# 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. 22933** 

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COMPULSORY POOLING APPLICATION CHECKLIST						
ALL INFORMATION IN THE APPLICATI	ON MUST BE SUPPORTED BY SIGNED AFFIDAVITS					
Case No.:	22933					
Hearing Date:	12/15/2022					
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	EOG Resources, Inc.					
Well Family	Double Stamp					
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	SALT LAKE;BONE SPRING [53560]					
Well Location Setback Rules	Statewide rules					
Spacing Unit Size (acres)	640					
Spacing Unit						
Type (Horizontal/Vertical)	Horizontal					
Size (Acres)	640					
Building Blocks	quarter-quarter					
Orientation	Standup					
Description: TRS/County	E/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County,					
Description. They county	New Mexico					
Standard Horizontal Well Spacing Unit (Y/N), If	Yes					
No, describe						
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 Double Stamp Fed Com #116H will be within 330' of the quarter-quarter line separating the W/2E/2 from the E/2E/2 of Sections 11 and					
	14 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)					
Double Stamp Fed Com #113H (Pending)	Completion status (Standard / Non-standard) 246 FNL and 2512 FEL of Section 23					
, , , , , , , , , , , , , , , , , , , ,	5 FNL and 2178 FEL of Section 11					
	Bone Spring (9000')					
	Standard					
Double Stamp Fed Com #114H (Pending)	247 FNL and 2382 FEL of Section 23					
	5 FNL and 331 FEL of Section 11					
	Bone Spring (9000')					
Double Stamp Fed Com #116H (Pending)	Standard 246 FNL and 2487 FEL of Section 23					
Todase stamp rea com #110m (remains)	5 FNL and 1254 FEL of Section 11					
	Bone Spring (9000')					
	Standard					
Double Stamp Fed Com #123H (Pending)	271 FNL and 2512 FEL of Section 23					
	5 FNL and 2303 FEL of Section 11					
	Bone Spring (9700')					
	Standard					

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Double Stamp Fed Com #124H (Pending)	272 FNL and 2407 FEL of Section 23	
	5 FNL and 990 FEL of Section 11	
	Bone Spring (9700')	
Double Stamp Fed Com #126H (Pending)	Standard 271 FNL and 2487 FEL of Section 23	
bouble Stamp Fed Com #12011 (Fending)	5 FNL and 1650 FEL of Section 11	
	Bone Spring (9700')	
	Standard	
Double Stamp Fed Com #128H (Pending)	272 FNL and 2382 FEL of Section 23	
	5 FNL and 331 FEL of Section 11	
	Bone Spring (9700')	
- 11 2 - 12 - 11 2	Standard	
Double Stamp Fed Com #133H (Pending)	413 FNL and 2178 FEL of Section 23	
	5 FNL and 2178 FEL of Section 11	
	Bone Spring (10350')	
Double Stamp Fed Com #134H (Pending)	Standard 413 FNL and 2128 FEL of Section 23	
bouble stamp rea com #15411 (1 chamb)	5 FNL and 331 FEL of Section 11	
	Bone Spring (10350')	
	Standard	
Double Stamp Fed Com #136H (Pending)	388 FNL and 2153 FEL of Section 23	
	5 FNL and 1254 FEL of Section 11	
	Bone Spring (10350')	
- 11 0	Standard	
Double Stamp Fed Com #153H (Pending)	388 FNL and 2178 FEL of Section 23	
	5 FNL and 1650 FEL of Section 11	
	Bone Spring (10350')	
Double Stamp Fed Com #154H (Pending)	Standard 388 FNL and 2128 FEL of Section 23	
2 c d d c c c c c c c c c c c c c c c c	5 FNL and 594 FEL of Section 11	
	Bone Spring (10350')	
	Standard	
Double Stamp Fed Com #173H (Pending)	247 FNL and 2302 FEL of Section 23	
	5 FNL and 1980 FEL of Section 11	
	Bone Spring (8300')	
Double Charge Food Come #17411 / Doubling	Standard 272 FNL and 2302 FEL of Section 23	
Double Stamp Fed Com #174H (Pending)		
	5 FNL and 660 FEL of Section 11	
	Bone Spring (8300') 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	
Requested Risk Charge	200%	
Notice of Hearing		
Proposed Notice of Hearing	Exhibit A-1	
Proof of Mailed Notice of Hearing (20 days	Exhibit C-1	
before hearing)	EVIIIDIL C-T	
Proof of Published Notice of Hearing (10 days	Exhibit C-2	
before 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	

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Unlocatable Parties to be Pooled	Exhibit A
Ownership Depth Severance (including	N/A
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 Rodriguez
Representative):	
Date:	12/6/2022

Tap Rock Operating, LLC
Case No. 22933
Exhibit A

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

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

CASE NOS. 22933, 22934

# SELF-AFFIRMED STATEMENT OF ERICA SHEWMAKER

- 1. My name is Erica Shewmaker, 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 cases. Copies of TRO's applications and proposed hearing notices are attached as **Exhibit A-1**.

#### 3. In Case No. 22933:

- a) TRO seeks an order pooling all uncommitted interests in the SALT LAKE; BONE SPRING [53560] pool within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the E/2 of Sections 11 and 14, Township 20 South, Range 32 East, Lea County, New Mexico.
- b) The Unit will be dedicated to the following proposed initial wells ("Wells") which it intends to drill simultaneously: Double Stamp Fed Com #113H, #123H, #126H, #133H, #153H and #173H to be horizontally drilled from a surface hole location in the SW/4SE/4 of Section 14 to a bottom hole location in the NW/4NE/4 of Section 11, and Double Stamp Fed Com #114H, #116H, #124H, #128H, #134H, #136H, #154H and #174H to be horizontally drilled from a surface hole location in the SW/4SE/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 11.

c) The completed interval for the Double Stamp Fed Com #116H will be within 330' of the quarter-quarter line separating the W/2E/2 from the E/2E/2 of Sections 11 and 14 to allow the inclusion of this acreage into a standard horizontal spacing unit.

#### 4. In Case No. 22934:

- a) TRO seeks an order pooling all uncommitted interests in the SALT LAKE;BONE SPRING [53560] pool within the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the W/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico. The Unit will be dedicated to the following proposed initial wells ("Wells") which it intends to drill simultaneously: Double Stamp Fed Com #111H, #115H, D #121H, #125H, #131H, #135H, #151H, and #171H to be horizontally drilled from a surface hole location in the SE/4SW/4 of Section 14 to a bottom hole location in the NW/4NW/4 of Section 11, and double Stamp Fed Com #112H, #122H, #127H, #132H, #152H, and #172H to be horizontally drilled from a surface hole location in the SE/4SW/4 of Section 14 to a bottom hole location in the NE/4NW/4 of Section 11.
- b) The completed interval for the Double Stamp Fed Com #115H will be within 330' of the quarter-quarter line separating the W/2W/2 from the E/2W/2 of Sections 11 and 14 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. In my opinion, granting TRO's applications will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.
- 12. The attached exhibits were either prepared by me or compiled under my direction and supervision.
- 13. 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 12 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.

Erica Shewmaker

Dec 7 2022
Date

Tap Rock Operating, LLC Case No. 22933 Exhibit A-1

# 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.** 22933

# **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 E/2 of Sections 11 and 14, Township 20 South, Range 32 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:
  - Double Stamp Fed Com #113H, Double Stamp Fed Com #123H, Double Stamp Fed Com #126H, Double Stamp Fed Com #133H, Double Stamp Fed Com #153H and Double Stamp Fed Com #173H to be horizontally drilled from a surface hole location in the SW/4SE/4 of Section 14 to a bottom hole location in the NW/4NE/4 of Section 11, and
  - Double Stamp Fed Com #114H, Double Stamp Fed Com #116H, Double Stamp Fed Com #124H, Double Stamp Fed Com #128H, Double Stamp Fed Com #134H, Double Stamp Fed Com #136H, Double Stamp Fed Com #154H and Double Stamp Fed Com #174H to be horizontally drilled from a surface hole location in the SW/4SE/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 11.

- 3. The completed interval for the **Double Stamp Fed Com #116H** will be within 330' of the quarter-quarter line separating the W/2E/2 from the E/2E/2 of Sections 11 and 14 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.
- 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 August 4, 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

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

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Tap Rock Operating, LLC
Case No. 22933
Exhibit A-2

Submit one copy to appropriate

District Office

Fast/West line

AMENDED REPORT

County

## 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		<sup>5</sup> Property Name										
	DOUBLE STAMP FED COM 113H											
<sup>7</sup> OGRID N₀.		<sup>8</sup> Operator Name										
#372043	TAP ROCK OPERATING, LLC. 3537											
		100	face Leastion	10 Surface Leastion								

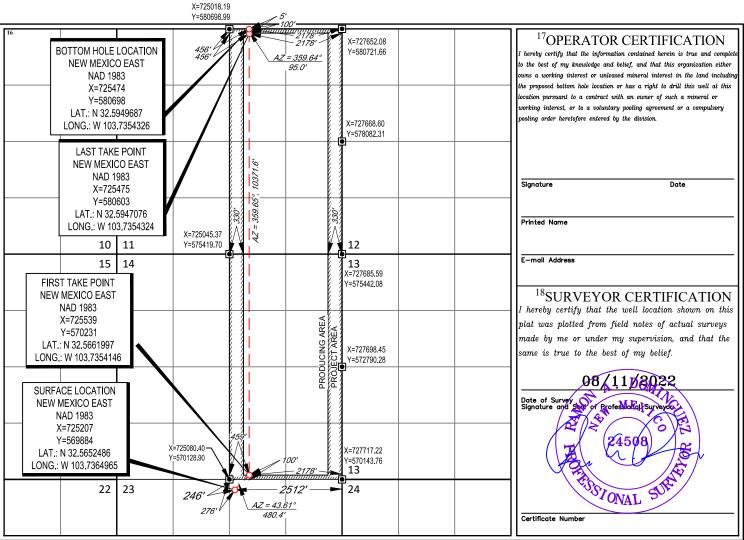
Surface Location

North/South line

Feet from the

Lot Idn

B	23	20-S	32-E		246'	NORTH	2512'	EAST	LEA		
	<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		
В	11	20-S	32-E	_	5'	NORTH	2178'	EAST	LEA		
12Dedicated Acres 640	<sup>13</sup> Joint or l	Infill 14Co	onsolidation Co	ode <sup>15</sup> Ord	er No.						



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

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

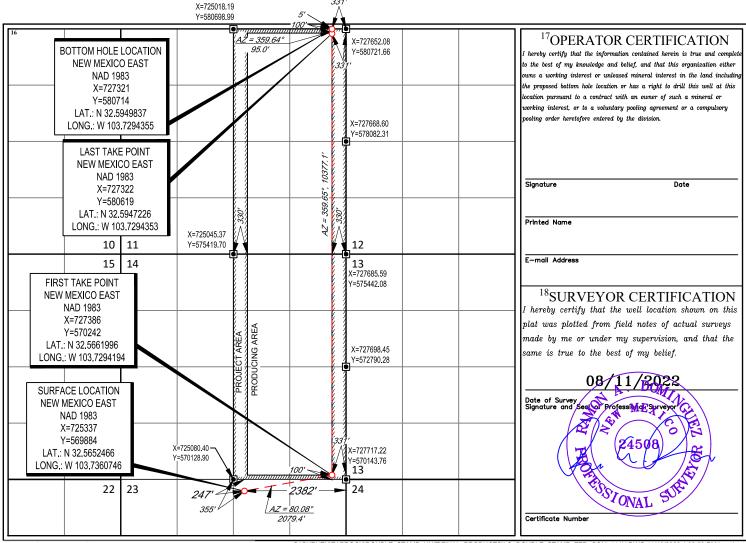
AMENDED REPORT

# 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		<sup>5</sup> Pr	roperty Name	<sup>6</sup> Well Number			
	DOUBLE STAMP FED COM 114H						
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name					
#372043		TAP ROCK OPERATING, LLC. 3536'					
		100	face Leastion				

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	23	20-S	32-E	-	247'	NORTH	2382'	EAST	LEA
	11Bottom Hole Location If Different From Surface								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	11	20-S	32-E	-	5'	NORTH	331'	EAST	LEA
12Dedicated Acres	<sup>13</sup> Joint or I	nfill 14Co	nsolidation Co	de <sup>15</sup> Ord	er No.			•	
640									



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

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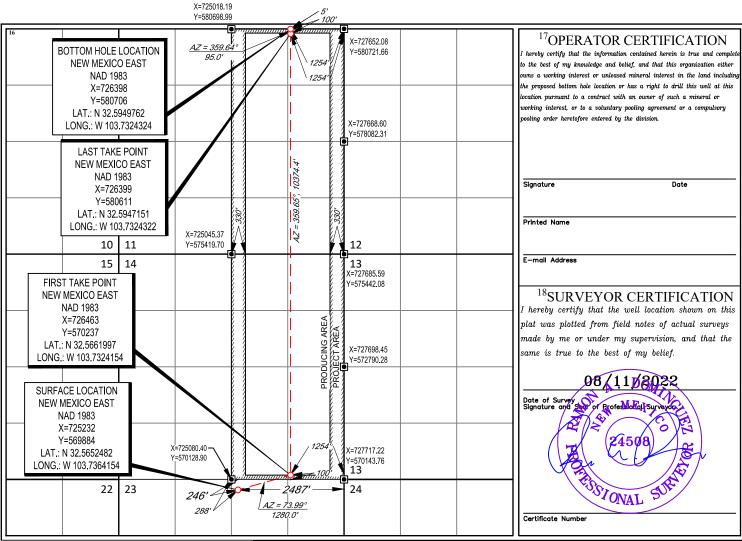
**FORM C-102** Revised August 1, 2011 Submit one copy to appropriate **District Office** 

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# 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 <sub>P1</sub>		<sup>6</sup> Well Number				
		DOUBLE STAMP FED COM						
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name						
#372043		TAP ROCK OPERATING, LLC.						
10 Surface Location								

UL or lot no.	Section 23	Township 20-S	Range 32-E	Lot Idn —	Feet from the 246'	North/South line NORTH	Feet from the 2487'	East/West line EAST	County LEA	
	<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	
A	11	20-S	32-E	_	5'	NORTH	1254'	EAST	LEA	
12Dedicated Acres	<sup>13</sup> Joint or l	Infill 14Co	nsolidation Co	de <sup>15</sup> Ord	er No.					



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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** 

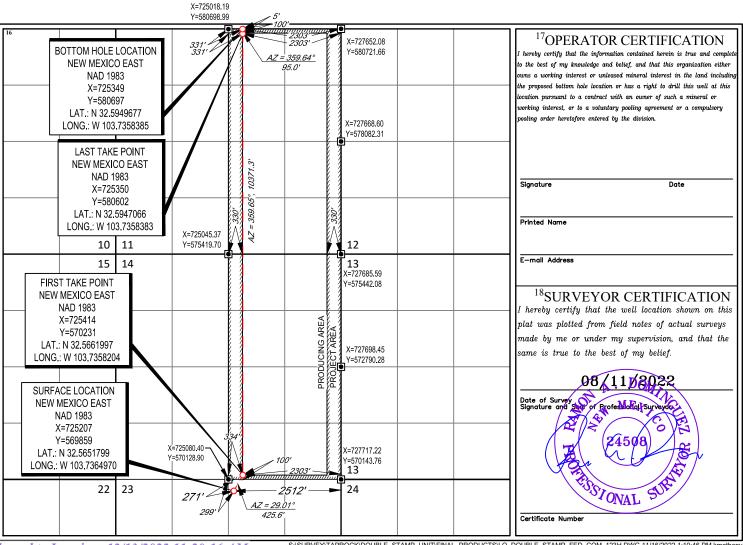
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#### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code <sup>3</sup> Pool Name						
<sup>4</sup> Property Code		<sup>5</sup> Property Name						
		DOUBLE STAMP FED COM						
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name						
#372043		TAP ROCK OPERATING, LLC.						
	-	100	form Longton	-				

<sup>O</sup>Surface Location Feet from the

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
В	23	20-S	32-E	_	271'	NORTH	2512'	EAST	LEA	
	<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	
В	11	20-S	32-E	_	5'	NORTH	2303'	EAST	LEA	
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or I	nfill <sup>14</sup> Co	nsolidation Co	de <sup>15</sup> Ord	er No.					



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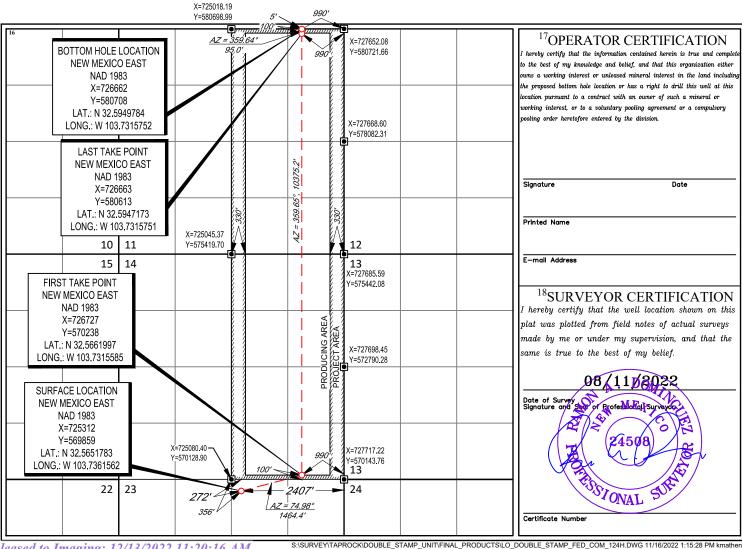
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#### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name					
<sup>4</sup> Property Code		<sup>5</sup> Property Name						
		DOUBLE STAMP FED COM						
<sup>7</sup> OGRID No.		<sup>8</sup> O <sub>l</sub>	perator Name	<sup>9</sup> Elevation				
#372043		TAP ROCK OPERATING, LLC.						
	<sup>10</sup> Surface Location							

B	23	20-S	32-E	Lot Idn	272'	NORTH	2407'	EAST	LEA
	<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
A	11	20-S	32-E	_	5'	NORTH	990'	EAST	LEA
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or l	Infill 14Co	onsolidation Co	de <sup>15</sup> Ord	er No.		-	-	



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
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District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
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Phone: (505) 476-3460 Fax: (505) 476-3462

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

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AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

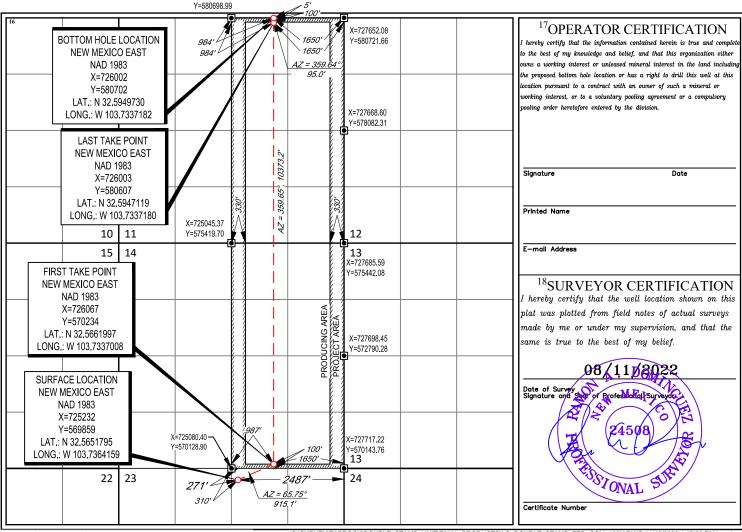
<sup>1</sup> API Number		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name						
<sup>4</sup> Property Code		<sup>5</sup> Property Name							
		DOUBLE STAMP FED COM							
<sup>7</sup> OGRID No.		<sup>8</sup> O <sub>I</sub>	perator Name	<sup>9</sup> Elevation					
#372043		3537'							
	10 Countries I coation								

<sup>10</sup>Surface Location

UL or lot no.	Section 23	Township 20-S	Range 32-E	Lot Idn —	Feet from the 271'	North/South line NORTH	Feet from the 2487'	East/West line EAST	County LEA
	<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
В	11	20-S	32-E	_	5'	NORTH	1650'	EAST	LEA
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.

