	Uncommitted
Murchison Oil and Gas, LLC	WI	0.02812500	Uncommitted
Kastleford Land Company, LLC	WI	0.00052083	JOA
Occidental Permian Limited			
Partnership	WI	0.02578125	Uncommitted
OXY USA WTP Limited Partnership	WI	0.02350260	Uncommitted
OXY Y-1 Company	WI	0.03229167	Uncommitted
Barbara Maltby Weldon, s/p	UMI	0.00034722	Uncommitted
Bradley Macey, s/p	UMI	0.00005580	Uncommitted
Bryan Macey, s/p	UMI	0.00011161	Uncommitted
Dorothy L. Kenyon, s/p	UMI	0.00089286	Uncommitted
Dorothy Mary Gravely, s/p	UMI	0.00156250	Uncommitted
EnPlat III, LLC (Source)	UMI	0.00141369	Uncommitted
Osprey Oil and Gas II, LLC	WI	0.00093750	JOA
Estate of Edward Chamberlin	UMI	0.00156250	Uncommitted
Estate of George P. Larremore, Jr.	UMI	0.00044643	Uncommitted
Estate of Gladys Fairweather			
Vaughn	UMI	0.00093750	Uncommitted
Estate of James M. Larremore	UMI	0.00044643	Uncommitted
Estate of Leona Hunter	UMI	0.00029762	Uncommitted
BEXP II Alpha, LLC	WI	0.00266500	Committed
BEXP II Omega, LLC	WI	0.00358500	Committed
Estate of Oaty Fairweather			
Thompson	UMI	0.00093750	Uncommitted
Estate of Ray Ann Wright	UMI	0.00039063	Uncommitted
Gary G. Jones and wife, Kim Jones	UMI	0.00052083	Uncommitted
Janet Macey, s/p	UMI	0.00005580	Uncommitted
Larrimer F. Larremore, s/p	UMI	0.00089286	Uncommitted
Mary Ann Maltby Berry, s/p	UMI	0.00034722	Uncommitted
JKM Energy, LLC	UMI	0.00093750	Uncommitted
Myrtle Maltby Combs Cook, s/p	UMI	0.00026042	Uncommitted
William Allen Wright, s/p	UMI	0.00058594	Uncommitted
		1.00000000	

\* Final interests subject to division order title verification

MATTHEW C. PHILLIPS - LANDMAN MPHILLIPS@TAPRK.COM



August 03, 2022

Via Certified Mail

BEXP II ALPHA LLC 5914 W COURTYARD DRIVE SUITE 340 AUSTIN, TX 78730

**Re: Well Proposals for:** 

- Schlitz Federal Com #151H
- Schlitz Federal Com #152H

Township 25 South, Range 26 East, Sections 9 & 16: W/2

**Eddy 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
SCHLITZ FEDERAL COM #151H	SW/4SW/4 of Sec. 16	30' FNL & 331' FWL	3rd Bone Spring	7,650'	17,850'
SCHLITZ FEDERAL COM #152H	SW/4SW/4 of Sec. 16	30' FNL & 1,599' FWL	3rd Bone Spring	7,650'	17,850'

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 covering the W/2 of Sections 9 & 16, Township 25 South, Range 26 East, Eddy County, New Mexico limited to the Bone Spring Formation.

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

- · 3 year primary term, Term Assignment
- · 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

Tap Rock Operating, LLC Case No. 23043 Exhibit A-4 TAP ROCK RESOURCES, LLC

MATTHEW C. PHILLIPS - LANDMAN MPHILLIPS@TAPRK.COM





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

Matthew C. Phillips

720-459-3724 mphillips@taprk.com

#### **BEXP II ALPHA LLC hereby elects to:**

participate in the SCHLITZ FEDERAL COM #151H non-consent the SCHLITZ FEDERAL COM #151H
participate in the SCHLITZ FEDERAL COM #152H non-consent the SCHLITZ FEDERAL COM #152H
By:
Name:
Title:

#### TAP ROCK OPERATING, LLC

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

Schlitz Fed Com 151H

Name: AFE #: County: Eddy NM

Well Description:

Date: June 22, 2022 MD/TVD: 17850 / 7650 Lateral Length: 9750 Geologic Target: 3rd Bone Spring

 $\label{eq:Drill} \textbf{Drill, complete, and produce a horizontal 3rd Bone Spring well with a 9750 foot lateral.}$ 

INTANGIBLE COMPLETION COSTS

		INTANGIBLE DRILLING COSTS	
COST CC	DDES	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	C
	7	Reserve/Frac Pit Closing	C
1	8	Drilling - Contractor	446,440
	9	Mob/Rig Up - Contractor/Trucking	50,000
	10	Cementing Services	141,000
	11	Cementing Equipment	30,000
1 :	12	Bits/Drill Out Assemblies	63,500
	13	Fluid Circulation Equipment/Services	59,990
	14	Fluids/Chemicals	86,927
	15	WBM Cuttings/Wastewater Disposal	36,450
	16	OBM Cuttings/Chemical Disposal	29,250
	17	Fuel/Power	38,255
	18	Water	35,750
	19	Directional Drilling	187,524
	20	Mud Logging	23,113
			25,113
_	21 22	Open/Cased/Production Hole Logs	(
		Coring	
	23	Geologic Supervision	(
	24	Engineering Supervision	05.744
	25	Consultant Supervision	95,711
	26	Freight/Transportation	9,000
	27	Labor	102,500
	28	Supplies - Surface	2,500
	29	Supplies - Living Quarters	1,000
	30	Rentals - Surface	52,881
	31	Rentals - Living Quarters	33,953
	32	Rentals - Downhole	2,000
	33	Rentals - Pipe & Handling Tools	60,008
	34	Rentals - Frac Stack	
	35	Rentals - Frac Tanks	5,626
1	36	Coil Tubing Unit/Workover Rig	
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck	
1 4	40	Stimulation	
1 4	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1 4	44	Flowback Water Trucking & Disposal	
1 4	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1 4	47	Plugging & Abandonment	0
	53	Overhead	0
	54	Insurance	20,000

cosı	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	38,714
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	34,00
2	15	WBM Cuttings/Wastewater Disposal	- ,,
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	679,00
2	18	Water	415,31
2	19	Directional Drilling	413,31.
2	20	Mud Logging	0.44
2	21	Open/Cased/Production Hole Logs	8,44
2	22	Coring	
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	75,60
2	26	Freight/Transportation	2,000
2	27	Labor	12,970
2	28	Supplies - Surface	2,00
2	29	Supplies - Living Quarters	2,00
2	30	Rentals - Surface	18,84
2	31	Rentals - Living Quarters	14,08
2	32	Rentals - Downhole	
2	33	Rentals - Pipe & Handling Tools	
2	34	Rentals - Frac Stack	90,28
2	35	Rentals - Frac Tanks	29,12
2	36	Coil Tubing Unit/Workover Rig	89,47
2	37	Wireline/Slickline/Perforating	283,10
2	38	Temporary Packers/Plugs	45,32
2	39	High Pressure Pump Truck	62,41
2	40	Stimulation	1,800,67
2	41	Rentals - Pressure Control	
2	42	Flowback Services	46,71
2	43	Water Transfer Services	71,55
2	44	Flowback Water Trucking & Disposal	11,85
2	45	Permanent Equipment Installation	,55.
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	15,82
2	54	Insurance	13,82
2	55		147 44
4	22	Contingency	147,44