X=725018.19



District I
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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

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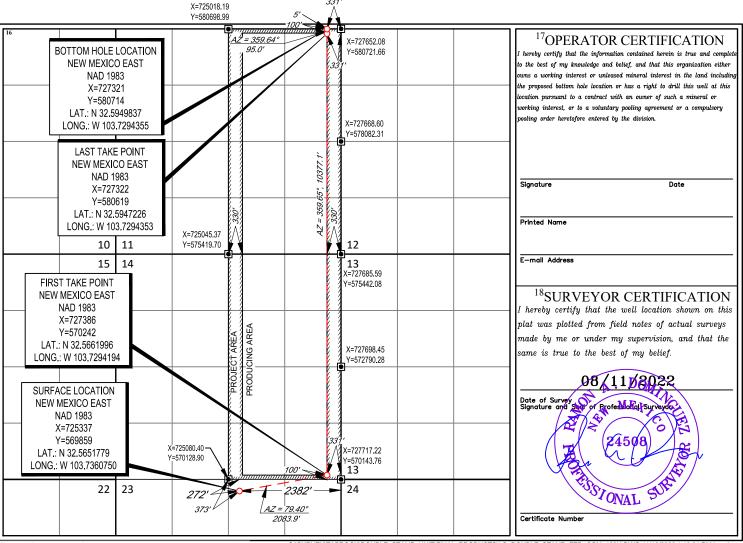
AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Numbe	<sup>1</sup> API Number		<sup>3</sup> Pool Name				
<sup>4</sup> Property Code		<sup>5</sup> Property Name					
		DOUBLE STAMP FED COM 1					
<sup>7</sup> OGRID N₀.		<sup>8</sup> Operator Name					
#372043	TAP ROCK OPERATING, LLC. 3536'						
10 Surface Location							

<sup>10</sup>Surface Location

B	Section 23	Z0-S	32-E	Lot Idn —	Feet from the 272'	NORTH	2382'	EAST	LEA
	<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
A	11	20-S	32-E	_	5'	NORTH	331'	EAST	LEA
12Dedicated Acres	<sup>13</sup> Joint or l	Infill 14Co	onsolidation Co	de <sup>15</sup> Ord	er No.		-		



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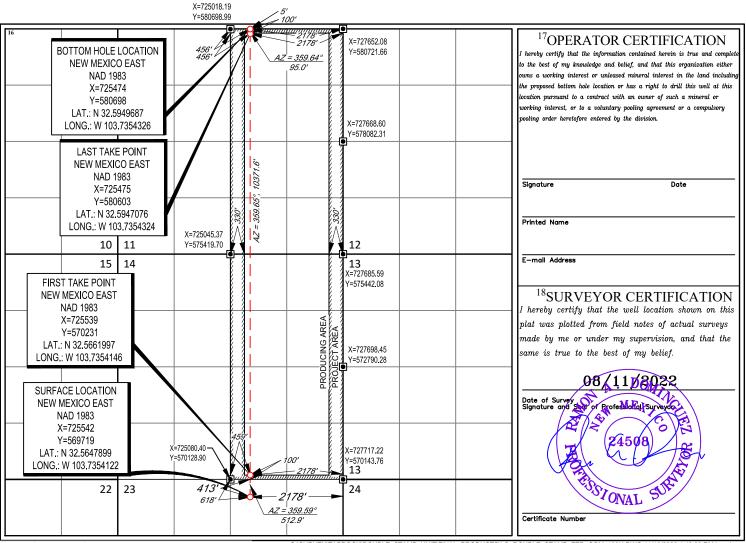
AMENDED REPORT

#### 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		<sup>5</sup> Pr	<sup>6</sup> Well Number					
		DOUBLE STAMP FED COM						
<sup>7</sup> OGRID N₀.		<sup>8</sup> O <sub>l</sub>	perator Name	<sup>9</sup> Elevation				
#372043	TAP ROCK OPERATING, LLC. 35							
	10 Surface Location							

<sup>10</sup>Surface Location

UL or lot no.	Section 23	Township 20-S	32-E	Lot Idn —	Feet from the 413'	North/South line NORTH	Feet from the 2178'	EAST	LEA
	11Bottom Hole Location If Different From Surface								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	11	20-S	32-E	-	5'	NORTH	2178'	EAST	LEA
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or 1	Infill 14Co	onsolidation Cod	de <sup>15</sup> Ord	er No.				



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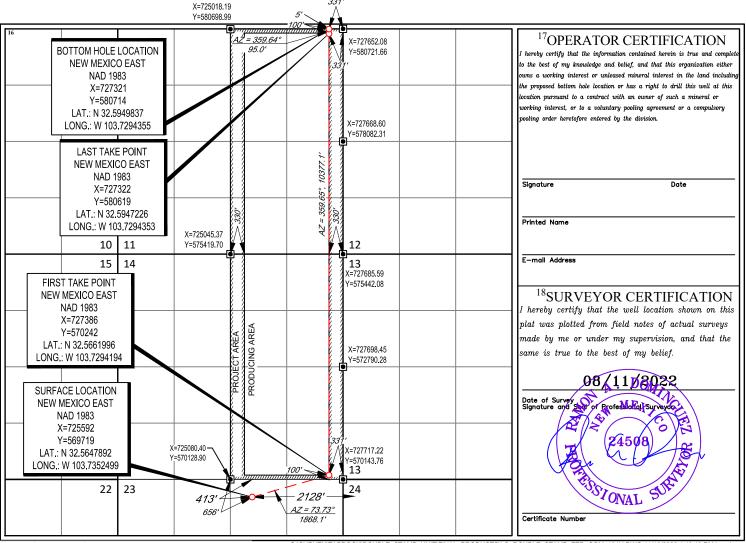
AMENDED REPORT

# 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		<sup>5</sup> Pr	<sup>6</sup> Well Number					
		DOUBLE STAMP FED COM						
<sup>7</sup> OGRID No.		<sup>8</sup> O <sub>l</sub>	perator Name	<sup>9</sup> Elevation 3537'				
#372043		TAP ROCK OPERATING, LLC.						
	10 Sumface Location							

<sup>10</sup>Surface Location

B	23	20-S	32-E	Lot Idn	413'	NORTH	2128'	EAST	LEA
	<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
A	11	20-S	32-E	_	5'	NORTH	331'	EAST	LEA
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or l	Infill 14Co	nsolidation Co	de <sup>15</sup> Ord	er No.				



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

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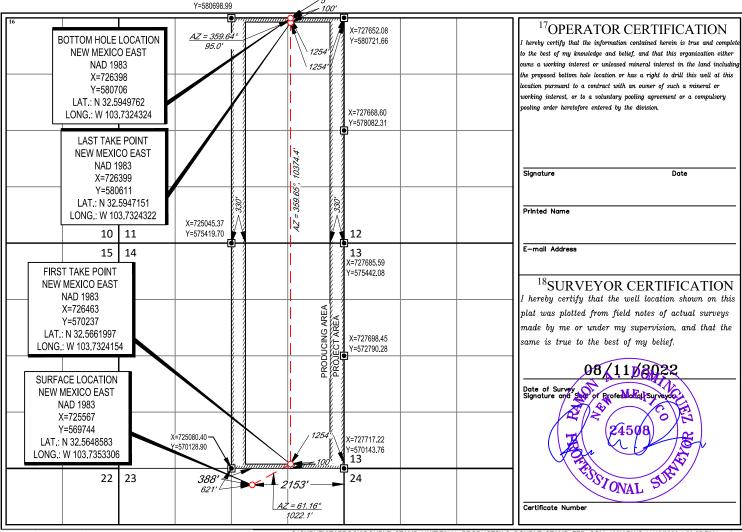
#### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name					
<sup>4</sup> Property Code		<sup>5</sup> Pr	<sup>6</sup> Well Number					
		DOUBLE STAMP FED COM						
<sup>7</sup> OGRID No.		<sup>8</sup> O <sub>l</sub>	perator Name	<sup>9</sup> Elevation				
#372043	TAP ROCK OPERATING, LLC. 3							
	10 Surface Location							

Surface Location Feet from the

X=725018.19

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	23	20-S	32-E	-	388'	NORTH	2153'	EAST	LEA
			11]	Bottom Ho	le Location If I	Different From Su	rface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	11	20-S	32-E	_	5'	NORTH	1254'	EAST	LEA
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or I	nfill 14Co	nsolidation Co	de <sup>15</sup> Ord	er No.				



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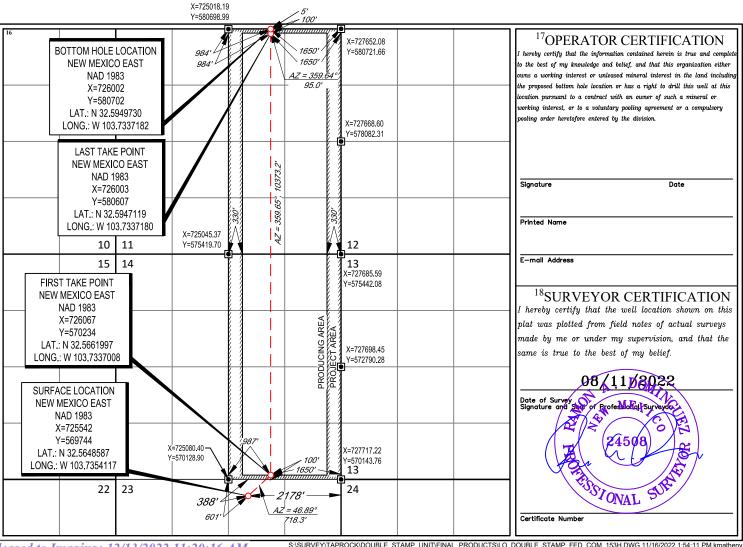
AMENDED REPORT

#### 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		<sup>6</sup> Well Number				
		153H				
<sup>7</sup> OGRID No.		<sup>8</sup> O <sub>I</sub>	perator Name	<sup>9</sup> Elevation		
#372043	TAP ROCK OPERATING, LLC.			3537'		
106						

<sup>O</sup>Surface Location

UL or lot no.	Section 23	Z0-S	32-E	Lot Idn —	Feet from the 388'	NORTH	2178'	EAST	LEA
			11	Bottom Ho	le Location If D	Different From Su	rface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	11	20-S	32-E	_	5'	NORTH	1650'	EAST	LEA
12Dedicated Acres	<sup>13</sup> Joint or l	Infill 14Co	onsolidation Co	de <sup>15</sup> Ord	er No.		-		



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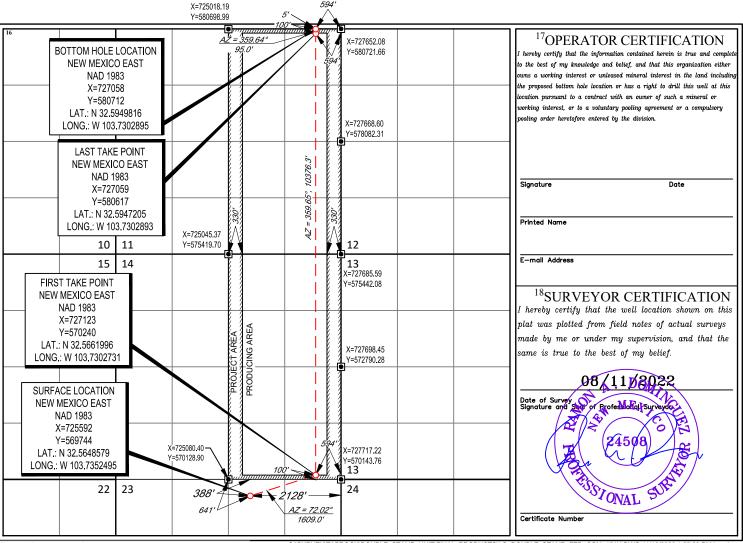
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## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name			
<sup>4</sup> Property Code		<sup>5</sup> Property Name				
		DOUBLE STAMP FED COM				
<sup>7</sup> OGRID No.		<sup>8</sup> O <sub>l</sub>	perator Name	<sup>9</sup> Elevation		
#372043		3537'				
10 Surface Location						

<sup>10</sup>Surface Location

B	23	20-S	32-E	Lot Idn	388'	NORTH	2128'	EAST EAST	LEA
	11Bottom Hole Location If Different From Surface								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	11	20-S	32-E	_	5'	NORTH	594'	EAST	LEA
12Dedicated Acres	<sup>13</sup> Joint or l	Infill 14Co	nsolidation Co	de <sup>15</sup> Ord	er No.				



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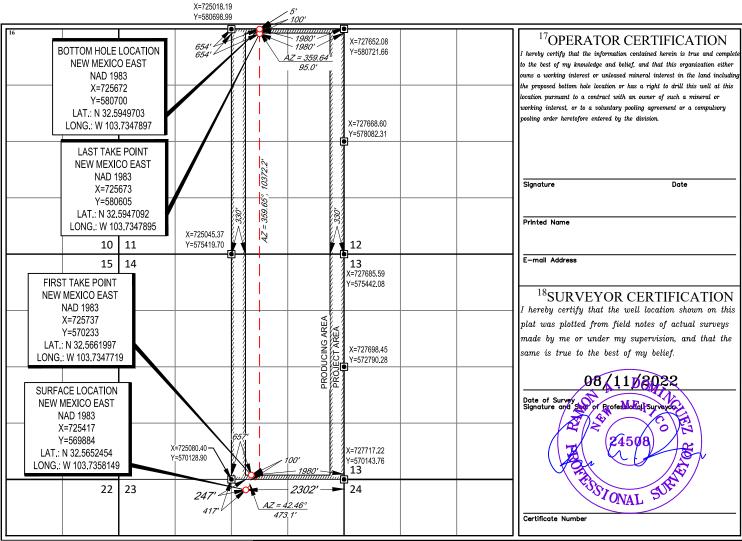
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## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name			
<sup>4</sup> Property Code		<sup>5</sup> Property Name				
		DOUBLE STAMP FED COM				
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name				
#372043		3536'				
10 Surface Location						

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	23	20-S	32-E	-	247'	NORTH	2302'	EAST	LEA
	•		11]	Bottom Ho	le Location If D	Different From Sur	rface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	11	20-S	32-E	-	5'	NORTH	1980'	EAST	LEA
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or l	nfill 14Co	nsolidation Co	de <sup>15</sup> Ord	er No.	•	-		



County

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#### 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		<sup>6</sup> Well Number				
		DOUBLE STAMP FED COM				
<sup>7</sup> OGRID No.		<sup>8</sup> O <sub>I</sub>	perator Name	<sup>9</sup> Elevation		
#372043	TAP ROCK OPERATING, LLC.			3536'		
106						

<sup>10</sup>Surface Location

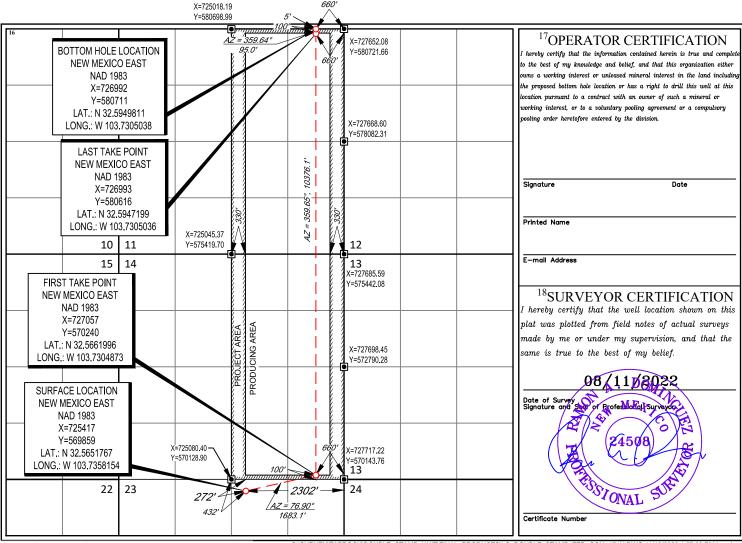
North/South line

Feet from the

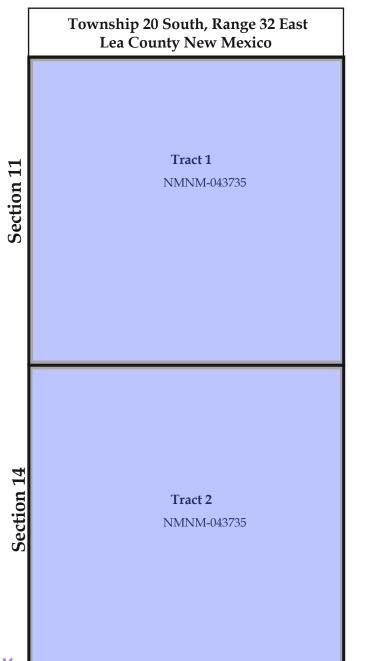
Fast/West line

Lot Idn

B	23	20-S	32-E		272'	NORTH	2302'	EAST	LEA
			11	Bottom Ho	le Location If I	Different From Su	rface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	11	20-S	32-E	_	5'	NORTH	660'	EAST	LEA
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or 1	Infill 14Co	nsolidation Co	de <sup>15</sup> Ord	er No.				







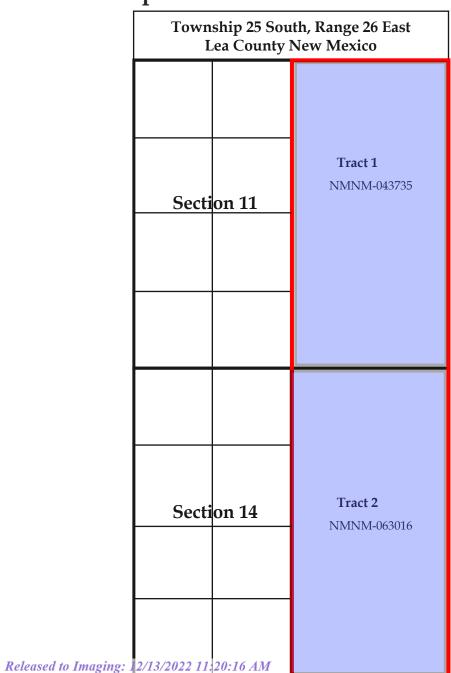
Tap Rock Operating, LLC Case No. 22933 Exhibit A-3

Federal Acreage

Released to Imaging: 12/13/2022 11:20:16 AM

# Decirble Statisp 12:148W





Federal Acreage

Double Stamp E/2 HSU

	Double Stamp W/2 HSU						
Tract	Legal	Party					
1	Section 11, T20S R32E	Tap Rock Resources II, LLC					
		* EOG Resources, Inc 35%					
2	Section 14, T20S R32E	Tap Rock Resources II, LLC - 65%					

Double Stamp E/2 HSU						
Tract	Legal	Party				
1	Section 11, T20S R32E	Tap Rock Resources II, LLC				
		* EOG Resources, Inc 35%				
2	Section 14, T20S R32E	Tap Rock Resources II, LLC - 65%				

<sup>\*</sup> Parties Tap Rock seeks to pool.

Party	Interest Type	Working Interest	Status
* EOG Resources, Inc.	Working Interest	35.000000%	Uncommitted
Tap Rock Resources II, LLC	Working Interest	65.000000%	Committed
		100.000000%	

<sup>\*</sup> Parties Tap Rock seeks to pool.

TAP ROCK RESOURCES, LLC

ERICA SHEWMAKER - LANDMAN ESHEWMAKER@TAPRK.COM

# 523 PARK POINT DRIVE, SUITE 200 - GOLDEN

Tap Rock Operating, LLC
Case No. 22933
Exhibit A-4



May 10, 2022

Via Certified Mail

EOG RESOURCES INC 5509 CHAMPIONS DRIVE MIDLAND, TX 79706

# **Re: Well Proposals for:**

- Double Stamp Fed Com #113H
- Double Stamp Fed Com #114H
- Double Stamp Fed Com #116H
- Double Stamp Fed Com #123H
- Double Stamp Fed Com #124H
- Double Stamp Fed Com #126H
- Double Stamp Fed Com #128H
- Double Stamp Fed Com #133H
- Double Stamp Fed Com #134H
- Double Stamp Fed Com #136H
- Double Stamp Fed Com #153H
- Double Stamp Fed Com #154H
- Double Stamp Fed Com #173H
- Double Stamp Fed Com #174H

Township 20 South, Range 32 East, Sections 11 & 14: E/2

Lea County, New Mexico

(the "Wells")

#### Dear Working Interest Owner:

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

Well Name	Surface Hole Location (SHL)	Bottom Hole Location (BHL)	Formation	True Vertical Depth	Measured Depth
DOUBLE STAMP FED COM #113H	SW/4SE/4 of Section 14	2,178' FEL of Section 11	Bone Spring	9,000'	19,660'
DOUBLE STAMP FED COM #114H	SW/4SE/4 of Section 14	330' FEL of Section 11	Bone Spring	9,000'	19,660'
DOUBLE STAMP FED COM #116H	SW/4SE/4 of Section 14	1,254' FEL of Section 11	Bone Spring	9,000'	19,660'

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TAP ROCK RESOURCES, LLC

ERICA SHEWMAKER - LANDMAN ESHEWMAKER@TAPRK.COM



DOUBLE STAMP FED COM #123H	SW/4SE/4 of Section 14	2,310' FEL of Section 11	Bone Spring	9,700'	20,360'
DOUBLE STAMP FED COM #124H	SW/4SE/4 of Section 14	990' FEL of Section 11	Bone Spring	9,700'	20,360'
DOUBLE STAMP FED COM #126H	SW/4SE/4 of Section 14	1,650' FEL of Section 11	Bone Spring	9,700'	20,360'
DOUBLE STAMP FED COM #128H	SW/4SE/4 of Section 14	330' FEL of Section 11	Bone Spring	9,700'	20,360'
DOUBLE STAMP FED COM #133H	SW/4SE/4 of Section 14	2,178' FEL of Section 11	Bone Spring	10,350'	21,010'
DOUBLE STAMP FED COM #134H	SW/4SE/4 of Section 14	330' FEL of Section 11	Bone Spring	10,350'	21,010'
DOUBLE STAMP FED COM #136H	SW/4SE/4 of Section 14	1,254' FEL of Section 11	Bone Spring	10,350'	21,010'
DOUBLE STAMP FED COM #153H	SW/4SE/4 of Section 14	1,650' FEL of Section 11	Bone Spring	10,350'	21,010'
DOUBLE STAMP FED COM #154H	SW/4SE/4 of Section 14	594' FEL of Section 11	Bone Spring	10,350'	21,010'
DOUBLE STAMP FED COM #173H	SW/4SE/4 of Section 14	1,980' FEL of Section 11	Bone Spring	8,300'	18,960'
DOUBLE STAMP FED COM #174H	SW/4SE/4 of Section 14	660' FEL of Section 11	Bone Spring	8,300'	18,960'

The proposed locations and drilling plans described above are subject to change depending on surface or subsurface issues that may be encountered. 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 ALL of Sections 11 & 14, Township 20 South, Range 32 East, Lea County, New Mexico.

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

- · 3 year 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 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.

523 PARK POINT DRIVE, SUITE 200 - GOLDEN, COLORADO 80401

TAP ROCK RESOURCES, LLC

ERICA SHEWMAKER - LANDMAN ESHEWMAKER@TAPRK.COM



<b>EO</b> G	RESOURCES INC hereby elects to:
	participate in the DOUBLE STAMP FED COM #113H
	non-consent the DOUBLE STAMP FED COM #113H
	participate in the DOUBLE STAMP FED COM #114H
	non-consent the DOUBLE STAMP FED COM #114H
	participate in the DOUBLE STAMP FED COM #116H
	non-consent the DOUBLE STAMP FED COM #116H
	participate in the DOUBLE STAMP FED COM #123H
	non-consent the DOUBLE STAMP FED COM #123H
	participate in the DOUBLE STAMP FED COM #124H
	non-consent the DOUBLE STAMP FED COM #124H
	participate in the DOUBLE STAMP FED COM #126H
	non-consent the DOUBLE STAMP FED COM #126H
	participate in the DOUBLE STAMP FED COM #128H
	non-consent the DOUBLE STAMP FED COM #128H
	participate in the DOUBLE STAMP FED COM #133H
	non-consent the DOUBLE STAMP FED COM #133H
	participate in the DOUBLE STAMP FED COM #134H
	non-consent the DOUBLE STAMP FED COM #134H
	participate in the DOUBLE STAMP FED COM #136H
	non-consent the DOUBLE STAMP FED COM #136H
	participate in the DOUBLE STAMP FED COM #153H
	non-consent the DOUBLE STAMP FED COM #153H
	participate in the DOUBLE STAMP FED COM #154H
	non-consent the DOUBLE STAMP FED COM #154H
	participate in the DOUBLE STAMP FED COM #173H
	non-consent the DOUBLE STAMP FED COM #173H
	participate in the DOUBLE STAMP FED COM #174H
	non-consent the DOUBLE STAMP FED COM #174H
Ву: _	
Name	;
Date:	

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

Double Stamp #113

Date: May 10, 2022 MD/TVD: 19660 / 9000 Lateral Length: 10210 Geologic Target: 1st Bone Spring Name: AFE #: County: NM

Well Description:

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

cos	T CODES	INTANGIBLE DRILLING COSTS  DESCRIPTION	AMOUNT
1	1	Land - Legal	10,000
1	2	Land - Regulatory	10,000
1	3	Land - Surface Damages	10,000
1	4	Land - Survey	10,000
1	5	Location/Pit Construction	78,500
1	6	Remedial Dirtwork	0
1	7	Reserve/Frac Pit Closing	0
1	8	Drilling - Contractor	474,408
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	190,000
1	11	Cementing Services  Cementing Equipment	33,000
1	12	Bits/Drill Out Assemblies	77,000
1	13	Fluid Circulation Equipment/Services	69,075
1	14	Fluids/Chemicals	73,163
1	15	WBM Cuttings/Wastewater Disposal	42,525
1	16	OBM Cuttings/Chemical Disposal	42,323
_			
1	17	Fuel/Power Water	162,750
1	18		54,200
1	19	Directional Drilling	210,000
1	20	Mud Logging	24,071
1	21	Open/Cased/Production Hole Logs	0
1	22	Coring	0
1	23	Geologic Supervision	0
1	24	Engineering Supervision	0
1	25	Consultant Supervision	105,600
1	26	Freight/Transportation	9,000
1	27	Labor	129,000
1	28	Supplies - Surface	2,500
1	29	Supplies - Living Quarters	1,000
1	30	Rentals - Surface	82,615
1	31	Rentals - Living Quarters	49,900
1	32	Rentals - Downhole	18,500
1	33	Rentals - Pipe & Handling Tools	97,650
1	34	Rentals - Frac Stack	
1	35	Rentals - Frac Tanks	6,300
1	36	Coil Tubing Unit/Workover Rig	
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck	
1	40	Stimulation	
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1	47	Plugging & Abandonment	0
1	53	Overhead	0
1	54	Insurance	20,000
1	55	Contingency	63,023
-	55		03,023

cos	T CODES	INTANGIBLE COMPLETION COSTS  DESCRIPTION	AMOUNT
2	1	Land - Legal	
2	2	Land - Regulatory	
2	3	Land - Surface Damages	
2	4	Land - Survey	
2	5	Location/Pit Construction	
2	6	Remedial Dirtwork	
2	7	Reserve/Frac Pit Closing	
2	8	Drilling - Contractor	
2	9	Mob/Rig Up - Contractor/Trucking	
2	10	Cementing Services	
2	11	Cementing Equipment	
2	12	Bits/Drill Out Assemblies	39,421
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	35,875
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	566,000
2	18	Water	434,79
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,440
2	22	Coring	-,
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	82,000
2	26	Freight/Transportation	2,000
2	27	Labor	14,220
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	20,080
2	31	Rentals - Living Quarters	14,960
2	32	Rentals - Downhole	14,500
2	33	Rentals - Pipe & Handling Tools	
2	34	Rentals - Frac Stack	95,78
2	35	Rentals - Frac Tanks	29,31
2	36	Coil Tubing Unit/Workover Rig	94,06
2	37		
2	38	Wireline/Slickline/Perforating Temporary Packers/Plugs	303,20 48,10
2	39	High Pressure Pump Truck	69,66
2	40	Stimulation	2,071,79
2	41	Rentals - Pressure Control	2,071,73
2	42		40.00
_		Flowback Services	48,68
2	43	Water Transfer Services	79,50
2	44	Flowback Water Trucking & Disposal	13,05
2	45	Permanent Equipment Installation	
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead .	16,88
2	54	Insurance	
2	55	Contingency	152,79

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	38,000
3	28	Supplies - Surface	30,000
3	29	Supplies - Living Quarters	
3	30	Rentals - Surface	9,800
3	31	Rentals - Living Quarters	3,000
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	3,300
3	39	High Pressure Pump Truck	
3	40	Stimulation	
3	41	Rentals - Pressure Control	42.500
3	42	Flowback Services	43,600
3	43	Water Transfer Services	
3	44	Flowback Water Trucking & Disposal	65,960
3	45	Permanent Equipment Installation	
3	46	Pipeline Tapping Services	
3	47	Plugging & Abandonment	
3	53	Overhead	0
3	54	Insurance	
3	55	Contingency	11,778

TOTAL INTANGIBLE DRILLING COSTS: \$2,163,779

TOTAL INTANGIBLE COMPLETION COSTS: \$4,244,622

AMOUNT

COST CODES

TANGIBLE PRODUCTION COSTS
DESCRIPTION

		TANGIBLE DRILLING COSTS		
COST	CODES	DESCRIPTION	AMOUNT	
4	60	Conductor Casing	30,000	
4	61	Surface Casing	112,511	
4	62	1st Intermediate Casing	178,610	
4	63	2nd Intermediate Casing	194,149	
4	64	Production Casing	594,816	
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	

Conductor Casing	
Surface Casing	
1st Intermediate Casing	
2nd Intermediate Casing	
Production Casing	1
Tubing	
Wellhead	1
Permanent Packers/Hangers/Plugs	
Tanks	
Production Vessels	
Compressors	
Surface Flowlines	
Gathering Lines	
Valves & Controllers	
Artificial Lift Equipment	
Instrumentation & Measurement	
Electrical Grounding/Safety Equipment	
Permanent Equipment Installation	
Other - Surface	
Other - Downhole	
TOTAL TANGIBLE COMPLETION COSTS:	\$0
	Surface Casing  1st Intermediate Casing  2nd Intermediate Casing  Production Casing  Tubing  Wellhead  Permanent Packers/Hangers/Plugs  Tanks  Production Vessels  Compressors  Surface Flowlines  Gathering Lines  Valves & Controllers  Artificial Lift Equipment Instrumentation & Measurement  Electrical Grounding/Safety Equipment  Permanent Equipment Installation  Other - Surface  Other - Downhole

TANGIBLE COMPLETION COSTS

COST CODES

6	60	Conductor Casing	
6	61	Surface Casing	
6	62	1st Intermediate Casing	
6	63	2nd Intermediate Casing	
6	64	Production Casing	
6	65	Tubing	95,400
6	66	Wellhead	62,100
6	67	Permanent Packers/Hangers/Plugs	0
6	68	Tanks	
6	69	Production Vessels	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:	\$401,000

TOTAL TANGIBLE DRILLING COSTS: \$1,203,085 TOTAL DRILLING COSTS: \$3,366,864

TOTAL COMPLETION COSTS: \$4,244,622

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,288,075

### TAP ROCK RESOURCES COMPANY APPROVAL:

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

	11011	OI ENATING I ANTINEN AIT NOVAL	
	COMPA	NY NAME:	
	SIGNED BY:	TITLE:	
WORKING IN	TEREST (%):	DATE:	
	TAX ID:	APPROVAL:	

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

Date: May 10, 2022 MD/TVD: 19660 / 9000 Lateral Length: 10210 Geologic Target: 1st Bone Spring Name: AFE #: 0 Lea

Well Description:

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

cosı	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	78,500
1	6	Remedial Dirtwork	C
1	7	Reserve/Frac Pit Closing	(
1	8	Drilling - Contractor	474,408
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	190,000
1	11	Cementing Equipment	33,000
1	12	Bits/Drill Out Assemblies	77,000
1	13	Fluid Circulation Equipment/Services	69,075
1	14	Fluids/Chemicals	73,163
1	15	WBM Cuttings/Wastewater Disposal	42,525
1	16	OBM Cuttings/Chemical Disposal	
1	17	Fuel/Power	162,750
1	18	Water	54,200
1	19	Directional Drilling	210,000
1	20	Mud Logging	24,07
1	21	Open/Cased/Production Hole Logs	21,07
1	22	Coring	
1	23	Geologic Supervision	
1	24	Engineering Supervision	
1	25	Consultant Supervision	105,600
1	26	Freight/Transportation	9,000
1	27	Labor	129,000
1	28	Supplies - Surface	2,500
1	29	Supplies - Living Quarters	1,00
1	30	Rentals - Surface	82,61
1	31	Rentals - Living Quarters	49,90
1	32		
1		Rentals - Downhole	18,50
	33	Rentals - Pipe & Handling Tools	97,65
1	34	Rentals - Frac Stack	6.20
1	35	Rentals - Frac Tanks	6,30
1	36	Coil Tubing Unit/Workover Rig	
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck	
1	40	Stimulation	
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1	47	Plugging & Abandonment	(
1	53	Overhead	(
1	54	Insurance	20,000
1	55	Contingency	63,023

cos	T CODES	INTANGIBLE COMPLETION COSTS  DESCRIPTION	AMOUNT
2	1	Land - Legal	
2	2	Land - Regulatory	
2	3	Land - Surface Damages	
2	4	Land - Survey	
2	5	Location/Pit Construction	
2	6	Remedial Dirtwork	
2	7	Reserve/Frac Pit Closing	
2	8	Drilling - Contractor	
2	9	Mob/Rig Up - Contractor/Trucking	
2	10	Cementing Services	
2	11	Cementing Equipment	
2	12	Bits/Drill Out Assemblies	39,421
2	13	Fluid Circulation Equipment/Services	33,421
2	14	Fluids/Chemicals	35,875
2	15		33,673
		WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	566,000
2	18	Water	434,794
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,440
2	22	Coring	
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	82,000
2	26	Freight/Transportation	2,000
2	27	Labor	14,220
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	20,080
2	31	Rentals - Living Quarters	14,960
2	32	Rentals - Downhole	0
2	33	Rentals - Pipe & Handling Tools	0
2	34	Rentals - Frac Stack	95,787
2	35	Rentals - Frac Tanks	29,315
2	36	Coil Tubing Unit/Workover Rig	94,066
2	37	Wireline/Slickline/Perforating	303,200
2	38	Temporary Packers/Plugs	48,100
2	39	High Pressure Pump Truck	69,660
2	40	Stimulation	2,071,792
2	41	Rentals - Pressure Control	2,071,732
2	41	Flowback Services	40 001
	42		48,681
2		Water Transfer Services	79,500
2	44	Flowback Water Trucking & Disposal	13,056
2	45	Permanent Equipment Installation	+
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	+
2	53	Overhead	16,880
2	54	Insurance	
2	55	Contingency	152,797
		TOTAL INTANGIBLE COMPLETION COSTS	S: \$4,244,622

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	5,000
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 Labor	15,000
3	27		38,000
3	28 29	Supplies - Surface	
3	30	Supplies - Living Quarters  Rentals - Surface	0.000
			9,800
3	31 32	Rentals - Living Quarters	
3		Rentals - Downhole	
	33	Rentals - Pipe & Handling Tools	42.050
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	C
3	54	Insurance	
3	55	Contingency	11,778

INTANGIBLE PRODUCTION COSTS

# TANGIBLE DRILLING COSTS

TOTAL INTANGIBLE DRILLING COSTS: \$2,163,779

# TANGIBLE COMPLETION COSTS

COST CODES

#### TANGIBLE PRODUCTION COSTS DESCRIPTION

COST CODES

COST CODES		DESCRIPTION	AMOUNT
4	60	Conductor Casing	30,000
4	61	Surface Casing	112,511
4	62	1st Intermediate Casing	178,610
4	63	2nd Intermediate Casing	194,149
4	64	Production Casing	594,816
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

Conductor Casing Surface Casing	
Surface Casing	
Surface casing	
1st Intermediate Casing	
2nd Intermediate Casing	
Production Casing	C
Tubing	
Wellhead	0
Permanent Packers/Hangers/Plugs	
Tanks	
Production Vessels	
Compressors	
Surface Flowlines	
Gathering Lines	
Valves & Controllers	
Artificial Lift Equipment	
Instrumentation & Measurement	
Electrical Grounding/Safety Equipment	
Permanent Equipment Installation	
Other - Surface	
Other - Downhole	
TOTAL TANGIBLE COMPLETION COSTS:	\$0
	1st Intermediate Casing 2nd Intermediate Casing Production Casing Tubing Wellhead Permanent Packers/Hangers/Plugs Tanks Production Vessels Compressors Surface Flowlines Gathering Lines Valves & Controllers Artificial Lift Equipment Instrumentation & Measurement Electrical Grounding/Safety Equipment Permanent Equipment Installation Other - Surface Other - Downhole