cos	T CODES	DESCRIPTION	AMOUNT
3	1	Land - Legal	
3	2	Land - Regulatory	
3	3	Land - Surface Damages	
3	4	Land - Survey	
3	5	Location/Pit Construction	5,000
3	6	Remedial Dirtwork	
3	7	Reserve/Frac Pit Closing	
3	8	Drilling - Contractor	
3	9	Mob/Rig Up - Contractor/Trucking	
3	10	Cementing Services	
3	11	Cementing Equipment	
3	12	Bits/Drill Out Assemblies	
3	13	Fluid Circulation Equipment/Services	
3	14	Fluids/Chemicals	
3	15	WBM Cuttings/Wastewater Disposal	
3	16	OBM Cuttings/Chemical Disposal	
3	17	Fuel/Power	
3	18	Water	
3	19	Directional Drilling	
3	20	Mud Logging	
3	21	Open/Cased/Production Hole Logs	
3	22	Coring	
3	23	Geologic Supervision	
3	24	Engineering Supervision	
3	25	Consultant Supervision	18,500
3	26	Freight/Transportation	15,000
3	27	Labor	53,000
3	28	Supplies - Surface	
3	29	Supplies - Living Quarters	
3	30	Rentals - Surface	9,800
3	31	Rentals - Living Quarters	
3	32	Rentals - Downhole	
3	33	Rentals - Pipe & Handling Tools	
3	34	Rentals - Frac Stack	12,950
3	35	Rentals - Frac Tanks	15,000
3	36	Coil Tubing Unit/Workover Rig	34,500
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	43,600
3	43	Water Transfer Services	
3	44	Flowback Water Trucking & Disposal	65,960
3	45	Permanent Equipment Installation	
3	46	Pipeline Tapping Services	
3	47	Plugging & Abandonment	
3	53	Overhead	(
3	54	Insurance	
3	55	Contingency	12,528
		TOTAL INTANGIBLE PRODUCTION COSTS:	\$291,338

INTANGIBLE PRODUCTION COSTS

### TOTAL INTANGIBLE DRILLING COSTS: \$1,763,750

TANGIBLE DRILLING COSTS

DESCRIPTION

51,371

AMOUNT

18,000 42,700 104,550

535,500

78,000

15,000

1 55 Contingency

65 Tubing 66 Wellhead

60 Conductor Casing
61 Surface Casing
62 1st Intermediate Casing

63 2nd Intermediate Casing 64 Production Casing

69 Production Vessels 70 Compressors 71 Surface Flowlines 72 Gathering Lines 73 Valves & Controllers 74 Artificial Lift Equipment 75 Instrumentation & Measurement 76 Electrical Grounding/Safety Equipment 77 Permanent Equipment Installation

80 Other - Surface 4 81 Other - Downhole

67 Permanent Packers/Hangers/Plugs 68 Tanks

COST CODES

#### TANGIBLE COMPLETION COSTS

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

	TANGIBLE 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	150,000
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	
6 69	Production Vessels	160,000
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	5,000
6 80	Other - Surface	
6 81	Other - Downhole	
	TOTAL TANGIBLE PRODUCTION COSTS:	\$455,600

TOTAL TANGIBLE DRILLING COSTS: \$793,750 TOTAL DRILLING COSTS: \$2,557,500

TOTAL COMPLETION COSTS: \$3,996,740

TOTAL PRODUCTION COSTS: \$746,938

TOTAL WELL COST: \$7,301,178

#### TAP ROCK RESOURCES COMPANY APPROVAL:

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

#### NON OPERATING PARTNER APPROVAL:

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

#### TAP ROCK OPERATING, LLC

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

Name: Schlitz Fed Com 152H

Name: Schlitz AFE #: 0 County: Eddy State: NM Date: June 22, 2022 MD/TVD: 17850 / 7650 Lateral Length: 9750 Geologic Target: 3rd Bone Spring

Well Description:

Drill, complete, and produce a horizontal 3rd Bone Spring well with a 9750 foot lateral.

INTANGIBLE COMPLETION COSTS

OS1	CODES	DESCRIPTION	AMOUNT
+	1	Land - Legal	10,000
+	2	Land - Regulatory	10,000
4	3	Land - Surface Damages	10,000
+	4	Land - Survey	10,000
1	5	Location/Pit Construction	59,000
+	6	Remedial Dirtwork	
_	7	Reserve/Frac Pit Closing	(
1	8	Drilling - Contractor	446,440
4	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
ļ	13	Fluid Circulation Equipment/Services	59,990
	14	Fluids/Chemicals	86,927
1	15	WBM Cuttings/Wastewater Disposal	36,450
	16	OBM Cuttings/Chemical Disposal	29,250
	17	Fuel/Power	38,255
	18	Water	35,750
	19	Directional Drilling	187,524
	20	Mud Logging	23,113
	21	Open/Cased/Production Hole Logs	C
I	22	Coring	C
	23	Geologic Supervision	C
Ī	24	Engineering Supervision	(
Ī	25	Consultant Supervision	95,711
Ī	26	Freight/Transportation	9,000
Ī	27	Labor	102,500
Ī	28	Supplies - Surface	2,500
Ť	29	Supplies - Living Quarters	1,000
Ť	30	Rentals - Surface	52,881
Ť	31	Rentals - Living Quarters	33,953
t	32	Rentals - Downhole	2,000
Ť	33	Rentals - Pipe & Handling Tools	60,008
Ť	34	Rentals - Frac Stack	
t	35	Rentals - Frac Tanks	5,626
t	36	Coil Tubing Unit/Workover Rig	3,323
Ť	37	Wireline/Slickline/Perforating	
t	38	Temporary Packers/Plugs	
t	39	High Pressure Pump Truck	
t	40	Stimulation	
t	41	Rentals - Pressure Control	
t	41	Flowback Services	
ł	43	Water Transfer Services	
$^{+}$			
+	44	Flowback Water Trucking & Disposal	
+	45	Permanent Equipment Installation	
+	46	Pipeline Tapping Services	
+	47	Plugging & Abandonment	0
1	53	Overhead	
-	54	Insurance	20,000

cos	T CODES	DESCRIPTION COSTS	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	38,714
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	34,000
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	679,000
2	18	Water	415,313
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	75,600
2	26	Freight/Transportation	2,000
2	27	Labor	12,970
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	18,840
2	31	Rentals - Living Quarters	14,080
2	32	Rentals - Downhole	0
2	33	Rentals - Pipe & Handling Tools	0
2	34	Rentals - Frac Stack	90,287
2	35	Rentals - Frac Tanks	29,120
2	36	Coil Tubing Unit/Workover Rig	89,472
2	37	Wireline/Slickline/Perforating	283,100
2	38	Temporary Packers/Plugs	45,325
2	39	High Pressure Pump Truck	62,410
2	40	Stimulation	1,800,678
2	41	Rentals - Pressure Control	1,000,078
	41	Flowback Services	AC 745
2	42		46,715
2		Water Transfer Services	71,550
2	44	Flowback Water Trucking & Disposal	11,852
2	45	Permanent Equipment Installation	
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	15,825
2	54	Insurance	
2	55	Contingency	147,448
		TOTAL INTANGIBLE COMPLETION COSTS:	\$3,996,740