Surface Casing  1st Intermediate Casing  2nd Intermediate Casing  Production Casing  Tubing  Wellhead  Permanent Packers/Hangers/Plugs  Tanks  Production Vessels  Compressors  Surface Flowlines	95,400 62,100 0 160,000
2nd Intermediate Casing Production Casing Tubing Wellhead Permanent Packers/Hangers/Plugs Tanks Production Vessels Compressors	62,100
Production Casing Tubing Wellhead Permanent Packers/Hangers/Plugs Tanks Production Vessels Compressors	62,100
Tubing Wellhead Permanent Packers/Hangers/Plugs Tanks Production Vessels Compressors	62,100
Wellhead Permanent Packers/Hangers/Plugs Tanks Production Vessels Compressors	62,100
Permanent Packers/Hangers/Plugs Tanks Production Vessels Compressors	160,000
Tanks Production Vessels Compressors	160,000
Production Vessels Compressors	
Compressors	
	50,000
Surface Flowlines	50,000
	30,000
Gathering Lines	0
Valves & Controllers	0
Artificial Lift Equipment	28,500
Instrumentation & Measurement	
Electrical Grounding/Safety Equipment	
Permanent Equipment Installation	5,000
Other - Surface	
Other - Downhole	
5 6 7	5 Instrumentation & Measurement 6 Electrical Grounding/Safety Equipment 7 Permanent Equipment Installation 0 Other - Surface

TOTAL TANGIBLE DRILLING COSTS: \$1,203,085 TOTAL DRILLING COSTS: \$3,366,864

TOTAL COMPLETION COSTS: \$4,244,622

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,288,075

### TAP ROCK RESOURCES COMPANY APPROVAL:

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

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

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

Date: May 10, 2022 MD/TVD: 19660 / 9000 Lateral Length: 10210 Geologic Target: 1st Bone Spring 0 Lea NM

Well Description:

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

cos	T CODES	INTANGIBLE DRILLING COSTS  DESCRIPTION	AMOUNT
1	1	Land - Legal	10,000
1	2	Land - Regulatory	10,000
1	3	Land - Surface Damages	10,000
1	4	Land - Survey	10,000
1	5	Location/Pit Construction	78,500
1	6	Remedial Dirtwork	0
1	7	Reserve/Frac Pit Closing	0
1	8	Drilling - Contractor	474,408
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	190,000
1	11	Cementing Equipment	33,000
1	12	Bits/Drill Out Assemblies	77,000
1	13	Fluid Circulation Equipment/Services	69,075
1	14	Fluids/Chemicals	73,163
1	15	WBM Cuttings/Wastewater Disposal	42,525
1	16	OBM Cuttings/Chemical Disposal	0
1	17	Fuel/Power	162,750
1	18	Water	54,200
1	19	Directional Drilling	210,000
1	20	Mud Logging	24,071
1	21	Open/Cased/Production Hole Logs	24,071
1	22	Coring	0
1	23	Geologic Supervision	0
1	24	Engineering Supervision	0
1	25		
1		Consultant Supervision	105,600
_	26	Freight/Transportation	9,000
1	27	Labor	129,000
1	28	Supplies - Surface	2,500
1	29	Supplies - Living Quarters	1,000
1	30	Rentals - Surface	82,615
1	31	Rentals - Living Quarters	49,900
1	32	Rentals - Downhole	18,500
1	33	Rentals - Pipe & Handling Tools	97,650
1	34	Rentals - Frac Stack	
1	35	Rentals - Frac Tanks	6,300
1	36	Coil Tubing Unit/Workover Rig	
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck	
1	40	Stimulation	
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1	47	Plugging & Abandonment	0
1	53	Overhead	0
1	54	Insurance	20,000
1	55	Contingency	63,023

cos	T CODES	INTANGIBLE COMPLETION COSTS  DESCRIPTION	AMOUNT
2	1	Land - Legal	
2	2	Land - Regulatory	
2	3	Land - Surface Damages	
2	4	Land - Survey	
2	5	Location/Pit Construction	
2	6	Remedial Dirtwork	
2	7	Reserve/Frac Pit Closing	
2	8	Drilling - Contractor	
2	9	Mob/Rig Up - Contractor/Trucking	
2	10	Cementing Services	
2	11	Cementing Services  Cementing Equipment	
2	12	Bits/Drill Out Assemblies	39,42
			39,42
2	13	Fluid Circulation Equipment/Services Fluids/Chemicals	25.07
2	14 15		35,87
_		WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	566,000
2	18	Water	434,79
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,44
2	22	Coring	
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	82,000
2	26	Freight/Transportation	2,000
2	27	Labor	14,220
2	28	Supplies - Surface	2,00
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	20,08
2	31	Rentals - Living Quarters	14,96
2	32	Rentals - Downhole	, ,
2	33	Rentals - Pipe & Handling Tools	-
2	34	Rentals - Frac Stack	95,78
2	35	Rentals - Frac Tanks	29,31
2	36	Coil Tubing Unit/Workover Rig	94,06
2	37	Wireline/Slickline/Perforating	303,20
2	38	Temporary Packers/Plugs	48,10
2	39	High Pressure Pump Truck	69,660
2	40	Stimulation	
	41		2,071,79
2		Rentals - Pressure Control	40.50
2	42	Flowback Services	48,68
2	43	Water Transfer Services	79,50
2	44	Flowback Water Trucking & Disposal	13,05
2	45	Permanent Equipment Installation	1
2	46	Pipeline Tapping Services	1
2	47	Plugging & Abandonment	
2	53	Overhead	16,88
		Incurance	1
2	54	Insurance	

OST CODES		AMOUNT
3 1	Land - Legal	
3 2	Land - Regulatory	
3	Land - Surface Damages	
4	Land - Survey	
5	Location/Pit Construction	5,000
3 6	Remedial Dirtwork	
7	Reserve/Frac Pit Closing	
8	Drilling - Contractor	
3 9	Mob/Rig Up - Contractor/Trucking	
3 10	Cementing Services	
11	Cementing Equipment	
12	Bits/Drill Out Assemblies	
3 13	Fluid Circulation Equipment/Services	
14	Fluids/Chemicals	
15	WBM Cuttings/Wastewater Disposal	
16	OBM Cuttings/Chemical Disposal	
17	Fuel/Power	
18	Water	
19	Directional Drilling	
3 20	Mud Logging	
21	Open/Cased/Production Hole Logs	
3 22	Coring	
3 23	Geologic Supervision	
24	Engineering Supervision	
25	Consultant Supervision	18,500
26	Freight/Transportation	15,000
27	Labor	38,000
28	Supplies - Surface	
29	Supplies - Living Quarters	
30	Rentals - Surface	9,800
31	Rentals - Living Quarters	
32	Rentals - Downhole	
33	Rentals - Pipe & Handling Tools	
34	Rentals - Frac Stack	12,950
35	Rentals - Frac Tanks	15,000
36	Coil Tubing Unit/Workover Rig	34,500
37	Wireline/Slickline/Perforating	5,500
38	Temporary Packers/Plugs	
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	
53	Overhead	(
3 54	Insurance	
55	Contingency	11,778

# TANGIBLE DRILLING COSTS

TOTAL INTANGIBLE DRILLING COSTS: \$2,163,779

TANGIBLE COMPLETION	COSTS	
DESCRIPTION		

TANGIBLE PRODUCTION	COSTS	;
DESCRIPTION		

COST CODES		DESCRIPTION	AMOUNT
4	60	Conductor Casing	30,000
4	61	Surface Casing	112,511
4	62	1st Intermediate Casing	178,610
4	63	2nd Intermediate Casing	194,149
4	64	Production Casing	594,816
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

COST CODES DESCRIPTION AI		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	95,400
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:	\$401,000

TOTAL TANGIBLE DRILLING COSTS: \$1,203,085 TOTAL DRILLING COSTS: \$3,366,864

TOTAL COMPLETION COSTS: \$4,244,622

TOTAL PRODUCTION COSTS: \$676,588 TOTAL WELL COST: \$8,288,075

### TAP ROCK RESOURCES COMPANY APPROVAL:

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

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

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

Double Stamp #123

AFE#: County: Lea

Well Description:

Date: May 10, 2022 MD/TVD: 20360 / 9700 Lateral Length: 10210 Geologic Target: 2nd Bone Spring

 $\ \, \text{Drill, complete, and produce a horizontal 2nd Bone Spring well with a 10210 foot lateral.}$ 

INTANGIBLE COMPLETION COSTS

			, , , , , , , , , , , , , , , , , , ,
		INTANGIBLE DRILLING COSTS	
	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	78,500
1	6	Remedial Dirtwork	0
1	7	Reserve/Frac Pit Closing	0
1	8	Drilling - Contractor	474,408
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	190,000
1	11	Cementing Equipment	33,000
1	12	Bits/Drill Out Assemblies	77,000
1	13	Fluid Circulation Equipment/Services	69,075
1	14	Fluids/Chemicals	73,163
1	15	WBM Cuttings/Wastewater Disposal	45,675
1	16	OBM Cuttings/Chemical Disposal	0
1	17	Fuel/Power	162,750
1	18	Water	54,200
1	19	Directional Drilling	210,000
1	20	Mud Logging	24,071
1	21	Open/Cased/Production Hole Logs	0
1	22	Coring	0
1	23	Geologic Supervision	0
1	24	Engineering Supervision	0
1	25	Consultant Supervision	105,600
1	26	Freight/Transportation	9,000
1	27	Labor	129,000
1	28	Supplies - Surface	2,500
1	29	Supplies - Living Quarters	1,000
1	30	Rentals - Surface	79,465
1	31	Rentals - Living Quarters	49,900
1	32	Rentals - Downhole	18,500
1	33	Rentals - Pipe & Handling Tools	
			97,650
1	34	Rentals - Frac Stack	6 200
1	35	Rentals - Frac Tanks	6,300
1	36	Coil Tubing Unit/Workover Rig	
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck	
1	40	Stimulation	
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1	47	Plugging & Abandonment	0
1	53	Overhead	0
1	54	Insurance	20,000

COST CODES		DESCRIPTION	AMOUNT
2	1	Land - Legal	
2	2	Land - Regulatory	
2	3	Land - Surface Damages	
2	4	Land - Survey	
2	5	Location/Pit Construction	
2	6	Remedial Dirtwork	
2	7	Reserve/Frac Pit Closing	
2	8	Drilling - Contractor	
2	9	Mob/Rig Up - Contractor/Trucking	
2	10	Cementing Services	
2	11	Cementing Equipment	
2	12	Bits/Drill Out Assemblies	39,421
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	35,875
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	566,000
2	18	Water	434,794
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,440
2	22	Coring	-, -
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	82,000
2	26	Freight/Transportation	2,000
2	27	Labor	14,220
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	20,080
2	31	Rentals - Surface  Rentals - Living Quarters	14,960
2	32	Rentals - Downhole	14,500
2	33	Rentals - Pipe & Handling Tools	0
2	34	Rentals - Frac Stack	
			95,787
2	35 36	Rentals - Frac Tanks	29,315
		Coil Tubing Unit/Workover Rig	94,066
2	37	Wireline/Slickline/Perforating	303,200
2	38	Temporary Packers/Plugs	48,100
2	39	High Pressure Pump Truck	69,660
2	40	Stimulation	2,071,792
2	41	Rentals - Pressure Control	
2	42	Flowback Services	48,681
2	43	Water Transfer Services	79,500
2	44	Flowback Water Trucking & Disposal	13,056
2	45	Permanent Equipment Installation	
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	16,880
2	54	Insurance	
2	55	Contingency	152,797

cos	T CODES	INTANGIBLE PRODUCTION COSTS  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	15,000
3	27	Labor	38,00
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	43,00
3	44		6F 06
		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	11,77

#### TANGIBLE DRILLING COSTS DESCRIPTION

TOTAL INTANGIBLE DRILLING COSTS: \$2,163,779

63,023

AMOUNT

29,997

112,511

178,610

194,149 616,502

78,000

1 55 Contingency

4 60 Conductor Casing

61 Surface Casing

65 Tubing 66 Wellhead

62 1st Intermediate Casing

63 2nd Intermediate Casing 64 Production Casing

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

80 Other - Surface

67 Permanent Packers/Hangers/Plugs 68 Tanks

COST CODES

# TANGIBLE COMPLETION COSTS

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

COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	
6 61	Surface Casing	
6 62	1st Intermediate Casing	
6 63	2nd Intermediate Casing	
6 64	Production Casing	
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	
6 69	Production Vessels	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:	\$401.000

TANGIBLE PRODUCTION COSTS

4 81 Other - Downhole TOTAL TANGIBLE DRILLING COSTS: \$1,224,768

TOTAL DRILLING COSTS: \$3,388,547

TOTAL COMPLETION COSTS: \$4,244,622

TOTAL TANGIBLE PRODUCTION COSTS: TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,309,758

### TAP ROCK RESOURCES COMPANY APPROVAL:

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

NON OF ENAME	O I ARTHER ALTROVAL
COMPANY NAME:	
SIGNED BY:	TITLE:
WORKING INTEREST (%):	DATE:
TAX ID:	APPROVAL:

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

Name: AFE #: Lea

Date: May 10, 2022 MD/TVD: 20360 / 9700 Lateral Length: 10210 Geologic Target: 2nd Bone Spring

Well Description:

Drill, complete, and produce a horizontal 2	ind Bone Spring well with a 10210 foot la	terai

INTANGIBLE COMPLETION COSTS

		INTANGIBLE DRILLING COSTS	
	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	78,500
1	6	Remedial Dirtwork	0
1	7	Reserve/Frac Pit Closing	0
1	8	Drilling - Contractor	474,408
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	190,000
1	11	Cementing Equipment	33,000
1	12	Bits/Drill Out Assemblies	77,000
1	13	Fluid Circulation Equipment/Services	69,075
1	14	Fluids/Chemicals	73,163
1	15	WBM Cuttings/Wastewater Disposal	45,675
1	16	OBM Cuttings/Chemical Disposal	0
1	17	Fuel/Power	162,750
1	18	Water	54,200
1	19	Directional Drilling	210,000
1	20	Mud Logging	24,071
1	21	Open/Cased/Production Hole Logs	C
1	22	Coring	C
1	23	Geologic Supervision	C
1	24	Engineering Supervision	C
1	25	Consultant Supervision	105,600
1	26	Freight/Transportation	9,000
1	27	Labor	129,000
1	28	Supplies - Surface	2,500
1	29	Supplies - Living Quarters	1,000
1	30	Rentals - Surface	79,465
1	31	Rentals - Living Quarters	49,900
1	32		
		Rentals - Downhole	18,500
1	33	Rentals - Pipe & Handling Tools	97,650
1	34	Rentals - Frac Stack	
1	35	Rentals - Frac Tanks	6,300
1	36	Coil Tubing Unit/Workover Rig	
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck	
1	40	Stimulation	
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1	47	Plugging & Abandonment	C
1	53	Overhead	0
1	54	Insurance	20,000
1	55	Contingency	63,023
_			

rns	T CODES	DESCRIPTION COSTS	AMOUNT
2	1	Land - Legal	AMOUNT
_		-	
2	2	Land - Regulatory	
2	3	Land - Surface Damages	
2	4	Land - Survey	
2	5	Location/Pit Construction	
2	6	Remedial Dirtwork	
2	7	Reserve/Frac Pit Closing	
2	8	Drilling - Contractor	
2	9	Mob/Rig Up - Contractor/Trucking	
2	10	Cementing Services	
2	11	Cementing Equipment	
2	12	Bits/Drill Out Assemblies	39,421
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	35,875
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	566,000
2	18	Water	434,794
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,440
2	22	Coring	0,440
2	23	Geologic Supervision	
2	24	Engineering Supervision	02.000
2	25	Consultant Supervision	82,000
2	26	Freight/Transportation	2,000
2	27	Labor	14,220
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	20,080
2	31	Rentals - Living Quarters	14,960
2	32	Rentals - Downhole	C
2	33	Rentals - Pipe & Handling Tools	C
2	34	Rentals - Frac Stack	95,787
2	35	Rentals - Frac Tanks	29,315
2	36	Coil Tubing Unit/Workover Rig	94,066
2	37	Wireline/Slickline/Perforating	303,200
2	38	Temporary Packers/Plugs	48,100
2	39	High Pressure Pump Truck	69,660
2	40	Stimulation	2,071,792
2	41	Rentals - Pressure Control	
2	42	Flowback Services	48,681
2	43	Water Transfer Services	79,500
2	44	Flowback Water Trucking & Disposal	13,056
	45	Permanent Equipment Installation	13,030
	1 40		
2			
2	46	Pipeline Tapping Services	
2 2	46 47	Plugging & Abandonment	
2 2 2	46 47 53	Plugging & Abandonment Overhead	16,880
2 2	46 47	Plugging & Abandonment	16,880

	T CODES	DESCRIPTION	AMOUNT
3	1	Land - Legal	AWOONT
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		
3	22	Open/Cased/Production Hole Logs	
		Coologie Supervision	
3	23	Geologic Supervision	
3	24	Engineering Supervision	
3	25	Consultant Supervision	18,500
3	26	Freight/Transportation	15,00
3	27	Labor	38,00
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	05,500
3	46	Pipeline Tapping Services	
3	47	Plugging & Abandonment	
3	53	Overhead	(
3	54	Insurance	
3	55	Contingency	11,778

INTANGIBLE PRODUCTION COSTS

# TOTAL INTANGIBLE DRILLING COSTS: \$2,163,779

TANGIBLE DRILLING COSTS

DESCRIPTION

COST CODES

62 63 64

66

70

72

65 Tubing Wellhead

60 Conductor Casing
61 Surface Casing

1st Intermediate Casing

2nd Intermediate Casing Production Casing

67 Permanent Packers/Hangers/Plugs 68 Tanks Production Vessels Compressors

Surface Flowlines

Gathering Lines Valves & Controllers Artificial Lift Equipment Instrumentation & Measurement 76 Electrical Grounding/Safety Equipment Permanent Equipment Installation

80 Other - Surface 4 81 Other - Downhole

#### TANGIBLE COMPLETION COSTS DESCRIPTION

COST CODES

29,997

112,511

178,610

194.149 616,502

78,000

15,000

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	

COST CODES		DESCRIPTION	AMOUNT
6	60	Conductor Casing	
6	61	Surface Casing	
6	62	1st Intermediate Casing	
6	63	2nd Intermediate Casing	
6	64	Production Casing	
6	65	Tubing	95,400
6	66	Wellhead	62,100
6	67	Permanent Packers/Hangers/Plugs	0
6	68	Tanks	
6	69	Production Vessels	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:	\$401,000

TANGIBLE PRODUCTION COSTS

TOTAL TANGIBLE DRILLING COSTS: \$1,224,768 TOTAL DRILLING COSTS: \$3,388,547

TOTAL TANGIBLE COMPLETION COSTS: \$0 TOTAL COMPLETION COSTS: \$4,244,622 TOTAL TANGIBLE PRODUCTION COSTS: TOTAL PRODUCTION COSTS:

\$676,588

TAP ROCK RESOURCES COMPANY APPROVAL:

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

NON	<b>OPERATING</b>	PARTNER	APPROVAL:

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

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

Date: May 10, 2022 MD/TVD: 20360 / 9700 Lateral Length: 10210 Geologic Target: 2nd Bone Spring 0 Lea NM

Well Description:

 $\label{eq:complete} \textit{Drill, complete, and produce a horizontal 2nd Bone Spring well with a 10210 foot lateral.}$ 

INTANGIBLE COMPLETION COSTS

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	78,500
1	6	Remedial Dirtwork	0
1	7	Reserve/Frac Pit Closing	0
1	8	Drilling - Contractor	474,408
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	190,000
1	11	Cementing Equipment	33,000
1	12	Bits/Drill Out Assemblies	77,000
1	13	Fluid Circulation Equipment/Services	69,075
1	14	Fluids/Chemicals	73,163
1	15	WBM Cuttings/Wastewater Disposal	45,675
1	16	OBM Cuttings/Chemical Disposal	0
1	17	Fuel/Power	162,750
1	18	Water	54,200
1	19	Directional Drilling	210,000
	20		
1		Mud Logging	24,071
1	21	Open/Cased/Production Hole Logs	0
1	22	Coring	0
1	23	Geologic Supervision	0
1	24	Engineering Supervision	0
1	25	Consultant Supervision	105,600
1	26	Freight/Transportation	9,000
1	27	Labor	129,000
1	28	Supplies - Surface	2,500
1	29	Supplies - Living Quarters	1,000
1	30	Rentals - Surface	79,465
1	31	Rentals - Living Quarters	49,900
1	32	Rentals - Downhole	18,500
1	33	Rentals - Pipe & Handling Tools	97,650
1	34	Rentals - Frac Stack	
1	35	Rentals - Frac Tanks	6,300
1	36	Coil Tubing Unit/Workover Rig	
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck	
1	40	Stimulation	
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1	47	Plugging & Abandonment	0
1	53	Overhead	0
1	54	Insurance	20,000
1	55	Contingency	63,023

ODES	DESCRIPTION	AMOUNT
1	Land - Legal	
2	Land - Regulatory	
3	Land - Surface Damages	
4	Land - Survey	
5	Location/Pit Construction	
6	Remedial Dirtwork	
7	Reserve/Frac Pit Closing	
8	Drilling - Contractor	
9	Mob/Rig Up - Contractor/Trucking	
10	Cementing Services	
11	Cementing Services  Cementing Equipment	
12	Bits/Drill Out Assemblies	39,421
		39,421
13	Fluid Circulation Equipment/Services	25.075
14	Fluids/Chemicals	35,875
15	WBM Cuttings/Wastewater Disposal	
16	OBM Cuttings/Chemical Disposal	
17	Fuel/Power	566,000
18	Water	434,794
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	82,000
26	Freight/Transportation	2,000
27	Labor	14,220
28	Supplies - Surface	2,000
29	Supplies - Living Quarters	2,000
30	Rentals - Surface	20,080
31	Rentals - Living Quarters	14,960
32	Rentals - Downhole	C
33	Rentals - Pipe & Handling Tools	(
34	Rentals - Frac Stack	95,787
35	Rentals - Frac Tanks	29,315
36	Coil Tubing Unit/Workover Rig	94,066
37	Wireline/Slickline/Perforating	303,200
38	Temporary Packers/Plugs	48,100
39	High Pressure Pump Truck	69,660
40	Stimulation	2,071,792
41	Rentals - Pressure Control	2,0/1,/9
42		10 501
42	Flowback Services	48,681
	Water Transfer Services	79,500
		13,056
53		16,880
54		
55	Contingency	152,797
54		Plugging & Abandonment Overhead Insurance

	T CODES	DESCRIPTION	AMOUNT
3	1	Land - Legal	
3	2	Land - Regulatory	
3	3	Land - Surface Damages	
3	4	Land - Survey	
3	5	Location/Pit Construction	5,00
3	6	Remedial Dirtwork	
3	7	Reserve/Frac Pit Closing	
3	8	Drilling - Contractor	
3	9	Mob/Rig Up - Contractor/Trucking	
3	10	Cementing Services	
3	11	Cementing Equipment	
3	12	Bits/Drill Out Assemblies	
3	13	Fluid Circulation Equipment/Services	
3	14	Fluids/Chemicals	
3	15	WBM Cuttings/Wastewater Disposal	
3	16	OBM Cuttings/Chemical Disposal	
3	17	Fuel/Power	
3	18	Water	
3	19	Directional Drilling	
3	20	Mud Logging	
3	21	Open/Cased/Production Hole Logs	
3	22	Coring	
3	23		
		Geologic Supervision	
3	24	Engineering Supervision	40.50
-	25	Consultant Supervision	18,50
3	26	Freight/Transportation	15,00
	27	Labor	38,00
	28	Supplies - Surface	
3	29	Supplies - Living Quarters	
3	30	Rentals - Surface	9,800
3	31	Rentals - Living Quarters	
3	32	Rentals - Downhole	
	33	Rentals - Pipe & Handling Tools	
,	34	Rentals - Frac Stack	12,950
	35	Rentals - Frac Tanks	15,000
3	36	Coil Tubing Unit/Workover Rig	34,500
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	03,300
3	46	Pipeline Tapping Services	
3	47	Plugging & Abandonment	
3	53	Overhead	
3	54	Insurance	
3	55	Contingency	11,778

INTANGIBLE PRODUCTION COSTS

## TANGIBLE DRILLING COSTS

TOTAL INTANGIBLE DRILLING COSTS: \$2,163,779

#### TANGIBLE COMPLETION COSTS

TANGIBLE	PRODUCTION	COST

COST CODES		DESCRIPTION	AMOUNT
4	60	Conductor Casing	29,997
4	61	Surface Casing	112,511
4	62	1st Intermediate Casing	178,610
4	63	2nd Intermediate Casing	194,149
4	64	Production Casing	616,502
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

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

COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	
6 61	Surface Casing	
6 62	1st Intermediate Casing	
6 63	2nd Intermediate Casing	
6 64	Production Casing	
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	
6 69	Production Vessels	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 DRILLING COSTS: \$1,224,768

TOTAL COMPLETION COSTS: \$4,244,622

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,309,758

#### TAP ROCK RESOURCES COMPANY APPROVAL:

TOTAL DRILLING COSTS: \$3,388,547

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

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

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

ble Stamp #128

Date: May 10, 2022 MD/TVD: 20360 / 9700 AFE #: Lea Lateral Length: 10210 Geologic Target: 2nd Bone Spring

Well Description:

 $\ \, \text{Drill, complete, and produce a horizontal 2nd Bone Spring well with a 10210 foot lateral.}$ 

cos	T CODES	INTANGIBLE DRILLING COSTS  DESCRIPTION	AMOUNT
1	1	Land - Legal	10,000
1	2	Land - Regulatory	10,000
1	3	Land - Surface Damages	10,000
1	4	Land - Survey	10,000
1	5	Location/Pit Construction	78,500
1	6	Remedial Dirtwork	C
1	7	Reserve/Frac Pit Closing	C
1	8	Drilling - Contractor	474,408
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	190,000
1	11	Cementing Equipment	33,000
1	12	Bits/Drill Out Assemblies	77,000
1	13	Fluid Circulation Equipment/Services	69,075
1	14	Fluids/Chemicals	73,163
1	15	WBM Cuttings/Wastewater Disposal	45,675
1	16	OBM Cuttings/Chemical Disposal	
1	17	Fuel/Power	162,750
1	18	Water	54,200
1	19	Directional Drilling	210,000
1	20		24,071
		Mud Logging	
1	21	Open/Cased/Production Hole Logs	(
	22	Coring	(
1	23	Geologic Supervision	(
1	24	Engineering Supervision	(
1	25	Consultant Supervision	105,600
1	26	Freight/Transportation	9,000
1	27	Labor	129,000
1	28	Supplies - Surface	2,500
1	29	Supplies - Living Quarters	1,000
1	30	Rentals - Surface	79,465
1	31	Rentals - Living Quarters	49,900
1	32	Rentals - Downhole	18,500
1	33	Rentals - Pipe & Handling Tools	97,650
1	34	Rentals - Frac Stack	
1	35	Rentals - Frac Tanks	6,300
1	36	Coil Tubing Unit/Workover Rig	
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck	
1	40	Stimulation	
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1	46	Plugging & Abandonment	(
1	53	Overhead .	(
1	54	Insurance	20,000
1	55	Contingency	63,023

		INTANGIBLE COMPLETION COSTS	
	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	39,421
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	35,875
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	566,000
2	18	Water	434,794
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,440
2	22	Coring	
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	82,000
2	26	Freight/Transportation	2,000
2	27	Labor	14,220
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	20,080
2	31	Rentals - Living Quarters	14,960
2	32	Rentals - Downhole	(
2	33	Rentals - Pipe & Handling Tools	(
2	34	Rentals - Frac Stack	95,787
2	35	Rentals - Frac Tanks	29,315
2	36	Coil Tubing Unit/Workover Rig	94,066
2	37	Wireline/Slickline/Perforating	303,200
2	38	Temporary Packers/Plugs	48,100
2	39	High Pressure Pump Truck	69,660
2	40	Stimulation	2,071,792
2	41	Rentals - Pressure Control	
2	42	Flowback Services	48,683
2	43	Water Transfer Services	79,500
2	44	Flowback Water Trucking & Disposal	13,056
2	45	Permanent Equipment Installation	22,330
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	16,880
2	54	Insurance	10,000
2	55	Contingency	152,797
-		TOTAL INTANGIBLE COMPLETION COSTS:	

		INTANGIBLE PRODUCTION COSTS	
	T CODES	DESCRIPTION Lord Lord	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	38,000
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	11,778
		TOTAL INTANGIBLE PRODUCTION COSTS:	\$275,588

INTANGIBLE PRODUCTION COSTS

## TANGIBLE DRILLING COSTS

DESCRIPTION

COST CODES

61

62

66

67 68

70

72

65 Tubing

Wellhead

Production Vessels

Surface Flowlines

Valves & Controllers Artificial Lift Equipment

Gathering Lines

80 Other - Surface

Compressors

60 Conductor Casing

Surface Casing

1st Intermediate Casing

2nd Intermediate Casing Production Casing

Permanent Packers/Hangers/Plugs Tanks

Instrumentation & Measurement

76 Electrical Grounding/Safety Equipment

Permanent Equipment Installation

TOTAL INTANGIBLE DRILLING COSTS: \$2,163,779

MOUNT

29,997

112,511

178,610

194.149 616,502

78,000

15,000

COST CODES

61

62

5 65 Tubing

72

74

76

77

80

66 Wellhead

70 Compressors

5 60 Conductor Casing

Surface Casing

1st Intermediate Casing

2nd Intermediate Casing Production Casing

67 Permanent Packers/Hangers/Plugs 68 Tanks

Production Vessels

Surface Flowlines

Artificial Lift Equipment

Instrumentation & Measurement

Permanent Equipment Installation

Electrical Grounding/Safety Equipment

Gathering Lines

Other - Surface

5 81 Other - Downhole

#### TANGIBLE COMPLETION COSTS

COS	II CODES	
6	60	Conductor Casing
6	61	Surface Casing
6	62	1st Intermediate C
6	63	2nd Intermediate
6	64	Production Casing
6	65	Tubing
6	66	Wellhead
6	67	Permanent Packer
6	68	Tanks
6	69	Production Vessels
6	70	Compressors
6	71	Surface Flowlines
6	72	Gathering Lines
6	73	Valves & Controlle
4	74	Artificial Lift Facilia

76

77

6

61	Surface Casing	
62	1st Intermediate Casing	
63	2nd Intermediate Casing	
64	Production Casing	
65	Tubing	95,40
66	Wellhead	62,10
67	Permanent Packers/Hangers/Plugs	-
68	Tanks	
69	Production Vessels	160,000
70	Compressors	
71	Surface Flowlines	50,00
72	Gathering Lines	
73	Valves & Controllers	
74	Artificial Lift Equipment	28,50
75	Instrumentation & Measurement	

TANGIBLE PRODUCTION COSTS

DESCRIPTION

4 81 Other - Downhole TOTAL TANGIBLE DRILLING COSTS: \$1,224,768

TOTAL TANGIBLE COMPLETION COSTS: TOTAL COMPLETION COSTS: \$4,244,622 TOTAL TANGIBLE PRODUCTION COSTS: TOTAL PRODUCTION COSTS:

Electrical Grounding/Safety Equipment

Permanent Equipment Installation

5,000

\$401,000

\$676,588

#### TAP ROCK RESOURCES COMPANY APPROVAL:

TOTAL DRILLING COSTS: \$3,388,547

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

Other - Surface

Other - Downhole

NON OF ENATIN	G FARTNER AFFROVAL.	
COMPANY NAME:		
SIGNED BY:	TITLE:	
WORKING INTEREST (%):	DATE:	
TAX ID:	APPROVAL:	

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

INTANGIBLE COMPLETION COSTS

Double Stamp #133

Name: AFE #: Lea Date: May 10, 2022 MD/TVD: 21010 / 10350 Lateral Length: 10210 Geologic Target: 3rd Bone Spring

Well Description: Drill, complete, and produce a horizontal 3rd Bone Spring well with a 10210 foot lateral.

cos	T CODES	INTANGIBLE DRILLING COSTS  DESCRIPTION	AMOUNT
1	1	Land - Legal	10,000
1	2	Land - Regulatory	10,000
1	3	Land - Surface Damages	10,000
1	4	Land - Survey	10,000
1	5	Location/Pit Construction	78,500
1	6	Remedial Dirtwork	С
1	7	Reserve/Frac Pit Closing	0
1	8	Drilling - Contractor	521,426
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	190,000
1	11	Cementing Equipment	33,000
1	12	Bits/Drill Out Assemblies	87,500
1	13	Fluid Circulation Equipment/Services	75,513
1	14	Fluids/Chemicals	90,000
1	15	WBM Cuttings/Wastewater Disposal	54,000
1	16	OBM Cuttings/Chemical Disposal	0
1	17	Fuel/Power	182,125
1	18	Water	65,000
1	19	Directional Drilling	235,000
1	20	Mud Logging	24,071
1	21	Open/Cased/Production Hole Logs	24,071
1	22	Coring	0
1	23		0
1		Geologic Supervision	0
_	24	Engineering Supervision	
1	25	Consultant Supervision	116,600
	26	Freight/Transportation	9,000
1	27	Labor	129,000
1	28	Supplies - Surface	2,500
1	29	Supplies - Living Quarters	1,000
1	30	Rentals - Surface	83,500
1	31	Rentals - Living Quarters	54,525
1	32	Rentals - Downhole	18,500
1	33	Rentals - Pipe & Handling Tools	110,820
1	34	Rentals - Frac Stack	
1	35	Rentals - Frac Tanks	10,000
1	36	Coil Tubing Unit/Workover Rig	
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck	
1	40	Stimulation	
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1	47	Plugging & Abandonment	0
1	53	Overhead	0
1	54	Insurance	20,000
1	55	Contingency	68,447
		TOTAL INTANGIBLE DRILLING COSTS:	\$2,350,026

cos	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	39,421
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	35,875
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	300,800
2	18	Water	311,253
2	19	Directional Drilling	0.00,000
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,440
2	22	Coring	0,110
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	82,000
2	26	Freight/Transportation	2,000
2	27	Labor	14,220
2	28		
2	29	Supplies - Surface Supplies - Living Quarters	2,000
2	30	Rentals - Surface	20,080
			14,960
2	31 32	Rentals - Living Quarters Rentals - Downhole	14,960
2	33	Rentals - Pipe & Handling Tools	0 000
2	34	Rentals - Frac Stack	92,688
2	35	Rentals - Frac Tanks	29,315
2	36	Coil Tubing Unit/Workover Rig	94,066
2	37	Wireline/Slickline/Perforating	239,064
2	38	Temporary Packers/Plugs	41,600
2	39	High Pressure Pump Truck	58,300
2	40	Stimulation	2,790,272
2	41	Rentals - Pressure Control	
2	42	Flowback Services	48,681
2	43	Water Transfer Services	79,500
2	44	Flowback Water Trucking & Disposal	13,056
2	45	Permanent Equipment Installation	
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
-		Overhead	16,880
2	53		-,
2	53 54	Insurance	.,
			147,067

cos	T CODES	INTANGIBLE PRODUCTION COSTS  DESCRIPTION	AMOUNT
3	1	Land - Legal	
3	2	Land - Regulatory	
	3	Land - Surface Damages	
3	4	Land - Survey	
3	5	Location/Pit Construction	5,000
8	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	
,	17	Fuel/Power	
	18	Water	
3	19	Directional Drilling	
3	20	Mud Logging	
3	21	Open/Cased/Production Hole Logs	
3	22	Coring	
1	23	Geologic Supervision	
3	24	Engineering Supervision	
3	25	Consultant Supervision	18,500
3	26	Freight/Transportation	15,000
3	27	Labor	38,000
	28	Supplies - Surface	
	29	Supplies - Living Quarters	
3	30	Rentals - Surface	9,800
3	31	Rentals - Living Quarters	
3	32	Rentals - Downhole	
	33	Rentals - Pipe & Handling Tools	
	34	Rentals - Frac Stack	12,950
	35	Rentals - Frac Tanks	15,000
8	36	Coil Tubing Unit/Workover Rig	34,500
8	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	05,500
3	46	Pipeline Tapping Services	
3	46	Plugging & Abandonment	
3			0
	53	Overhead	U
3	54	Insurance	44 770
3	55	Contingency	11,778

## TANGIBLE DRILLING COSTS

MOUNT

29,997 112,511

178,610

194.149 636,639

78,000

15,000

DESCRIPTION

COST CODES

60 Conductor Casing
61 Surface Casing

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

80 Other - Surface 4 81 Other - Downhole

65 Tubing 66 Wellhead

62 1st Intermediate Casing

2nd Intermediate Casing
Production Casing

67 Permanent Packers/Hangers/Plugs 68 Tanks

#### 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	

COST CODES	DESCRIPTION	AMOUNT
6 60	Conductor Casing	
6 61	Surface Casing	
6 62	1st Intermediate Casing	
6 63	2nd Intermediate Casing	
6 64	Production Casing	
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	
6 69	Production Vessels	160,000
6 70	Compressors	
6 71	Surface Flowlines	50,000
6 72	Gathering Lines	C
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	5,000
6 80	Other - Surface	
6 81	Other - Downhole	

TANGIBLE PRODUCTION COSTS

TOTAL TANGIBLE DRILLING COSTS: \$1,244,905 TOTAL DRILLING COSTS: \$3,594,931

TOTAL TANGIBLE COMPLETION COSTS: \$0 TOTAL COMPLETION COSTS: \$4,483,536

TOTAL PRODUCTION COSTS:

\$676,588

#### TAP ROCK RESOURCES COMPANY APPROVAL:

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

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

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

Date: May 10, 2022 MD/TVD: 21010 / 10350 Lateral Length: 10210 Geologic Target: 3rd Bone Spring 0 Lea

Well Description:

Drill, complete, and produce a horizontal 3rd Bone Spring well with a 10210 foot lateral.