	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	3,000
3	7	Reserve/Frac Pit Closing	
3	8		
3	9	Drilling - Contractor	
		Mob/Rig Up - Contractor/Trucking	
3	10	Cementing Services	
3	11	Cementing Equipment	
3	12	Bits/Drill Out Assemblies	
3	13	Fluid Circulation Equipment/Services	
3	14	Fluids/Chemicals	
3	15	WBM Cuttings/Wastewater Disposal	
3	16	OBM Cuttings/Chemical Disposal	
3	17	Fuel/Power	
3	18	Water	
3	19	Directional Drilling	
3	20	Mud Logging	
3	21	Open/Cased/Production Hole Logs	
3	22	Coring	
3	23	Geologic Supervision	
3	24	Engineering Supervision	
3	25	Consultant Supervision	18,500
3	26	Freight/Transportation	15,000
3	27	Labor	53,000
3	28	Supplies - Surface	
3	29	Supplies - Living Quarters	
3	30	Rentals - Surface	9,800
3	31	Rentals - Living Quarters	
3	32	Rentals - Downhole	
3	33	Rentals - Pipe & Handling Tools	
3	34	Rentals - Frac Stack	12,950
3	35	Rentals - Frac Tanks	15,000
3	36	Coil Tubing Unit/Workover Rig	34,500
3	37	Wireline/Slickline/Perforating	5,500
3			3,300
3	38 39	Temporary Packers/Plugs	
		High Pressure Pump Truck	
3	40	Stimulation	
3	41	Rentals - Pressure Control	
3	42	Flowback Services	43,600
3	43	Water Transfer Services	
3	44	Flowback Water Trucking & Disposal	65,960
3	45	Permanent Equipment Installation	
3	46	Pipeline Tapping Services	
3	47	Plugging & Abandonment	
3	53	Overhead	C
3	54	Insurance	
3	55	Contingency	12,528
		TOTAL INTANGIBLE PRODUCTION COSTS:	\$291,338

INTANGIBLE PRODUCTION COSTS

TOTAL INTANGIBLE DRILLING COSTS: \$1,763,750

51,371

TANGIBLE COMPLETION COSTS

TANGIBLE PRODUCTION COSTS
DESCRIPTION

COST	CODES	DESCRIPTION	AMOUNT
4	60	Conductor Casing	18,000
4	61	Surface Casing	42,700
4	62	1st Intermediate Casing	104,550
4	63	2nd Intermediate Casing	0
4	64	Production Casing	535,500
4	65	Tubing	
4	66	Wellhead	78,000
4	67	Permanent Packers/Hangers/Plugs	
4	68	Tanks	
4	69	Production Vessels	
4	70	Compressors	
4	71	Surface Flowlines	
4	72	Gathering Lines	
4	73	Valves & Controllers	
4	74	Artificial Lift Equipment	
4	75	Instrumentation & Measurement	
4	76	Electrical Grounding/Safety Equipment	
4	77	Permanent Equipment Installation	
4	80	Other - Surface	
4	81	Other - Downhole	15,000

1 55 Contingency

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

cos	T 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	150,000		
6	66	Wellhead	62,100		
6	67	Permanent Packers/Hangers/Plugs	0		
6	68	Tanks			
6	69	Production Vessels	160,000		
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	5,000		
6	80	Other - Surface			
6	81	Other - Downhole			
		TOTAL TANGIBLE PRODUCTION COSTS:	\$455,600		

TOTAL TANGIBLE DRILLING COSTS: \$793,750

TOTAL DRILLING COSTS: \$2,557,500

TAL TANGIBLE COMPLETION COSTS: \$0

TOTAL COMPLETION COSTS: \$3,996,740

TOTAL PRODUCTION COSTS: \$746,938

TOTAL WELL COST: \$7,301,178

#### TAP ROCK RESOURCES COMPANY APPROVAL:

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

#### NON OPERATING PARTNER APPROVAL:

COMPANY N	AME:
SIGNED BY:	TITLE:
WORKING INTEREST (%):	DATE:
TAX ID:	APPROVAL:

# Schiltz W/2 HSU Communication Log



Party	Communication
Tap Rock Resources, LLC	Operator
Magnum Hunter Production, Inc.	6/22/22 - proposals + JOA form sent via Certified Mail 6/27/22 - delivery confirmed 6/28/22 - MH requests spud, completion, POP timing, TRR provides 6/22/22 - proposals + JOA form sent via Certified Mail 7/6/22 - delivery confirmed 7/18/22 - MEC election to participate received, waiting on JOA execution
MEC Petroleum Corp.	
Murchison Oil and Gas, LLC	6/22/22 - proposals + JOA form sent via Certified Mail 6/28/22 - delivery confirmed
Kastleford Land Company, LLC	6/22/22 - proposals + JOA Form sent via Certified Mail 6/27/22 - delivery confirmed 7/6/22 - Kastleford election to participate received, waiting on JOA execution
Occidental Permian Limited Partnership	6/22/22 - proposals + JOA Form sent via Certified Mail 6/27/22 - delivery confirmed 6/28/22 - Oxy submitted non-op questions 6/30/22 - TRR answers non-op questions
OXY USA WTP Limited Partnership	6/22/22 - proposals + JOA Form sent via Certified Mail 6/27/22 - delivery confirmed 6/28/22 - Oxy submitted non-op questions 6/30/22 - TRR answers non-op questions
OXY Y-1 Company	6/22/22 - proposals + JOA Form sent via Certified Mail 6/27/22 - delivery confirmed 6/28/22 - Oxy submitted non-op questions 6/30/22 - TRR answers non-op questions
Barbara Maltby Weldon, s/p	6/22/22 - proposals + offer to lease sent via Certified Mail 7/5/22 - delivery confirmed
Bradley Macey, s/p	6/22/22 - proposals + offer to lease sent via Certified Mail 7/1/22 - delivery confirmed
Bryan Macey, s/p	6/22/22 - proposals + offer to lease sent via Certified Mail 6/28/22 - delivery confirmed
Dorothy L. Kenyon, s/p	6/22/22 - proposals + offer to lease sent via Certified Mail 7/1/22 - delivery confirmed
Dorothy Mary Gravely, s/p	6/22/22 - proposals + offer to lease sent via Certified Mail 6/28/22 - delivery confirmed
EnPlat III, LLC (Source)	6/22/22 - proposals + offer to lease sent via Certified Mail 6/28/22 - delivery confirmed 9/20/22 - received updated lease terms, TRR reviewing
Osprey Oil and Gas II, LLC	9/12/22 - proposals + JOA sent via email 9/21/22 - election to participate + signed JOA received Not Subject to Compulsory Pooling
- r - /	

Tap Rock Operating, LLC
Case No. 23043
Exhibit A-5

### Schlitz W/2 HSU Communication Log Cont'd.



Party	Communication
Estate of Edward Chamberlin	6/22/22 - proposals + offer to lease sent via Certified Mail 6/30/22 - delivery confirmed
Estate of George P. Larremore, Jr.	6/22/22 - proposals + offer to lease sent via Certified Mail 7/26/22 - delivery confirmed
Estate of Gladys Fairweather Vaughn	6/22/22 - proposals + offer to lease sent via Certified Mail
Estate of James M. Larremore	6/22/22 - proposals + offer to lease sent via Certified Mail 7/18/22 - delivery confirmed
Estate of Leona Hunter	6/22/22 - proposals + offer to lease sent via Certified Mail 6/27/22 - delivery confirmed
BEXP II Alpha, LLC	8/3/22 - proposals + JOA form sent via email 8/4/22 - election to participate received, waiting on JOA execution
BEXP II Omega, LLC	8/3/22 - proposals + JOA form sent via email 8/4/22 - election to participate received, waiting on JOA execution
Estate of Oaty Fairweather Thompson	6/22/22 - proposals + offer to lease sent via Certified Mail 6/30/22 - delivery confirmed
Estate of Ray Ann Wright	6/22/22 - proposals + offer to lease sent via Certified Mail 7/7/22 - delivery confirmed
Gary G. Jones and wife, Kim Jones	6/22/22 - proposals + offer to lease sent via Certified Mail 7/12/22 - delivery confirmed
Janet Macey, s/p	6/22/22 - proposals + offer to lease sent via Certified Mail 6/28/22 - delivery confirmed
Larrimer F. Larremore, s/p	6/22/22 - proposals + offer to lease sent via Certified Mail 7/18/22 - delivery confirmed
Mary Ann Maltby Berry, s/p	6/22/22 - proposals + offer to lease sent via Certified Mail 6/28/22 - delivery confirmed
JKM Energy, LLC	6/22/22 - proposals + offer to lease sent via Certified Mail 6/28/22 - delivery confirmed
Myrtle Maltby Combs Cook, s/p	6/22/22 - proposals + offer to lease sent via Certified Mail 7/18/22 - delivery confirmed
William Allen Wright, s/p	6/22/22 - proposals + offer to lease sent via Certified Mail 7/7/22 - delivery confirmed

TAP ROCK OPERATING, LLC

MICHAEL RODRIGUEZ - ATTORNEY MDRODRIGUEZ@TAPRK.COM



September 12, 2022

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

TO: ALL INTERESTED PARTIES SUBJECT TO NOTICE

Re: Case Nos. 23043, 23044 - Applications of Tap Rock Operating, LLC for Compulsory Pooling, Eddy 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 October 6, 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. Please do not hesitate to contact me if you have any questions about this matter.

If you have any questions about this application, please contact the following:

Matt Phillips
Tap Rock Operating, LLC
(720) 459-3724
mphillips@taprk.com

Sincerely,

/s/ Michael Rodriguez
Michael Rodriguez
ATTORNEY FOR
TAP ROCK OPERATING, LLC

Tap Rock Operating, LLC Case No. 23043 Exhibit A-6

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MailClass Certified with Return	TrackingNo	ToCompanyName as his sole and separate	ToName	DeliveryAddress	ine2	City	State	Zip MailDate	USPS_Status
Receipt (Signature)	9414811898765819384864		Will Allen Wright,	1005 W Wilkenson Dr		Oro Valley	ΑZ	85704-3617 09/12/2022	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
Certified with Return		as her sole and							
Receipt (Signature) Certified with Return	9414811898765819384802	F	Vicki L. Robinson, Vernon Macey, a/k/a Robert V.	4 Road 2468		Aztec	NM	87410-9333 09/12/2022	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.  Your item has been delivered to the original sender at 12:10 pm on September 24, 2022 in
Receipt (Signature)	9414811898765819384895		Macey,	480 S 2nd St Apt 7		Lander	WY	82520-3362 09/12/2022	ALBUQUERQUE, NM 87199.
Certified with Return			The Estate of Ted Larremore,						
Receipt (Signature) Certified with Return	9414811898765819384840		Deceased The Estate of Richard Harry Maltby	PO Box 1417 3430 Broad River Rd		Park City	UT	84060-1439 09/12/2022	Your item arrived at the Post Office at 12:16 pm on September 15, 2022 in PARK CITY, UT 84060. The delivery status of your item has not been updated as of September 17, 2022, 1:30 am. We
Receipt (Signature)	9414811898765819384888		Estate	Apt 1402		Columbia	SC	29210-5448 09/12/2022	apologize that it may arrive later than expected.
ertified with Return						Milton			Your item was picked up at the post office at 3:44 pm on September 16, 2022 in MILTON
Receipt (Signature)	9414811898765819384871		The Estate of Rebecca Wilkinson	53406 Appleton Rd		Freewater	OR	97862-7645 09/12/2022	FREEWATER, OR 97862.
ertified with Return		C/O Will Allen Wright, Personal	The Estate of Ray Ann Wright,						Your item has been delivered to an agent for final delivery in LEXINGTON, MA 02420 on
Receipt (Signature)	9414811898765819384758	Representative	Deceased	15 Blueberry Ln		Lexington	MA	02420-2401 09/12/2022	September 17, 2022 at 12:43 pm.
Certified with Return	0414011000765010304765		The Catata of Lana Hunter	010 Cth Ctroot		Landar	1407	02520 00/12/2022	Your item has been delivered to the original sender at 12:09 pm on September 24, 2022 in
Receipt (Signature) Certified with Return	9414811898765819384765		The Estate of Leona Hunter	910 6th Street		Lander	WY	82520 09/12/2022	ALBUQUERQUE, NM 87199.
Receipt (Signature)	9414811898765819384703		The Estate of Lee Thomas Goodman	643 N 6th Pl		Coolidge	AZ	85128-3606 09/12/2022	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
Certified with Return	0444044000755040204705		The February 11 14	1044 Parkview Drive		Colodo	T)/	76574 00/42/2022	Your item was picked up at the post office at 3:33 pm on September 22, 2022 in SALADO, TX
Receipt (Signature) Certified with Return	9414811898765819384796	as his sole and separate	The Estate of James M. Larremore	Way		Salado	TX	76571 09/12/2022	76571. Your item was delivered to an individual at the address at 1:09 pm on September 15, 2022 in
Receipt (Signature)	9414811898765819384741		The Estate of Howard M. Macey,	610 Jefferson St		Lander	WY	82520-2127 09/12/2022	LANDER, WY 82520.
Certified with Return			The Estate of George P. Larremore,						Your item has been delivered to the original sender at 7:24 am on September 23, 2022 in
Receipt (Signature) Certified with Return	9414811898765819384789		Jr.	1750 N Pine St	No. G4	Post Falls	ID	83854 09/12/2022	ALBUQUERQUE, NM 87109.  Your item was delivered to an individual at the address at 12:41 pm on September 16, 2022 in
Receipt (Signature)	9414811898765819384734		The Estate of Edward Chamberlin	1502 James Pl		Goshen	IN	46526-2249 09/12/2022	GOSHEN, IN 46526.
Certified with Return			The Estate of Dorothy Laverne						Your item has been delivered to the original sender at 6:46 am on September 20, 2022 in
Receipt (Signature) Certified with Return	9414811898765819384772		Turelle Kenyon, The Estate of Charles Walter	2203 E Elaine Ave		Fayetteville	AR	72703-4508 09/12/2022	ALBUQUERQUE, NM 87109.  Your item has been delivered to the original sender at 8:02 am on September 22, 2022 in
Receipt (Signature)	9414811898765819384918		Fairweather, II	310 W 6th Ave		Amarillo	TX	79101-2202 09/12/2022	ALBUQUERQUE, NM 87109.
Certified with Return		as his sole and separate							Your item was delivered to an individual at the address at 12:04 pm on September 17, 2022 in
Receipt (Signature)	9414811898765819384956		Stewart D. Adams,	1182 Vicksburg St		Deltona	FL	32725-2842 09/12/2022	DELTONA, FL 32725.
Certified with Return Receipt (Signature)	9414811898765819384963	as his sole and separate property	Steven Ray Wright,	PO Box 1407		Las Cruces	NM	88004-1407 09/12/2022	Your item has been delivered to the original sender at 6:59 am on September 27, 2022 in ALBUQUERQUE, NM 87199.
Certified with Return		, ,, ,							Your item was delivered to an individual at the address at 2:12 pm on September 15, 2022 in
Receipt (Signature)	9414811898765819384925		Sharon Maltby Leslie	4590 W 4200 S		West Haven	UT	84401-9300 09/12/2022	OGDEN, UT 84401.
Certified with Return Receipt (Signature)	9414811898765819384901	whose marital status is unknown	Sharon Fairweather Jones,	PO Box 67		Llano	TX	78643-0067 09/12/2022	Your item was picked up at the post office at 10:15 am on September 19, 2022 in LLANO, TX 78643.
Certified with Return			,	5700 Copper Ave NE					Your item has been delivered to the original sender at 8:02 am on September 22, 2022 in
Receipt (Signature)	9414811898765819384994		Patrick Forgey	Apt C22		Albuquerque	NM	87108-1850 09/12/2022	ALBUQUERQUE, NM 87109.
Certified with Return Receipt (Signature)	9414811898765819384949		Occidental Permian LP	PO Box 4294		Houston	TX	77210-4294 09/12/2022	Your item was picked up at a postal facility at 4:56 am on September 16, 2022 in HOUSTON, TX 77002.
neceipt (signature)	5414011050705015504545		occidental i criman El	10 000 4254		Houston	17	77210 4254 05/12/2022	77002.
Certified with Return		as her sole and							This is a reminder to pick up your item before September 29, 2022 or your item will be returned
Receipt (Signature) Certified with Return	9414811898765819384987	separate property	Oaty E. Fairweather Thompson,	PO Box 265		Sabinal	TX	78881-0265 09/12/2022	on September 30, 2022. Please pick up the item at the SABINAL, TX 78881 Post Office.  Your item has been delivered and is available at a PO Box at 7:31 am on September 20, 2022 in
Receipt (Signature)	9414811898765819384932		Myrtle Maltby Combs Cook Estate	181 N Pixley St		Orange	CA	92868 09/12/2022	ALBUQUERQUE, NM 87109.
Certified with Return		as her sole and		2101 E. Maryland					Your item has been delivered to the original sender at 6:57 am on September 21, 2022 in
Receipt (Signature)	9414811898765819384970		Mary Bessie T. Flint Estate,	Ave.		Phoenix	ΑZ	85016 09/12/2022	ALBUQUERQUE, NM 87199.
Certified with Return Receipt (Signature)	9414811898765819384611	as her sole and separate property	Mary Ann Berry,	4602 Stonebridge Dr W		Saint Joseph	МО	64505-8310 09/12/2022	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
Certified with Return				1182 Vicksburg St					Your item was delivered to an individual at the address at 1:36 pm on September 19, 2022 in
Receipt (Signature)	9414811898765819384659		Marcella S. vonRadesky	Unit 8		Deltona	FL	32725-2842 09/12/2022	DELTONA, FL 32725.
Certified with Return Receipt (Signature)	9414811898765819384666		Linda L. Gilbert	7043 2nd St NW		Albuquerque	NM	87107-6037 09/12/2022	Your item has been delivered to the original sender at 7:31 am on September 20, 2022 in ALBUQUERQUE, NM 87109.
Certified with Return		as his sole and separate							Your item has been delivered to the original sender at 8:02 am on September 22, 2022 in
Receipt (Signature) Certified with Return	9414811898765819384628		Larry Larremore,	5051 W Boothill Dr		West Valley	UT	84120-4560 09/12/2022	ALBUQUERQUE, NM 87109.
Receipt (Signature)	9414811898765819384604		Larry G. Phillips and wife, Anne C. Phillips	PO Box 2197		Midland	TX	79702-2197 09/12/2022	Your item was delivered at 9:52 am on September 20, 2022 in MIDLAND, TX 79701.
Certified with Return		a New Mexico limited							Your item was delivered to an individual at the address at 9:50 am on September 15, 2022 in
Receipt (Signature)	9414811898765819384697		JKM Energy, LLC,	26 E Compress Rd		Artesia	NM	88210-9215 09/12/2022	ARTESIA, NM 88210.
Certified with Return Receipt (Signature)	9414811898765819384642		Janet Macey, as her sole and separate property	1607 Grand Ave Lot 4		Canon City	со	81212-4562 09/12/2022	Your item could not be delivered on September 29, 2022 at 11:49 am in CANON CITY, CO 81212. It was held for the required number of days and is being returned to the sender.
Certified with Return		as her sole and						05/12/2522	Your package will arrive later than expected, but is still on its way. It is currently in transit to the
Receipt (Signature)	9414811898765819384680	separate property	Gladys Fairweather Vaughn,	502 Ventura Ct		Lady Lake	FL	32159-5612 09/12/2022	next facility.
Certified with Return Receipt (Signature)	9414811898765819384635		Gary Michael Maltby Estate	418 Lewis Dr		Malvern	AR	72104-7811 09/12/2022	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
Certified with Return	>-1+011020/03013304033		Gary Wilchael Waitby Estate	500 W Texas Ave Ste		IAIGIACI II	ΔN	,2104-1011 U3/12/2U22	Your item has been delivered to the original sender at 6:57 am on September 21, 2022 in
Receipt (Signature)	9414811898765819384673		Gary G. Jones and wife, Kim Jones	935		Midland	TX	79701-4277 09/12/2022	ALBUQUERQUE, NM 87199.
Certified with Return Receipt (Signature)	9414811898765819384116		EnPlat III, LLC	1200 Summit Ave Ste 350		Ft Worth	TX	76102-4405 09/12/2022	Your item was delivered to an individual at the address at 1:41 pm on September 15, 2022 in FORT WORTH, TX 76102.
Certified with Return	>-1+011020/03013304110	as her sole and	Lini lot III, LLC	330		i t worth	1.	,0102-4403 03/12/2022	Your item has been delivered to the original sender at 6:34 am on September 19, 2022 in
Receipt (Signature)	9414811898765819384154		Dorothy Mary Gravley,	2432 Cambridge St		Odessa	TX	79761-3220 09/12/2022	ALBUQUERQUE, NM 87109.