INTANGIBLE COMPLETION COSTS

COST	CODES	DESCRIPTION	AMOUNT
1	1	Land - Legal	10,000
1	2	Land - Regulatory	10,000
1	3	Land - Surface Damages	10,000
1	4	Land - Survey	10,000
1	5	Location/Pit Construction	78,500
1	6	Remedial Dirtwork	0
1	7	Reserve/Frac Pit Closing	0
1	8	Drilling - Contractor	521,426
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	190,000
1	11	Cementing Equipment	33,000
1	12	Bits/Drill Out Assemblies	87,500
1	13	Fluid Circulation Equipment/Services	75,513
1	14	Fluids/Chemicals	90,000
1	15	WBM Cuttings/Wastewater Disposal	54,000
1	16	OBM Cuttings/Chemical Disposal	
1	17	Fuel/Power	182,125
1	18	Water	65,000
1	19	Directional Drilling	235,000
1	20	Mud Logging	24,071
1	21	Open/Cased/Production Hole Logs	0
1	22	Coring	0
1	23	Geologic Supervision	0
1	24	Engineering Supervision	0
1	25	Consultant Supervision	116,600
1	26	Freight/Transportation	9,000
1	27	Labor	129,000
1	28	Supplies - Surface	2,500
1	29	Supplies - Living Quarters	1,000
1	30	Rentals - Surface	83,500
1	31	Rentals - Living Quarters	54,525
1	32	Rentals - Downhole	18,500
1			
_	33	Rentals - Pipe & Handling Tools	110,820
1	34	Rentals - Frac Stack	40.000
1	35	Rentals - Frac Tanks	10,000
1	36	Coil Tubing Unit/Workover Rig	
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck	
1	40	Stimulation	
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1	47	Plugging & Abandonment	C
1	53	Overhead	0
1	54	Insurance	20,000
1	55	Contingency	68,447

cos	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 Services  Cementing Equipment	
2	12	Bits/Drill Out Assemblies	39,421
2	13	Fluid Circulation Equipment/Services	33,421
2	14	Fluids/Chemicals	35,875
2	15	WBM Cuttings/Wastewater Disposal	33,873
2			
	16	OBM Cuttings/Chemical Disposal	FCC 000
2	17	Fuel/Power Water	566,000
2	18	Water	311,253
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,440
2	22	Coring	
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	82,000
2	26	Freight/Transportation	2,000
2	27	Labor	14,220
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	20,080
2	31	Rentals - Living Quarters	14,960
2	32	Rentals - Downhole	0
2	33	Rentals - Pipe & Handling Tools	0
2	34	Rentals - Frac Stack	92,688
2	35	Rentals - Frac Tanks	29,315
2	36	Coil Tubing Unit/Workover Rig	94,066
2	37	Wireline/Slickline/Perforating	239,064
2	38	Temporary Packers/Plugs	41,600
2	39	High Pressure Pump Truck	58,300
2	40	Stimulation	2,518,603
2	41	Rentals - Pressure Control	
2	42	Flowback Services	48,681
2	43	Water Transfer Services	79,500
2	44	Flowback Water Trucking & Disposal	13,056
2	45	Permanent Equipment Installation	
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	16,880
2	54	Insurance	20,000
2	55	Contingency	153,535
-			\$4,483,536

INTANGIBLE PRODUCTION COSTS  COST CODES DESCRIPTION AMOUNT			
3	1	Land - Legal	AMOUNI
-			
3	2	Land - Regulatory	
3	4	Land - Surface Damages Land - Survey	
3	5	Location/Pit Construction	5,000
3	6	Remedial Dirtwork	3,000
3	7	Reserve/Frac Pit Closing	
3	8	Drilling - Contractor	
	9	_	
3		Mob/Rig Up - Contractor/Trucking	
3	10	Cementing Services	
	11	Cementing Equipment	
3		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	38,000
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	0
3	54	Insurance	
3	55	Contingency	11,778

#### TANGIBLE DRILLING COSTS

TOTAL INTANGIBLE DRILLING COSTS: \$2,350,026

TANGIBLE DRILLING COSTS					
COST CODES		DESCRIPTION	AMOUNT		
4	60	Conductor Casing	29,997		
4	61	Surface Casing	112,511		
4	62	1st Intermediate Casing	178,610		
4	63	2nd Intermediate Casing	194,149		
4	64	Production Casing	636,639		
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		

#### 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	

#### TANGIBLE PRODUCTION COSTS

COST CO	ODES	DESCRIPTION	AMOUNT
6	60	Conductor Casing	
6	61	Surface Casing	
6	62	1st Intermediate Casing	
6	63	2nd Intermediate Casing	
6	64	Production Casing	
6	65	Tubing	95,400
6	66	Wellhead	62,100
6	67	Permanent Packers/Hangers/Plugs	0
6	68	Tanks	
6	69	Production Vessels	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 DRILLING COSTS: \$1,244,905 TOTAL DRILLING COSTS: \$3,594,931 TOTAL TANGIBLE COMPLETION COSTS: TOTAL COMPLETION COSTS: \$4,483,536 TOTAL TANGIBLE PRODUCTION COSTS: TOTAL PRODUCTION COSTS:

TOTAL WELL COST: \$8,755,056

\$401,000

\$676,588

#### TAP ROCK RESOURCES COMPANY APPROVAL:

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

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

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

Date: May 10, 2022 MD/TVD: 21010 / 10350 Lateral Length: 10210 Geologic Target: 3rd Bone Spring Name: AFE #: 0 Lea County:

Well Description:

Drill, complete, and produce a horizontal 3rd Bone Spring well with a 10210 foot lateral.

INTANGIBLE COMPLETION COSTS

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	78,500
1	6	Remedial Dirtwork	C
1	7	Reserve/Frac Pit Closing	C
1	8	Drilling - Contractor	521,426
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	190,000
1	11	Cementing Equipment	33,000
1	12	Bits/Drill Out Assemblies	87,500
1	13	Fluid Circulation Equipment/Services	75,513
1	14	Fluids/Chemicals	90,000
1	15	WBM Cuttings/Wastewater Disposal	54,000
1	16	OBM Cuttings/Chemical Disposal	C
1	17	Fuel/Power	182,125
1	18	Water	65,000
1	19	Directional Drilling	235,000
1	20	Mud Logging	24,071
1	21	Open/Cased/Production Hole Logs	24,071
1	22	Coring	0
1	23		0
		Geologic Supervision	
1	24 25	Engineering Supervision	116 600
1		Consultant Supervision	116,600
	26	Freight/Transportation	9,000
1	27	Labor	129,000
1	28	Supplies - Surface	2,500
1	29	Supplies - Living Quarters	1,000
1	30	Rentals - Surface	83,500
1	31	Rentals - Living Quarters	54,525
1	32	Rentals - Downhole	18,500
1	33	Rentals - Pipe & Handling Tools	110,820
1	34	Rentals - Frac Stack	
1	35	Rentals - Frac Tanks	10,000
1	36	Coil Tubing Unit/Workover Rig	
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck	
1	40	Stimulation	
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1	47	Plugging & Abandonment	C
1	53	Overhead	C
	54	Insurance	20,000
1	34		

cos	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 Services  Cementing Equipment	
		Bits/Drill Out Assemblies	20.424
2	12	·	39,421
2	13	Fluid Circulation Equipment/Services	25.075
2	14	Fluids/Chemicals	35,875
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	300,800
2	18	Water	311,253
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,440
2	22	Coring	
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	82,000
2	26	Freight/Transportation	2,000
2	27	Labor	14,220
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	20,080
2	31	Rentals - Living Quarters	14,960
2	32	Rentals - Downhole	(
2	33	Rentals - Pipe & Handling Tools	(
2	34	Rentals - Frac Stack	92,688
2	35	Rentals - Frac Tanks	29,315
2	36	Coil Tubing Unit/Workover Rig	94,066
2	37	Wireline/Slickline/Perforating	239,064
2	38	Temporary Packers/Plugs	41,600
2	39	High Pressure Pump Truck	58,300
2	40	Stimulation	2,341,181
2	41	Rentals - Pressure Control	
2	42	Flowback Services	48,681
2	43	Water Transfer Services	79,500
2	44	Flowback Water Trucking & Disposal	13,056
2	45	Permanent Equipment Installation	-,
2	46	Pipeline Tapping Services	
	47	Plugging & Abandonment	
2		000 /	
2		Overhead	16 880
2	53	Overhead	16,880
		Overhead Insurance Contingency	16,880

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INTANGIBLE PRODUCTION COSTS

#### TANGIBLE DRILLING COSTS

TOTAL INTANGIBLE DRILLING COSTS: \$2,350,026

cost	CODES	DESCRIPTION	AMOUNT
4	60	Conductor Casing	29,997
4	61	Surface Casing	112,511
4	62	1st Intermediate Casing	178,610
4	63	2nd Intermediate Casing	194,149
4	64	Production Casing	636,639
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

#### 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	

## TANGIBLE PRODUCTION COSTS

COST CODES

6 60	Conductor Casing	
6 61	Surface Casing	
6 62	1st Intermediate Casing	
6 63	2nd Intermediate Casing	
6 64	Production Casing	
6 65	Tubing	95,400
6 66	Wellhead	62,100
6 67	Permanent Packers/Hangers/Plugs	0
6 68	Tanks	
6 69	Production Vessels	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: \$401,000		

TOTAL TANGIBLE DRILLING COSTS: \$1,244,905

TOTAL TANGIBLE COMPLETION COSTS: TOTAL COMPLETION COSTS: \$4,023,218

TOTAL PRODUCTION COSTS: \$676,588

#### TAP ROCK RESOURCES COMPANY APPROVAL:

TOTAL DRILLING COSTS: \$3,594,931

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

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

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

Name: Double Stamp #153 AFE #: 0

AFE#: 0 County: Lea State: NM Date: May 10, 2022 MD/TVD: 21010 / 10350 Lateral Length: 10210 Geologic Target: 3rd Bone Spring

Well Description:

Drill, complete, and produce a horizontal 3rd Bone Spring well with a 10210 foot lateral.

INTANGIBLE COMPLETION COSTS

$\neg$	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	78,50
1	6	Remedial Dirtwork	
L	7	Reserve/Frac Pit Closing	(
L	8	Drilling - Contractor	521,42
ı	9	Mob/Rig Up - Contractor/Trucking	50,000
ı	10	Cementing Services	190,000
L	11	Cementing Equipment	33,00
L	12	Bits/Drill Out Assemblies	87,50
ı	13	Fluid Circulation Equipment/Services	75,51
L	14	Fluids/Chemicals	90,000
L	15	WBM Cuttings/Wastewater Disposal	54,00
L	16	OBM Cuttings/Chemical Disposal	
	17	Fuel/Power	182,12
	18	Water	65,00
	19	Directional Drilling	235,00
	20	Mud Logging	24,07
	21	Open/Cased/Production Hole Logs	
	22	Coring	
	23	Geologic Supervision	
	24	Engineering Supervision	
	25	Consultant Supervision	116,60
	26	Freight/Transportation	9,00
	27	Labor	129,00
	28	Supplies - Surface	2,50
	29	Supplies - Living Quarters	1,00
	30	Rentals - Surface	83,50
1			
	31	Rentals - Living Quarters	54,52
-	32	Rentals - Downhole	18,50
	33	Rentals - Pipe & Handling Tools	110,82
-	34	Rentals - Frac Stack	
-	35	Rentals - Frac Tanks	10,00
4	36	Coil Tubing Unit/Workover Rig	
-	37	Wireline/Slickline/Perforating	
4	38	Temporary Packers/Plugs	
_	39	High Pressure Pump Truck	
Ц	40	Stimulation	
L	41	Rentals - Pressure Control	
L	42	Flowback Services	
L	43	Water Transfer Services	
ι	44	Flowback Water Trucking & Disposal	
ı	45	Permanent Equipment Installation	
L	46	Pipeline Tapping Services	
	47	Plugging & Abandonment	
	53	Overhead	(
	54	Insurance	20,000
$\rightarrow$		<u> </u>	1,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,