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	dealing in his separate								Yc
9414811898765819384161	property	Bryan Macey, a married man,	PO Box 5		Sinclair	WY	82334-0005 09/12/20		ΑL
as his sole and separa		Described Advanced	DO D F		Circulate	1407	02224 0005 00/42/20		Yo
9414811898765819384123	property	Bradley Macey,	PO Box 5 7302 N Via De La		Sinclair	WY	82334-0005 09/12/20	22	AL
9414811898765819384109		BJH Energy Holdings, LLC	Montana		Scottsdale	ΑZ	85258-4025 09/12/20	22	Th
	as her sole and	3,7	12205 Carmel Vista				, ,		Yo
9414811898765819384192	separate property	Billie M. McKee,	Rd Unit 143		San Diego	CA	92130-2527 09/12/20	22	ΕN
	as her sole and								Yo
9414811898765819384147	separate property as her sole and	Barbara Maltby Weldon,	6131 Rosemary Drive		San Diego	CA	92120 09/12/20		AL Yo
9414811898765819384130	separate property	Alanna Macey, a/k/a Lonnie Macey,	PO Box 124		Lander	WY	82520-0124 09/12/20		AL
3111011030703013301130	separate property	MAGNUM HUNTER PRODUCTION	600 N Marienfeld St		Larraci	•••	02320 0121 03/12/20		Yo
9414811898765819384178		INC	Ste 600		Midland	TX	79701-4405 09/12/20	22	М
	Gary Maltby, Brother,								Yo
9414811898765819384314	Possible Heir	The Estate of Richard Harry Maltby	418 Lewis Dr		Malvern	AR	72104-7811 09/12/20	22	ne
9414811898765819384352	C/O Will Allen Wright And Steven Ray Wright	The Estate of Ray Ann Wright Deceased	1005 W Wilkenson Dr		Oro Valley	AZ	85704-3617 09/12/20	22	Th
3414011030703013304332	C/O Robert E. Flint,	The Estate of Mary Bessie T. Flint,	7425 S Jamestown		Old Valley	AL	83704-3017 03/12/20		Yo
9414811898765819384369	Possible Heir	Deceased	Ave		Tulsa	ОК	74136-5945 09/12/20		ΤL
									Yc
9414811898765819384321	C/O Bonnie Hunter	The Estate of Leona Hunter	712 Lane 12		Lovell	WY	82431-9528 09/12/20	22	82
9414811898765819384307	Larry Larremore, Son	The Estate of Larry Larremore, Deceased	9823 S Arizona Dr		Mohave Valley	47	86440-9567 09/12/20	22	Th
9414811898705819384307	Larry Larremore, Son	The Estate of Janet Macey,	9823 S AFIZORIA DI		ivioriave valley	AZ	86440-9567 09/12/20		Yo
9414811898765819384345	Bryan Macey, Son	Deceased	1622 Kirkcolm Dr		Rawlins	WY	82301-4231 09/12/20		82
	, ,		2200 SW 7th Ave Apt						Yo
9414811898765819384338	C/O Thelma Hutson	The Estate of James M. Larremore	115		Amarillo	TX	79106-6719 09/12/20		Th
0444044000755040204275	C/O Allison Gravley,	The Estate of Dorothy Mary Gravley,	2400 H. Jan Da Ant 46		Darkastas	<b>N</b> 13/	44522 4200 00/42/20		Yo
9414811898765819384376	Grandaughter C/O Karen Dotson,	Deceased The Estate of Dorothy Laverne	2100 Hylan Dr Apt 16		Rochester	NY	14623-4289 09/12/20		AL
9414811898765819384055	Daughter	Turelle Kenyon	1000 Shiloh Dr		Springfield	TN	37172-6478 09/12/20		SP
		The Estate of Charles Walter	175 Hutton Ranch Rd		., 0		, , ,		Yo
9414811898765819384062	C/O Ross Fairweather	Fairweather, II	Ste 103	PMB 198	Kalispell	MT	59901-2142 09/12/20		ΚA
									Yo
9414811898765819384024		Steven Ray Wright Oaty E. Fairweather Thompson,	5062 Arena Dr		Las Cruces	NM	88012-0643 09/12/20		LA Yo
9414811898765819384000	C/O Evelyn Story	Deceased	PO Box 489		Sabinal	TX	78881-0489 09/12/20		78
3111011030703013301000	c, o every in story	Deceased	1 0 DOX 103		Sabinar	.,,	70001 0 103 03712720		Yo
9414811898765819384093		Gary G. Jones and wife Kim Jones	PO Box 4380		Horseshoe Bay	TX	78657-4380 09/12/20	22	BA
	dealing in his separate								Yc
9414811898765819384048	property	Bryan Macey, a married man,	1622 Kirkcolm Dr		Rawlins	WY	82301-4231 09/12/20	22	82
9414811898765819384086	as his sole and separate property	Bradley Macey,	2001 Fulton St Apt 15		Aurora	СО	80010-1160 09/12/20	22	Yc
5-1-011050705015504000	property	bradicy Maccy,	2001 i ditoli St Apt 15		Autoru	20	00010 1100 09/12/20	~~	

Your item has been delivered to the original sender at 6:56 am on September 26, 2022 in ALBUQUERQUE, NM 87199.

Your item has been delivered to the original sender at  $6\!:\!56$  am on September 26, 2022 in ALBUQUERQUE, NM 87199.

This is a reminder to arrange for redelivery of your item or your item will be returned to sender. Your item was delivered to an individual at the address at 3:22 pm on September 19, 2022 in ENCINITAS, CA 92024.

Your item has been delivered and is available at a PO Box at 6:56 am on September 26, 2022 in ALBUQUERQUE, NM 87199.

Your item has been delivered and is available at a PO Box at 6:56 am on September 26, 2022 in ALBUQUERQUE, NM 87199.

Your item was delivered to an individual at the address at 12:15 pm on September 16, 2022 in MIDLAND, TX 79701.

Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.

This is a reminder to arrange for redelivery of your item or your item will be returned to sender. Your item was delivered to an individual at the address at 2:48 pm on September 15, 2022 in TULSA, OK 74136.

Your item was picked up at the post office at 1:40 pm on September 16, 2022 in LOVELL, WY 82431.

This is a reminder to arrange for redelivery of your item or your item will be returned to sender. Your item was picked up at the post office at 1:44 pm on September 14, 2022 in RAWLINS, WY 83301

Your item is being held at the AMARILLO, TX 79109 post office at 9:53 am on September 28, 2022. This is at the request of the customer.

Your item has been delivered and is available at a PO Box at 6:56 am on September 26, 2022 in ALBUQUERQUE, NM 87199.

Your item was delivered to an individual at the address at 9:00 am on September 17, 2022 in SPRINGFIELD, TN 37172.

Your item was delivered to an individual at the address at 9:59 am on September 16, 2022 in KALISPELL. MT 59901.

Your item was delivered to an individual at the address at 11:58 am on September 15, 2022 in LAS CRUCES, NM 88012.

Your item was picked up at the post office at 2:33 pm on September 16, 2022 in SABINAL, TX

Your item was picked up at the post office at 10:52 am on September 17, 2022 in HORSESHOE BAY, TX 78657.

Your item was picked up at the post office at 9:33 am on September 15, 2022 in RAWLINS, WY 82301.

Your item was delivered at 12:09 pm on September 24, 2022 in ALBUQUERQUE, NM 87199.

### Carlsbad Current Argus.

#### **Affidavit of Publication** Ad # 0005408416 This is not an invoice

TAP ROCK OPERATING, LLC 523 PARK POINT DRIVE STE 200

**GOLDEN, CO 80401** 

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

09/15/2022

Legal Clerk

Subscribed and sworn before me this September 15, 2022:

> of WI, County of Brown NOTARY PUBLIC

My commission expires

SHELLY HORA Notary Public State of Wisconsin

Ad # 0005408416 PO #: Case No. 23043 # of Affidavits 1

This is not an invoice

To all interested parties subject to notice including Will Allen Wright; Vicki L. Robinson; Vernon Macey; Robert V. Macey; Estate of Ted Larremore; Estate of Ray Ann Wright; Estate of Leona Hunter; Estate of Leo Thomas Goodman; Estate of James M. Larremore; Estate of Leo Thomas Goodman; Estate of James M. Larremore; Estate of Howard M. Macey; Estate of Goorge P. Larremore, Jr.; Estate of Ghward Chamberlin; Estate of Dorothy Laverne Turelle Kenyon; Estate of Charles Walter Fairweather, II; Stewart D. Adams; Steven Ray Wright; Sharon Maltby Leslie; Sharon Fairweather Jones; Patrick Forgey, Occidental Permian LP; Oaty E. Fairweather Thompson; Estate of Myrtle Maltby Combs Cook; Estate of Mary Bessie T. Flint; Mary Ann Berry; Marcella S. VonRadesky; Linda L. Gilbert; Estate of Larry Larremore; Larry G. Phillips; Anne C. Phillips; JKM Energy, LLC; The Estate of Janet Macey; Janet Macey; Gladys Fairweather Vaughn; Estate of Gary Michael Maltby; Gary G. Jones; Kim Jones; EnPlat III, LLC; Estate of Dorothy Mary Gravley; Dorothy Mary Gravley; Bryan Macey; Bradley Macey; BJH Energy Holdings, LLC; Billie M. McKee; Barbara Maltby Weldon; Alanna Macey; Lonnie Macey; Magnum Hunter Production Inc.; Gary Maltby; Will Allen Wright; Robert E. Flint; Bonnie Hunter; Thelma Hutson; Allison Gravley; Karen Dotson; Ross Fairweather; Evelyn Story and their successors or assigns, that the New Mexico Oil Conservation Division will conduct a hearing on the application submitted by Tap Rock Operating, LLC in Case No. 23043 on October 6, 2022. 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.gow/ocd/hearing-info/. 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 WI2 of Sections 9 an To all interested parties subject to notice including Will Allen Wright;

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 the E/2W/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.

#5408416, Current Argus, September 15, 2022

Received by OCD: 10/4/2022 3:06:40 PM

Page 28 of 35

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

SELF-AFFIRMED STATEMENT OF ELI DENBESTEN

I am over the age of 18 and have personal knowledge of the matters stated 1.

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 Units ("Units") in the Delaware Basin within Sections 9 and 16, Township 25 South,

Range 26 East in Eddy County, New Mexico dedicated to the Schlitz Federal Com #151H,

152, 156H and 158H wells (the "Wells").

3. Exhibit B-2 is a Gun Barrel Diagram showing the planned Bone Spring

horizontal spacing for the 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 Bone Spring structure map in subsea vertical depth. This map

shows the location of the Units outlined by red boxes. 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 west to east through the Units. The orientation of the Wells will be

approximately parallel to the down dipping structure. All wells on the map marked with a blue

dot target the 3<sup>rd</sup> Bone Spring Carbonate. The vertical wells controlling the structure map have

the subsea vertical depth posted in red. The subsequent cross-section from A-A' is also

Tap Rock Operating, LLC Case No. 23043

Exhibit B

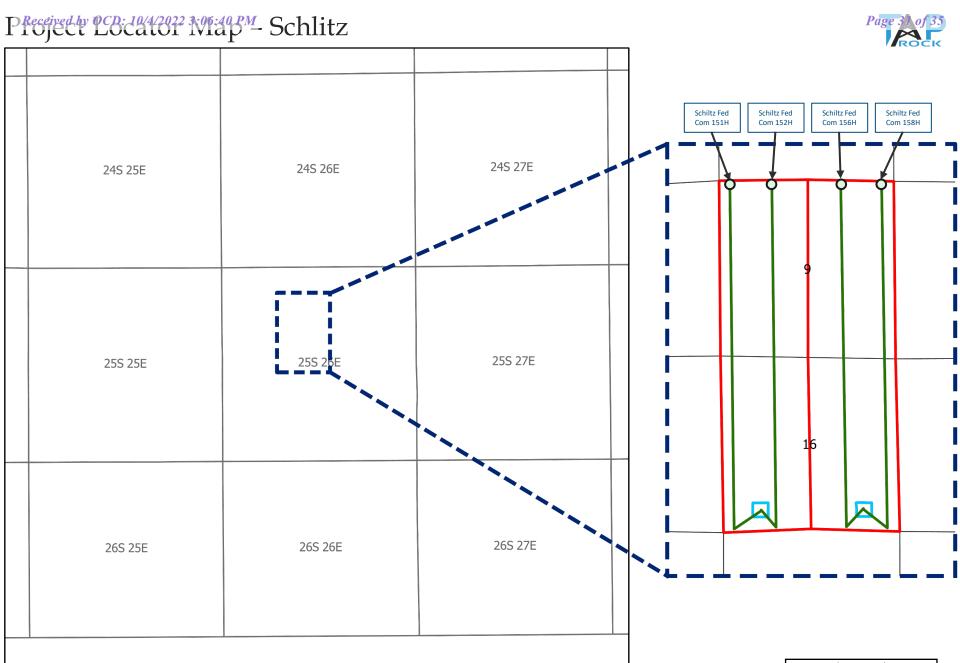
identified. I do not observe any faulting, pinch-outs, or other geologic impediments or hazards to developing this targeted interval utilizing horizontal wells.

- 5. **Exhibit B-4** is a Bone Spring Stratigraphic Cross Section (flattened on the 3<sup>rd</sup> Bone Spring Sand). The exhibit contains a gamma ray log, deep resistivity log, and porosity track for each well. This exhibit identifies the key tops used to evaluate reservoirs and landing targets for the Wells. The peach circle on the depth track of Well 2 shows the landing targeted intervals for the Wells.
- 6. **Exhibit B-5** is an Isopach Map of the targeted intervals. This map shows the location of the Units outlined by red boxes. The surface/bottom hole location of the Wells are shown, zoomed in, to the right. The anticipated gross thickness of the interval is 3125-3175' throughout the Units. The contour intervals are 25'. The location of the previous cross-section from A-A' is also shown on this map.
- 7. The preferred well orientation in this area is south-north since the inferred orientation of the maximum horizontal stress is roughly west-east.
- 8. Based on my geologic study of the area, I conclude that the Units are justified from a geologic standpoint and each quarter-quarter section in the Units will contribute more or less equally to production.
- 9. The attached Exhibits were either prepared by me, compiled under my direction and supervision, or compiled from company business records.
- 10. The granting of the subject applications will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

I understand this Self-Affirmed Statement will be used as written testimony in 11. the subject cases. 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