2         1         Land - Legal           2         2         Land - Regulatory           3         Land - Surface Damages           2         4         Land - Survey           2         5         Location/Pit Construction           2         6         Remedial Dirtwork           2         7         Reserve/Frac Pit Closing           2         8         Drilling - Contractor           2         9         Mob/Rig Up - Contractor/Trucking           2         10         Cementing Services           2         11         Cementing Equipment           2         12         Bits/Drill Out Assemblies         39,42           2         13         Fluid Circulation Equipment/Services           2         14         Fluids/Chemicals         35,87           2         15         WBM Cuttings/Wastewater Disposal           2         16         OBM Cuttings/Chemical Disposal           2         17         Fuel/Power         566,00           2         18         Water         311,25           2         18         Water         311,25           2         19         Directional Drilling         314,25	cos	T CODES	DESCRIPTION COSTS	AMOUNT
2         2         Land - Regulatory           2         3         Land - Surface Damages           2         4         Land - Survey           2         4         Land - Survey           2         5         Location/Pit Construction           2         6         Remedial Dirtwork           2         7         Reserve/Frac Pit Closing           2         9         Mob/Rig Up - Contractor/Trucking           2         10         Cementing Services           2         11         Cementing Equipment           2         12         Bits/Drill Out Assemblies         39,42           2         12         Bits/Drill Out Assemblies         39,42           2         12         Bits/Drill Out Assemblies         39,42           2         13         Fluids/Chemicals         35,87           2         14         Fluids/Chemicals         35,87           2         15         WBM Cuttings/Wastewater Disposal           2         16         OBM Cuttings/Chemical Disposal           2         16         OBM Cuttings/Chemical Disposal           2         17         Fuel/Power         566,00           2         18				AMOUNT
2         4         Land - Survey           2         4         Land - Survey           2         5         Location/Pit Construction           2         6         Remedial Dirtwork           2         7         Reserve/Frac Pit Closing           2         8         Drilling - Contractor           2         9         Mob/Rig Up - Contractor/Trucking           2         10         Cementing Services           2         11         Cementing Equipment           2         12         Bits/Drill Out Assemblies         39,42           2         13         Fluid Circulation Equipment/Services         39,42           2         14         Fluids/Chemicals         35,87           2         15         WBM Cuttings/Wastewater Disposal         31,25           2         16         OBM Cuttings/Chemical Disposal         31,25           2         16         OBM Cuttings/Chemical Disposal         31,25           2         17         Fuel/Power         566,00           2         18         Water         311,25           2         18         Water         311,25           2         19         Directional Drilling         31,2	-		ž .	
2         4         Land - Survey           2         5         Location/Pit Construction           2         6         Remedial Dirtwork           2         7         Reserve/Frac Pit Closing           2         8         Drilling - Contractor           2         9         Mob/Rig Up - Contractor/Trucking           2         10         Cementing Services           2         11         Cementing Equipment           2         12         Bits/Drill Out Assemblies         39,42           2         13         Fluid Circulation Equipment/Services           2         14         Fluids/Chemicals         35,87           2         15         WBM Cuttings/Wastewater Disposal           2         16         OBM Cuttings/Chemical Disposal           2         17         Fuel/Power         566,00           3         18         Water         311,25           4         18         Water         311,25           2         19         Directional Drilling         2           2         10         Open/Cased/Production Hole Logs         8,444           2         22         Coring         2           2         24				
2   5				
2         6         Remedial Dirtwork           2         7         Reserve/Frac Pit Closing           2         8         Drilling - Contractor           2         9         Mob/Rig Up - Contractor/Trucking           2         10         Cementing Services           2         11         Cementing Equipment           2         12         Bits/Drill Out Assemblies         39,42           2         13         Fluid Cruclation Equipment/Services         35,87           2         14         Fluids/Chemicals         35,87           2         15         WBM Cuttings/Wastewater Disposal           2         16         OBM Cuttings/Chemical Disposal           2         16         OBM Cuttings/Chemical Disposal           2         18         Water         311,25           2         18         Water         311,25           2         19         Directional Drilling         20           2         19         Directional Drilling         311,25           2         21         Open/Cased/Production Hole Logs         8,44           2         21         Open/Cased/Production Hole Logs         8,44           2         22         Cori				
2         7         Reserve/Frac Pit Closing           2         8         Drilling - Contractor           2         9         Mob/Rig Up - Contractor/Trucking           2         10         Cementing Services           2         11         Cementing Equipment           2         12         Bits/Drill Out Assemblies         39,42           2         13         Fluids/Chemicals         35,87           2         14         Fluids/Chemical Disposal         35,87           2         15         WBM Cuttings/Chemical Disposal         566,00           2         16         OBM Cuttings/Chemical Disposal         566,00           2         17         Fuel/Power         566,00           2         18         Water         311,25           2         19         Directional Drilling         311,25           2         11         Open/Cased/Production Hole Logs         8,44           2         21         Open/Cased/Production Hole Logs         8,44           2         22         Coring         2           2         23         Geologic Supervision         8           2         24         Engineering Supervision         8				
2				
2   9   Mob/Rig Up - Contractor/Trucking   2   10   Cementing Services   2   11   Cementing Equipment   39,42   12   Bits/Drill Out Assemblies   39,42   13   Fluid Circulation Equipment/Services   2   14   Fluids/Chemicals   35,87   14   15   WBM Cuttings/Wastewater Disposal   2   15   WBM Cuttings/Wastewater Disposal   2   17   Fuel/Power   566,000   311,25   18   Water   311,25   19   Directional Drilling   2   20   Mud Logging   2   21   Open/Cased/Production Hole Logs   8,44   22   23   Geologic Supervision   2   24   Engineering Supervision   2   24   Engineering Supervision   2   25   Consultant Supervision   82,000   2   26   Freight/Transportation   2,000   2   27   Labor   14,22   28   Supplies - Surface   2,000   2   29   Supplies - Living Quarters   2,000   2   23   Rentals - Living Quarters   2,000   2   31   Rentals - Living Quarters   2,008   2   32   Rentals - Pipe & Handling Tools   2   33   Rentals - Frac Stack   92,68   2   34   Rentals - Frac Stack   92,68   2   37   Wireline/Slickline/Perforating   239,06   2   37   Wireline/Slickline/Perforating   239,06   240   Stimulation   2,285,51   241   Rentals - Pressure Pump Truck   58,300   2,285,51   Rentals - Pressure Pump Truck	_			
2				
2         11         Cementing Equipment           2         12         Bits/Drill Out Assemblies         39,42           2         13         Fluid Circulation Equipment/Services         35,87           2         14         Fluids/Chemicals         35,87           2         15         WBM Cuttings/Wastewater Disposal           2         16         OBM Cuttings/Chemical Disposal           2         17         Fuel/Power         566,00           2         18         Water         311,25           2         19         Directional Drilling         311,25           2         20         Mud Logging         2           2         20         Mud Logging         2           2         21         Open/Cased/Production Hole Logs         8,44           2         22         Coring         2           2         23         Geologic Supervision         2           2         24         Engineering Supervision         82,000           2         24         Engineering Supervision         82,000           2         25         Consultant Supervision         82,000           2         26         Freight/Transportation         2				
2         12         Bits/Drill Out Assemblies         39,42           2         13         Fluid Circulation Equipment/Services           2         14         Fluids/Chemicals         35,87           2         15         WBM Cuttings/Wastewater Disposal           2         16         OBM Cuttings/Chemical Disposal           2         17         Fuel/Power         566,000           2         18         Water         311,25           2         19         Directional Drilling         311,25           2         20         Mud Logging         2           2         20         Mud Logging         2           2         21         Open/Cased/Production Hole Logs         8,444           2         22         Coring         2           2         22         Coring         2           2         23         Geologic Supervision         82,000           2         24         Engineering Supervision         82,000           2         25         Consultant Supervision         82,000           2         26         Freight/Transportation         2,000           2         26         Freight/Transportation         2,000				
2         13         Fluid Circulation Equipment/Services           2         14         Fluids/Chemicals         35,87:           2         15         WBM Cuttings/Wastewater Disposal         566,00           2         16         OBM Cuttings/Chemical Disposal         566,00           2         17         Fuel/Power         566,00           2         18         Water         311,25           2         19         Directional Drilling         311,25           2         19         Directional Drilling         8,44           2         21         Open/Cased/Production Hole Logs         8,44           2         21         Open/Cased/Production Hole Logs         8,44           2         22         Coring         2           2         23         Geologic Supervision         2           2         23         Geologic Supervision         8,200           2         25         Consultant Supervision         8,200           2         26         Freight/Transportation         2,00           2         27         Labor         14,22           2         27         Labor         14,22           2         28 <td< td=""><td>_</td><td></td><td></td><td></td></td<>	_			
2         14         Fluids/Chemicals         35,87:           2         15         WBM Cuttings/Wastewater Disposal         2           2         16         OBM Cuttings/Chemical Disposal         566,000           2         17         Fuel/Power         566,000           2         18         Water         311,25           2         19         Directional Drilling           2         21         Open/Cased/Production Hole Logs         8,44           2         22         Coring         2           2         23         Geologic Supervision         82,00           2         23         Geologic Supervision         82,000           2         25         Consultant Supervision         82,000           2         26         Freight/Transportation         2,000           2         27         Labor         14,22           2         28         Supplies - Surface         2,000           2         29         Supplies - Living Quarters         2,00           2         29         Supplies - Surface         20,08           2         31         Rentals - Surface         20,08           2         33         Rentals				39,42
2	_			
2         16         OBM Cuttings/Chemical Disposal           2         17         Fuel/Power         566,00           2         18         Water         311,25           2         19         Directional Drilling           2         29         Mud Logging           2         21         Open/Cased/Production Hole Logs         8,444           2         22         Coring         2           2         23         Geologic Supervision         82,00           2         24         Engineering Supervision         82,00           2         25         Consultant Supervision         82,00           2         26         Freight/Transportation         2,00           2         27         Labor         14,22           2         28         Supplies - Surface         2,00           2         29         Supplies - Surface         2,00           2         29         Supplies - Surface         20,08           2         29         Supplies - Surface         20,08           2         30         Rentals - Surface         20,08           2         31         Rentals - Living Quarters         14,96	2	14		35,875
2         17         Fuel/Power         566,000           2         18         Water         311,25           2         19         Directional Drilling         1           2         19         Directional Drilling         2           2         20         Mud Logging         8,44           2         21         Open/Cased/Production Hole Logs         8,44           2         22         Coring         82,00           2         23         Geologic Supervision         82,00           2         24         Engineering Supervision         82,00           2         25         Consultant Supervision         82,00           2         26         Freight/Transportation         2,00           2         27         Labor         14,22           2         28         Supplies - Surface         2,00           2         29         Supplies - Surface         2,00           2         29         Supplies - Surface         20,00           2         29         Supplies - Living Quarters         14,96           2         31         Rentals - Downhole         6           2         32         Rentals - Pres Stack </td <td>2</td> <td>15</td> <td>WBM Cuttings/Wastewater Disposal</td> <td></td>	2	15	WBM Cuttings/Wastewater Disposal	
2         18         Water         311,25           2         19         Directional Drilling         2           2         20         Mud Logging         8,441           2         21         Open/Cased/Production Hole Logs         8,441           2         21         Open/Cased/Production Hole Logs         8,441           2         22         Coring         2           2         23         Geologic Supervision         82,000           2         24         Engineering Supervision         2,000           2         26         Freight/Transportation         2,000           2         27         Labor         14,222           2         28         Supplies - Surface         2,000           2         28         Supplies - Living Quarters         2,000           2         31         Rentals - Surface         20,08           2         32         Rentals - Living Quarters         14,96           2         33         Rentals - Pipe & Handling Tools         6           2         33         Rentals - Frac Stack         92,68           2         34         Rentals - Frac Tanks         29,31           2 <td< td=""><td>2</td><td>16</td><td>OBM Cuttings/Chemical Disposal</td><td></td></td<>	2	16	OBM Cuttings/Chemical Disposal	
2         19         Directional Drilling           2         20         Mud Logging           2         21         Open/Cased/Production Hole Logs         8,444           2         22         Coring           2         23         Geologic Supervision           2         23         Geologic Supervision           2         24         Engineering Supervision           2         25         Consultant Supervision         82,000           2         26         Freight/Transportation         2,000           2         27         Labor         14,22           2         28         Supplies - Surface         2,000           2         29         Supplies - Living Quarters         2,000           2         30         Rentals - Surface         20,08           2         31         Rentals - Living Quarters         14,96           2         32         Rentals - Downhole         16           2         33         Rentals - Pipe & Handling Tools         16           2         34         Rentals - Frac Stack         92,68           2         35         Rentals - Frac Tanks         29,31           2         35	2	17	Fuel/Power	566,000
2         20         Mud Logging           2         21         Open/Cased/Production Hole Logs         8,444           2         22         Coring         2           2         23         Geologic Supervision         82,000           2         24         Engineering Supervision         82,000           2         25         Consultant Supervision         2,000           2         26         Freight/Transportation         2,000           2         27         Labor         14,222           2         28         Supplies - Surface         2,000           2         29         Supplies - Living Quarters         2,000           2         30         Rentals - Living Quarters         14,96           2         31         Rentals - Downhole         14,96           2         33         Rentals - Frac Tanks         92,68           2         34         Rentals - Frac Tanks         92,68           2         34         Rentals - Frac Tanks         92,68           2         35         Rentals - Frac Tanks         92,68           2         36         Coil Tubing Unit/Workover Rig         94,06           2         37	2	18	Water	311,253
2         21         Open/Cased/Production Hole Logs         8,444           2         22         Coring         2           2         23         Geologic Supervision         2           2         24         Engineering Supervision         82,000           2         25         Consultant Supervision         82,000           2         26         Freight/Transportation         2,000           2         27         Labor         14,222           2         28         Supplies - Surface         2,000           2         29         Supplies - Living Quarters         2,000           2         23         Rentals - Surface         20,008           2         30         Rentals - Surface         20,000           2         31         Rentals - Living Quarters         14,966           2         32         Rentals - Downhole         14,966           2         33         Rentals - Frac Stack         92,68           2         34         Rentals - Frac Stack         92,68           2         34         Rentals - Frac Stack         92,68           2         34         Rentals - Frac Stack         92,68           2	2	19	Directional Drilling	
2         22         Coring           2         23         Geologic Supervision           2         24         Engineering Supervision           2         25         Consultant Supervision         82,000           2         25         Consultant Supervision         2,000           2         26         Freight/Transportation         2,000           2         27         Labor         14,221           2         28         Supplies - Surface         2,000           2         29         Supplies - Living Quarters         20,00           2         30         Rentals - Surface         20,00           2         31         Rentals - Surface         20,00           2         31         Rentals - Surface         20,00           2         32         Rentals - Surface         20,00           2         33         Rentals - Surface         20,00           2         33         Rentals - Surface         20,00           2         33         Rentals - Surface         20,00           2         34         Rentals - Surface         20,00           2         34         Rentals - Pres Stack         92,68	2	20	Mud Logging	
2         23         Geologic Supervision           2         24         Engineering Supervision         82,000           2         25         Consultant Supervision         82,000           2         26         Freight/Transportation         2,000           2         27         Labor         14,222           2         28         Supplies - Surface         2,000           2         29         Supplies - Living Quarters         2,000           2         31         Rentals - Surface         20,08           2         32         Rentals - Fact Stace         20,08           2         32         Rentals - Downhole         14,96           2         32         Rentals - Pipe & Handling Tools         16           2         33         Rentals - Frac Stack         92,68           2         34         Rentals - Frac Tanks         29,31           2         35         Rentals - Frac Tanks         29,31           2         36         Coil Tubing Unit/Workover Rig         94,06           2         37         Wireline/Slickline/Perforating         239,06           2         38         Temporary Packers/Plugs         41,60 <t< td=""><td>2</td><td>21</td><td>Open/Cased/Production Hole Logs</td><td>8,440</td></t<>	2	21	Open/Cased/Production Hole Logs	8,440
2         24         Engineering Supervision           2         25         Consultant Supervision         82,000           2         26         Freight/Transportation         2,000           2         27         Labor         14,222           2         28         Supplies - Surface         2,000           2         29         Supplies - Living Quarters         2,000           2         30         Rentals - Surface         20,08           2         31         Rentals - Furface         20,08           2         31         Rentals - Furface         20,08           2         31         Rentals - Furface         20,08           2         32         Rentals - Furface         20,08           2         31         Rentals - Furface         20,08           2         32         Rentals - Furface         20,08           3         Rentals - Furface         20,08           2         33         Rentals - Furface         92,68           2         34         Rentals - Frac Tanks         92,68           2         35         Rentals - Frac Tanks         29,31           2         36         Coil Tubing Unit/Workover Rig <td>2</td> <td>22</td> <td>Coring</td> <td></td>	2	22	Coring	
2         25         Consultant Supervision         82,000           2         26         Freight/Transportation         2,000           2         27         Labor         14,222           2         28         Supplies - Surface         2,000           2         29         Supplies - Living Quarters         2,000           2         30         Rentals - Surface         20,08           2         31         Rentals - Living Quarters         14,96           2         32         Rentals - Downhole         14,96           2         33         Rentals - Pipe & Handling Tools         92,68           2         34         Rentals - Frac Tanks         29,31           2         35         Rentals - Frac Tanks         29,31           2         36         Coil Tubing Unit/Workover Rig         94,06           2         37         Wireline/Slickline/Perforating         239,06           2         38         Temporary Packers/Plugs         41,60           2         39         High Pressure Pump Truck         58,30           2         39         High Pressure Control           2         41         Rentals - Pressure Control           2	2	23	Geologic Supervision	
2         25         Consultant Supervision         82,000           2         26         Freight/Transportation         2,000           2         27         Labor         14,22           2         28         Supplies - Surface         2,000           2         29         Supplies - Living Quarters         2,000           2         30         Rentals - Surface         20,08           2         31         Rentals - Fuface         20,08           2         31         Rentals - Fuface         20,08           2         32         Rentals - Fuface         20,08           2         33         Rentals - Downhole         14,96           2         33         Rentals - Pipe & Handling Tools         16           2         33         Rentals - Frac Tanks         92,68           2         35         Rentals - Frac Tanks         29,31           2         36         Coil Tubing Unit/Workover Rig         94,06           2         37         Wireline/Slickline/Perforating         239,06           2         38         Temporary Packers/Plugs         41,60           2         39         High Pressure Pump Truck         58,30	2	24	Engineering Supervision	
2         27         Labor         14,222           2         28         Supplies - Surface         2,000           2         29         Supplies - Living Quarters         20,00           2         30         Rentals - Surface         20,08           2         31         Rentals - Living Quarters         14,96           2         32         Rentals - Downhole         14,96           2         33         Rentals - Pipe & Handling Tools         92,68           2         34         Rentals - Frac Stack         92,68           2         35         Rentals - Frac Stack         92,68           2         35         Rentals - Frac Stack         92,68           2         35         Rentals - Frac Stack         92,68           2         36         Coil Tubing Unit/Workover Rig         94,06           2         37         Wireline/Slickline/Perforating         239,06           2         38         Temporary Packers/Plugs         41,60           2         39         High Pressure Pump Truck         58,30           2         40         Stimulation         2,285,51           2         41         Rentals - Pressure Control	2	25		82,000
2         28         Supplies - Surface         2,000           2         29         Supplies - Living Quarters         2,000           2         30         Rentals - Surface         20,088           2         31         Rentals - Living Quarters         14,966           2         32         Rentals - Downhole         1           2         33         Rentals - Pipe & Handling Tools         92,68           2         34         Rentals - Frac Stack         92,68           2         35         Rentals - Frac Tanks         29,31           2         36         Coil Tubing Unit/Workover Rig         94,06           2         37         Wireline/Slickline/Perforating         239,06           2         37         Wireline/Slickline/Perforating         239,06           2         39         High Pressure Pump Truck         58,30           2         40         Stimulation         2,285,51           2         40         Stimulation         2,285,51           2         41         Rentals - Pressure Control           2         42         Flowback Services         48,68           2         43         Water Transfer Services         79,50	2	26	Freight/Transportation	2,000
2         29         Supplies - Living Quarters         2,00           2         30         Rentals - Surface         20,08           2         31         Rentals - Living Quarters         14,96           2         32         Rentals - Downhole         1           2         33         Rentals - Pipe & Handling Tools         1           2         34         Rentals - Frac Stack         92,68           2         35         Rentals - Frac Tanks         29,31           2         36         Coil Tubing Unit/Workover Rig         94,06           2         37         Wireline/Slickline/Perforating         239,06           2         38         Temporary Packers/Plugs         41,60           2         39         High Pressure Pump Truck         58,30           2         40         Stimulation         2,285,51           2         41         Rentals - Pressure Control           2         42         Flowback Services         48,68           2         43         Water Transfer Services         79,50           2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permenent Equipment Installation <t< td=""><td>2</td><td>27</td><td>Labor</td><td>14,220</td></t<>	2	27	Labor	14,220
2         30         Rentals - Surface         20,08           2         31         Rentals - Living Quarters         14,96           2         32         Rentals - Downhole         16           2         33         Rentals - Pipe & Handling Tools         92,68           2         34         Rentals - Frac Stack         92,68           2         35         Rentals - Frac Tanks         29,31           2         36         Coil Tubing Unit/Workover Rig         94,06           2         37         Wireline/Slickline/Perforating         239,06           2         38         Temporary Packers/Plugs         41,60           2         39         High Pressure Pump Truck         58,30           2         39         High Pressure Control           2         40         Stimulation         2,285,51           2         41         Rentals - Pressure Control           2         42         Flowback Services         48,68           2         43         Water Transfer Services         79,50           2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permanent Equipment Installation           2	2	28	Supplies - Surface	2,000
2         31         Rentals - Living Quarters         14,966           2         32         Rentals - Downhole         1           2         33         Rentals - Pipe & Handling Tools         92,68           2         34         Rentals - Frac Stack         92,68           2         35         Rentals - Frac Tanks         29,31           2         36         Coil Tubing Unit/Workover Rig         94,06           2         37         Wireline/Slickline/Perforating         239,06           2         38         Temporary Packers/Plugs         41,60           2         39         High Pressure Pump Truck         58,30           2         40         Stimulation         2,285,51           2         41         Rentals - Pressure Control           2         42         Flowback Services         48,68           2         43         Water Transfer Services         79,50           2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permanent Equipment Installation         2           2         46         Pipeline Tapping Services         7           2         47         Plugging & Abandonment         16	2	29	Supplies - Living Quarters	2,000
2         31         Rentals - Living Quarters         14,966           2         32         Rentals - Downhole         1           2         33         Rentals - Pipe & Handling Tools         92,688           2         34         Rentals - Frac Stack         92,688           2         35         Rentals - Frac Tanks         29,311           2         36         Coil Tubing Unit/Workover Rig         94,066           2         37         Wireline/Slickline/Perforating         239,06           2         38         Temporary Packers/Plugs         41,60           2         39         High Pressure Pump Truck         58,30           2         39         High Pressure Control           2         41         Rentals - Pressure Control           2         42         Flowback Services         48,68           2         43         Water Transfer Services         79,50           2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permanent Equipment Installation           2         46         Pipeline Tapping Services           2         47         Plugging & Abandonment           2         53	2	30	Rentals - Surface	20,080
2         32         Rentals - Downhole           2         33         Rentals - Pipe & Handling Tools           2         34         Rentals - Frac Stack         92,68           2         35         Rentals - Frac Tanks         29,31           2         36         Coil Tubing Unit/Workover Rig         94,06           2         37         Wireline/Silckline/Perforating         239,06           2         38         Temporary Packers/Plugs         41,60           2         39         High Pressure Pump Truck         58,30           2         40         Stimulation         2,285,51           2         41         Rentals - Pressure Control           2         42         Flowback Services         48,68           2         43         Water Transfer Services         79,50           2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permanent Equipment Installation           2         46         Pipeline Tapping Services           2         47         Plugging & Abandonment           2         53         Overhead         16,88           3         Overhead         16,70	2	31		
2         34         Rentals - Frac Stack         92,68           2         35         Rentals - Frac Tanks         29,31           2         36         Coil Tubing Unit/Workover Rig         94,06           2         37         Wireline/Slickline/Perforating         239,06           2         38         Temporary Packers/Plugs         41,60           2         39         High Pressure Pump Truck         58,30           2         40         Stimulation         2,285,51           2         41         Rentals - Pressure Control           2         42         Flowback Services         48,68           2         43         Water Transfer Services         79,50           2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permanent Equipment Installation           2         45         Pipeline Tapping Services           2         47         Plugging & Abandonment           2         53         Overhead         16,88           2         55         Contingency         147,70	2	32	Rentals - Downhole	(
2         34         Rentals - Frac Stack         92,68           2         35         Rentals - Frac Tanks         29,31           2         36         Coil Tubing Unit/Workover Rig         94,06           2         37         Wireline/Slickline/Perforating         239,06           2         38         Temporary Packers/Plugs         41,60           2         39         High Pressure Pump Truck         58,30           2         40         Stimulation         2,285,51           2         41         Rentals - Pressure Control           2         42         Flowback Services         48,68           2         43         Water Transfer Services         79,50           2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permanent Equipment Installation           2         45         Pipeline Tapping Services           2         47         Plugging & Abandonment           2         53         Overhead         16,88           2         55         Contingency         147,70	2	33	Rentals - Pipe & Handling Tools	(
2         35         Rentals - Frac Tanks         29,311           2         36         Coil Tubing Unit/Workover Rig         94,06           2         37         Wireline/Slickline/Perforating         239,06           2         38         Temporary Packers/Plugs         41,60           2         39         High Pressure Pump Truck         58,30           2         40         Stimulation         2,285,51           2         41         Rentals - Pressure Control           2         42         Flowback Services         48,68           2         43         Water Transfer Services         79,50           2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permanent Equipment Installation           2         46         Pipeline Tapping Services           2         47         Plugging & Abandonment           2         53         Overhead         16,88           2         55         Contingency         147,70	2	34		92,688
2         36         Coil Tubing Unit/Workover Rig         94,06           2         37         Wireline/Slickline/Perforating         239,06           2         38         Temporary Packers/Plugs         41,60           2         39         High Pressure Pump Truck         58,30           2         40         Stimulation         2,285,51           2         41         Rentals - Pressure Control           2         42         Flowback Services         48,68           2         43         Water Transfer Services         79,50           2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permanent Equipment Installation           2         46         Pipeline Tapping Services           2         47         Plugging & Abandonment           2         53         Overhead         16,88           2         54         Insurance         147,70	2	35		
2         37         Wireline/Slickline/Perforating         239,06           2         38         Temporary Packers/Plugs         41,60           2         39         High Pressure Pump Truck         58,30           2         40         Stimulation         2,285,51           2         41         Rentals - Pressure Control           2         42         Flowback Services         48,68           2         43         Water Transfer Services         79,50           2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permanent Equipment Installation           2         46         Pipeline Tapping Services           2         47         Plugging & Abandonment           2         53         Overhead         16,88           2         54         Insurance           2         55         Contingency         147,70				
2         38         Temporary Packers/Plugs         41,60           2         39         High Pressure Pump Truck         58,30           2         40         Stimulation         2,285,51           2         41         Rentals - Pressure Control         48,68           2         42         Flowback Services         79,50           2         43         Water Transfer Services         79,50           2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permanent Equipment Installation           2         46         Pipeline Tapping Services           2         47         Plugging & Abandonment           2         53         Overhead         16,88           2         54         Insurance         147,70           2         55         Contingency         147,70	2			
2         39         High Pressure Pump Truck         58,30           2         40         Stimulation         2,285,51           2         41         Rentals - Pressure Control         48,68           2         42         Flowback Services         79,50           2         43         Water Transfer Servicing & Disposal         13,05           2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permanent Equipment Installation           2         46         Pipeline Tapping Services           2         47         Plugging & Abandonment           2         53         Overhead         16,88           2         54         Insurance         147,70           2         55         Contingency         147,70				
2         40         Stimulation         2,285,51           2         41         Rentals - Pressure Control           2         42         Flowback Services         48,68           2         43         Water Transfer Services         79,50           2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permanent Equipment Installation           2         46         Pipeline Tapping Services           2         47         Plugging & Abandonment           2         53         Overhead         16,88           2         54         Insurance         147,70           2         55         Contingency         147,70				
2         41         Rentals - Pressure Control           2         42         Flowback Services         48,68           2         43         Water Transfer Services         79,50           2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permanent Equipment Installation           2         46         Pipeline Tapping Services           2         47         Plugging & Abandonment           2         53         Overhead         16,88           2         54         Insurance           2         55         Contingency         147,70	-			
2     42     Flowback Services     48,68       2     43     Water Transfer Services     79,50       2     44     Flowback Water Trucking & Disposal     13,05       2     45     Permanent Equipment Installation       2     46     Pipeline Tapping Services       2     47     Plugging & Abandonment       2     53     Overhead     16,88       2     54     Insurance       2     55     Contingency     147,70				2,203,31
2         43         Water Transfer Services         79,50           2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permanent Equipment Installation           2         46         Pipeline Tapping Services           2         47         Plugging & Abandonment           2         53         Overhead         16,88           2         54         Insurance           2         55         Contingency         147,70				V8 E0-
2         44         Flowback Water Trucking & Disposal         13,05           2         45         Permanent Equipment Installation           2         46         Pipeline Tapping Services           2         47         Plugging & Abandonment           2         53         Overhead         16,88           2         54         Insurance           2         55         Contingency         147,70				
2         45         Permanent Equipment Installation           2         46         Pipeline Tapping Services           2         47         Plugging & Abandonment           2         53         Overhead         16,88           2         54         Insurance           2         55         Contingency         147,70				
2         46         Pipeline Tapping Services           2         47         Plugging & Abandonment           2         53         Overhead         16,88           2         54         Insurance           2         55         Contingency         147,70				13,030
2     47     Plugging & Abandonment       2     53     Overhead     16,88       2     54     Insurance       2     55     Contingency     147,70				
2         53         Overhead         16,88           2         54         Insurance         147,70           2         55         Contingency         147,70				
2 54 Insurance 2 55 Contingency 147,70				10.00
2 55 Contingency 147,700				16,880
				447.70
	2	55	Contingency	14/,708