9-29-2022 Date

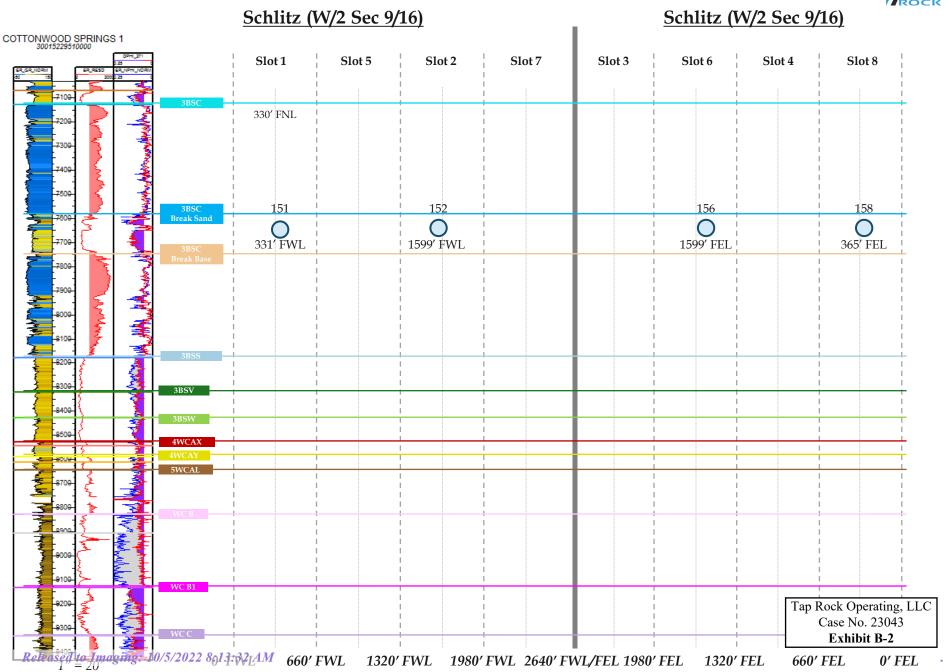


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Exhibit B-1

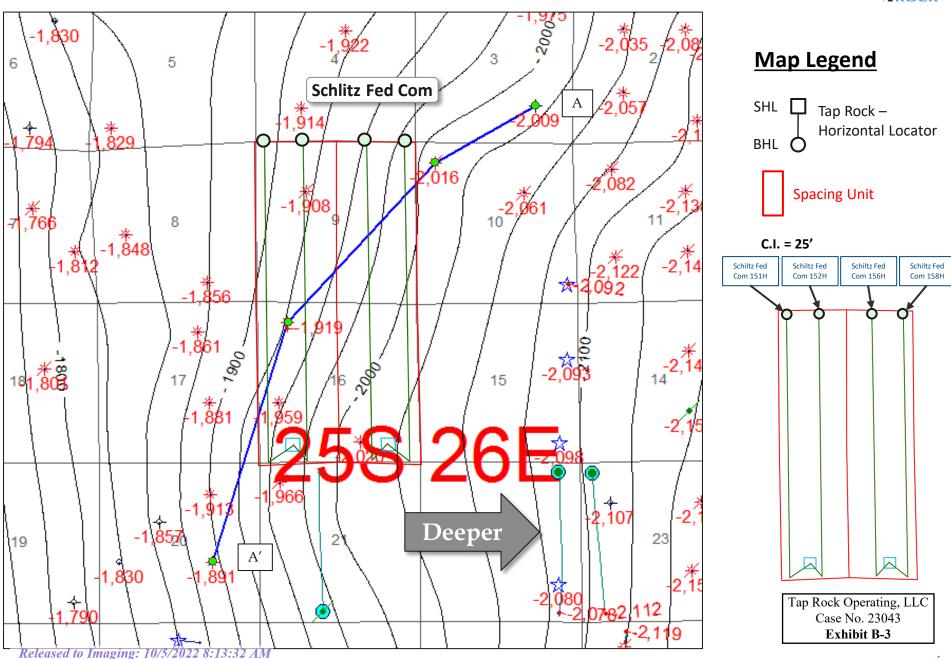
### Bone Spring Target Zone Development





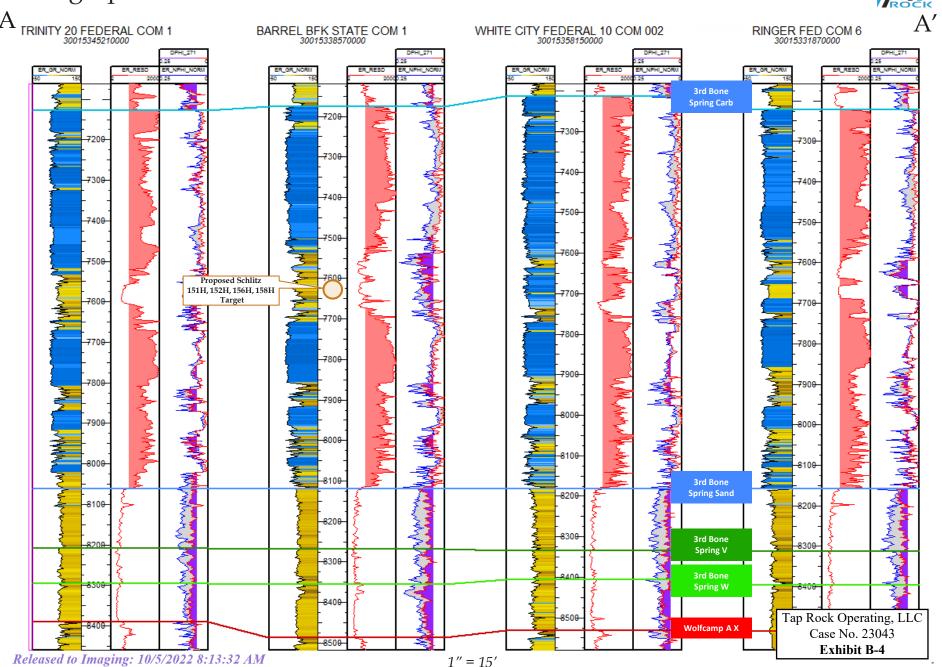
### Teceive By Och: 1947113; [Subsea Structure Map; CI=25']





## Stratigraphic Circiss-Section - A-A'

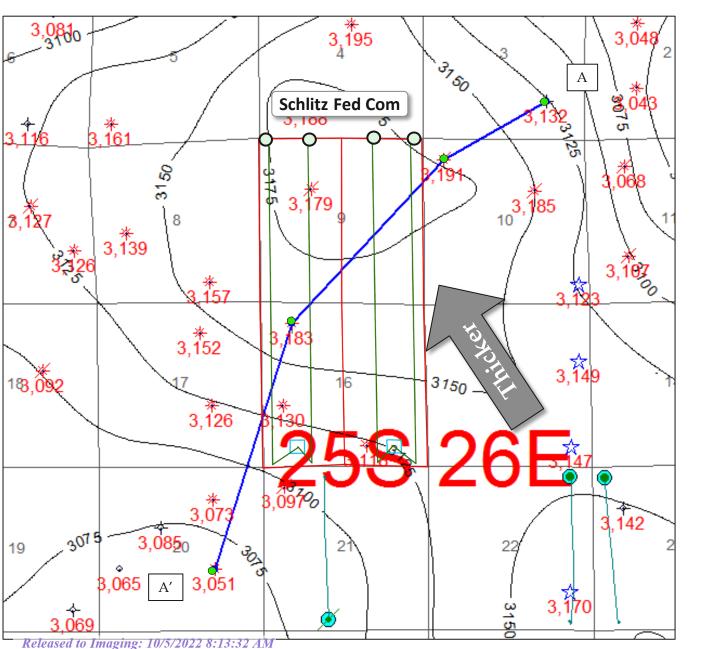




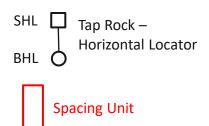
### Cross Bone Spring [Isopach Map; CI=25']

Top Bone Spring - Top Wolfcamp

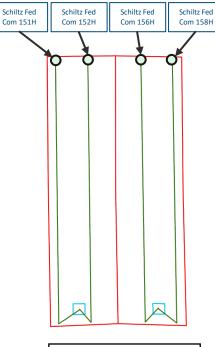




### Map Legend



C.I. = 25'



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Exhibit B-5