cosi	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 25	Engineering Supervision	10 50
3		Consultant Supervision	18,50
_	26	Freight/Transportation	15,00
3	27	Labor	38,00
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	
3	46	Pipeline Tapping Services	
3	47	Plugging & Abandonment	
3	53	Overhead	
3	54	Insurance	
3	55	Contingency	11,77

### TANGIBLE DRILLING COSTS

TOTAL INTANGIBLE DRILLING COSTS: \$2,350,026

68,447

COST CODES

1 55 Contingency

## TANGIBLE COMPLETION COSTS DESCRIPTION

TANGIBLE	PRODUCTION	COSTS

COST CODES

COST CODES		DESCRIPTION	AMOUNT
4	60	Conductor Casing	29,997
4	61	Surface Casing	112,511
4	62	1st Intermediate Casing	178,610
4	63	2nd Intermediate Casing	194,149
4	64	Production Casing	636,639
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

	CODES	DESCRIPTION	ANIOUNI	
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				

6	60	Conductor Casing	
6	61	Surface Casing	
6	62	1st Intermediate Casing	
6	63	2nd Intermediate Casing	
6	64	Production Casing	
6	65	Tubing	95,400
6	66	Wellhead	62,100
6	67	Permanent Packers/Hangers/Plugs	0
6	68	Tanks	
6	69	Production Vessels	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:	\$401,000

TOTAL TANGIBLE DRILLING COSTS: \$1,244,905

TOTAL DRILLING COSTS: \$3,594,931

TOTAL COMPLETION COSTS: \$4,244,622

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,516,142

#### TAP ROCK RESOURCES COMPANY APPROVAL:

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

HON OF ENAM	ING I ARTHUR AT THO VAL
COMPANY NAME	:
SIGNED BY:	
WORKING INTEREST (%):	DATE:
TAX ID:	APPROVAL:

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

Name: Double Stamp #154 AFE #: 0

AFE #: 0 County: Lea State: NM Date: May 10, 2022 MD/TVD: 21010 / 10350 Lateral Length: 10210 Geologic Target: 3rd Bone Spring

Well Description:

Drill, complete, and produce a horizontal 3rd Bone Spring well with a 10210 foot lateral.

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	78,50
1	6	Remedial Dirtwork	
1	7	Reserve/Frac Pit Closing	
1	8	Drilling - Contractor	521,42
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	190,000
1	11	Cementing Equipment	33,00
1	12	Bits/Drill Out Assemblies	87,50
1	13	Fluid Circulation Equipment/Services	75,51
1	14	Fluids/Chemicals	90,000
1	15	WBM Cuttings/Wastewater Disposal	54,00
1	16	OBM Cuttings/Chemical Disposal	
1	17	Fuel/Power	182,12
1	18	Water	65,00
1	19	Directional Drilling	235,00
1	20	Mud Logging	24,07
1	21	Open/Cased/Production Hole Logs	(
1	22	Coring	
1	23	Geologic Supervision	
1	24	Engineering Supervision	
1	25	Consultant Supervision	116,60
1	26	Freight/Transportation	9,00
1	27	Labor	129,00
1	28	Supplies - Surface	2,50
1	29	Supplies - Living Quarters	1,00
1	30	Rentals - Surface	83,50
1	31	Rentals - Living Quarters	54,52
1	32	Rentals - Downhole	18,50
1	33	Rentals - Pipe & Handling Tools	110,820
1	34	Rentals - Frac Stack	110,82
1	35	Rentals - Frac Tanks	10,000
1	36	Coil Tubing Unit/Workover Rig	10,000
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
_	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	-
1	53	Overhead	-
1	54	Insurance	20,00

cos	T CODES	INTANGIBLE COMPLETION COSTS  DESCRIPTION	AMOUNT
2	1	Land - Legal	
2	2	Land - Regulatory	
2	3	Land - Surface Damages	
2	4	Land - Survey	
2	5	Location/Pit Construction	
2	6	Remedial Dirtwork	
2	7	Reserve/Frac Pit Closing	
2	8	Drilling - Contractor	
2	9	Mob/Rig Up - Contractor/Trucking	
2	10	Cementing Services	
2	11	Cementing Equipment	
2	12	Bits/Drill Out Assemblies	39,42
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	35,87
2	15	WBM Cuttings/Wastewater Disposal	33,07
2	16	OBM Cuttings/Chemical Disposal	
	17	Fuel/Power	500.00
2			566,00
2	18	Water	311,25
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,44
2	22	Coring	
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	82,00
2	26	Freight/Transportation	2,00
2	27	Labor	14,22
2	28	Supplies - Surface	2,00
2	29	Supplies - Living Quarters	2,00
2	30	Rentals - Surface	20,08
2	31	Rentals - Living Quarters	14,96
2	32	Rentals - Downhole	
2	33	Rentals - Pipe & Handling Tools	
2	34	Rentals - Frac Stack	92,68
2	35	Rentals - Frac Tanks	29,31
2	36	Coil Tubing Unit/Workover Rig	94,06
2	37	Wireline/Slickline/Perforating	239,06
2	38	Temporary Packers/Plugs	41,60
2	39	High Pressure Pump Truck	58,30
2	40	Stimulation	2,285,51
2	41		2,203,51
		Rentals - Pressure Control	40.00
2	42	Flowback Services	48,68
2	43	Water Transfer Services	79,50
2	44	Flowback Water Trucking & Disposal	13,05
2	45	Permanent Equipment Installation	
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	16,88
2	54	Insurance	
2	55	Contingency	147,70

cos	T CODES	INTANGIBLE PRODUCTION COSTS  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	38,000
3	28	Supplies - Surface	30,000
3	29	Supplies - Living Quarters	
3	30	Rentals - Surface	9,800
3	31	Rentals - Living Quarters	3,000
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	3,300
3	39	High Pressure Pump Truck	
3	40	Stimulation	
3	41	Rentals - Pressure Control	
3	42	Flowback Services	42.600
	43	Water Transfer Services	43,600
3	43		CF 0C0
		Flowback Water Trucking & Disposal	65,960
3	45	Permanent Equipment Installation	
3	46	Pipeline Tapping Services	
3	47	Plugging & Abandonment	
3	53	Overhead .	0
3	54	Insurance Contingency	11,778
3	55		

### TANGIBLE DRILLING COSTS

TOTAL INTANGIBLE DRILLING COSTS: \$2,350,026

#### TANGIBLE COMPLETION COSTS

#### TANGIBLE PRODUCTION COSTS

COST CODES		DESCRIPTION	AMOUNT	cos	то
4	60	Conductor Casing	29,997	5	
4	61	Surface Casing	112,511	5	
4	62	1st Intermediate Casing	178,610	5	
4	63	2nd Intermediate Casing	194,149	5	
4	64	Production Casing	636,639	5	
4	65	Tubing		5	
4	66	Wellhead	78,000	5	
4	67	Permanent Packers/Hangers/Plugs		5	
4	68	Tanks		5	
4	69	Production Vessels		5	
4	70	Compressors		5	
4	71	Surface Flowlines		5	
4	72	Gathering Lines		5	
4	73	Valves & Controllers		5	
4	74	Artificial Lift Equipment		5	
4	75	Instrumentation & Measurement		5	
4	76	Electrical Grounding/Safety Equipment		5	
4	77	Permanent Equipment Installation		5	
4	80	Other - Surface		5	
4	81	Other - Downhole	15,000	5	

Conductor Casing			
Surface Casing			
1st Intermediate Casing			
2nd Intermediate Casing			
Production Casing	0		
Tubing			
Wellhead	0		
Permanent Packers/Hangers/Plugs			
Tanks			
Production Vessels			
Compressors			
Surface Flowlines			
Gathering Lines			
Valves & Controllers			
Artificial Lift Equipment			
Instrumentation & Measurement			
Electrical Grounding/Safety Equipment			
Permanent Equipment Installation	·		
Other - Surface			
Other - Downhole			
TOTAL TANGIBLE COMPLETION COSTS: \$0			
	1st Intermediate Casing 2nd Intermediate Casing Production Casing Tubing Wellhead Permanent Packers/Hangers/Plugs Tanks Production Vessels Compressors Surface Flowlines Gathering Lines Valves & Controllers Artificial Lift Equipment Instrumentation & Measurement Electrical Grounding/Safety Equipment Permanent Equipment Installation Other - Surface Other - Downhole		

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	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:	\$401,000

TOTAL TANGIBLE DRILLING COSTS: \$1,244,905

TOTAL DRILLING COSTS: \$3,594,931

TOTAL COMPLETION COSTS: \$4,244,622

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,516,142

TAP ROCK RESOURCES COMPANY APPROVAL:

THE HOUR MEDO	011020 001111 7111 7111 110 17121
CEO	VP - EXPLORATION
CFO	VP - OPERATIONS
/P - LAND & LEGAL	SENIOR GEOLOGIST

NOIT OF EIGHT	TO I ARTITLE ATT HOVAL
COMPANY NAME	:
SIGNED BY:	TITLE:
WORKING INTEREST (%):	DATE:
TAX ID:	APPROVAL:

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

INTANGIBLE COMPLETION COSTS

Date: May 10, 2022 MD/TVD: 18960 / 8300 Lateral Length: 10210 Geologic Target: Avalon 0 Lea

Well Description:

Drill, complete, and produce a horizontal Avalon well with a 10210 foot lateral.

INTANGIBLE DRILLING COSTS  COST CODES DESCRIPTION AMOUNT				
1	1	Land - Legal	10,000	
1	2	Land - Regulatory	10,000	
1	3	Land - Surface Damages	10,000	
1	4	Land - Survey	10,000	
1	5	Location/Pit Construction	78,500	
1	6	Remedial Dirtwork	0	
1	7	Reserve/Frac Pit Closing	0	
1	8	Drilling - Contractor	450,899	
1	9	Mob/Rig Up - Contractor/Trucking	50,000	
1	10	Cementing Services	185,000	
1	11	Cementing Equipment	33,000	
1	12	Bits/Drill Out Assemblies	77,000	
1	13	Fluid Circulation Equipment/Services	65,856	
1	14	Fluids/Chemicals	90,000	
1	15	WBM Cuttings/Wastewater Disposal	43,750	
1	16	OBM Cuttings/Chemical Disposal	0	
1	17	Fuel/Power	123,438	
1	18	Water	65,000	
1	19	Directional Drilling	180,000	
1	20	Mud Logging	24,071	
1	21	Open/Cased/Production Hole Logs	0	
1	22	Coring	0	
1	23	Geologic Supervision	0	
1	24	Engineering Supervision	0	
1	25	Consultant Supervision	100,100	
1	26	Freight/Transportation	9,000	
1	27	Labor	110,000	
1	28		2,500	
1	29	Supplies - Surface Supplies - Living Quarters		
1			1,000	
_	30	Rentals - Surface	83,500	
1	31	Rentals - Living Quarters	47,588	
1	32	Rentals - Downhole	18,500	
1	33	Rentals - Pipe & Handling Tools	105,724	
1	34	Rentals - Frac Stack		
1	35	Rentals - Frac Tanks	5,925	
1	36	Coil Tubing Unit/Workover Rig		
1	37	Wireline/Slickline/Perforating		
1	38	Temporary Packers/Plugs		
1	39	High Pressure Pump Truck		
1	40	Stimulation		
1	41	Rentals - Pressure Control		
1	42	Flowback Services		
1	43	Water Transfer Services		
1	44	Flowback Water Trucking & Disposal		
1	45	Permanent Equipment Installation		
1	46	Pipeline Tapping Services		
1	47	Plugging & Abandonment	0	
1	53	Overhead	0	
1	54	Insurance	20,000	
1	55	Contingency	60,311	

COST CODES		DESCRIPTION	AMOUNT
2	1	Land - Legal	
2	2	Land - Regulatory	
2	3	Land - Surface Damages	
2	4	Land - Survey	
2	5	Location/Pit Construction	
2	6	Remedial Dirtwork	
2	7	Reserve/Frac Pit Closing	
2	8	Drilling - Contractor	
2	9	Mob/Rig Up - Contractor/Trucking	
2	10	Cementing Services	
2	11	Cementing Equipment	
2	12	Bits/Drill Out Assemblies	39,421
2	13	Fluid Circulation Equipment/Services	-
2	14	Fluids/Chemicals	35,875
2	15	WBM Cuttings/Wastewater Disposal	,
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	566,000
2	18	Water	311,253
2	19	Directional Drilling	311,233
2	20		
		Mud Logging Open/Cased/Broduction Hole Logs	9 440
2	21	Open/Cased/Production Hole Logs	8,440
2	22	Coologie Supervision	
2	23	Geologic Supervision	
2	24	Engineering Supervision	02.000
2	25	Consultant Supervision	82,000
2	26	Freight/Transportation	2,000
2	27	Labor	14,220
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	20,080
2	31	Rentals - Living Quarters	14,960
2	32	Rentals - Downhole	0
2	33	Rentals - Pipe & Handling Tools	0
2	34	Rentals - Frac Stack	92,688
2	35	Rentals - Frac Tanks	29,315
2	36	Coil Tubing Unit/Workover Rig	94,066
2	37	Wireline/Slickline/Perforating	239,064
2	38	Temporary Packers/Plugs	41,600
2	39	High Pressure Pump Truck	58,300
2	40	Stimulation	2,285,517
2	41	Rentals - Pressure Control	
2	42	Flowback Services	48,681
2	43	Water Transfer Services	79,500
2	44	Flowback Water Trucking & Disposal	13,056
2	45	Permanent Equipment Installation	
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	16,880
2	54	Insurance	25,500
2	55	Contingency	147,708
	- 33		l .
		TOTAL INTANGIBLE COMPLETION COSTS:	<b>54,244,622</b>

cos	T CODES	DESCRIPTION	AMOUNT
3	1	Land - Legal	AWOONI
3	2		
		Land - Regulatory	
3	3	Land - Surface Damages	
3		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		
3	22	Open/Cased/Production Hole Logs Coring	
		*	
3	23	Geologic Supervision	
3	24	Engineering Supervision	
3	25	Consultant Supervision	18,500
3	26	Freight/Transportation	15,000
3	27	Labor	38,000
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	.5,000
3	44	Flowback Water Trucking & Disposal	65,960
3	45	Permanent Equipment Installation	55,500
3	46		
		Pipeline Tapping Services	
3	47	Plugging & Abandonment	_
3	53	Overhead	0
3	54	Insurance	
3	55	Contingency	11,778
		TOTAL INTANGIBLE PRODUCTION COSTS:	\$275,588

INTANGIBLE PRODUCTION COSTS

TANGIBLE DRILLING COSTS

TOTAL INTANGIBLE DRILLING COSTS: \$2,070,661

#### TANGIBLE COMPLETION COSTS DESCRIPTION

		TANGIBLE PRODUCTION COSTS
cos	T CODES	DESCRIPTION
6	60	Conductor Casing

COST CODES		DESCRIPTION	AMOUNT
4	60	Conductor Casing	29,997
4	61	Surface Casing	112,511
4	62	1st Intermediate Casing	178,610
4	63	2nd Intermediate Casing	194,149
4	64	Production Casing	573,130
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

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	

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	160,000
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	5,000
6	80	Other - Surface	
6	81	Other - Downhole	
		TOTAL TANCIBLE PRODUCTION COSTS.	¢401 000

TOTAL TANGIBLE DRILLING COSTS: \$1,181,396 TOTAL DRILLING COSTS: \$3,252,057

TOTAL COMPLETION COSTS: \$4,244,622

TOTAL PRODUCTION COSTS: \$676,588

TAP ROCK RESOURCES COMPANY APPROVAL:

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

NON	<b>OPERATING</b>	PARTNER	APPROVAL:

HONOILIA	ING I ARTHER ALT ROTAL
COMPANY NAM	E:
SIGNED BY:	TITLE:
WORKING INTEREST (%):	DATE:
TAX ID:	_ APPROVAL:

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

Name: AFE #: Double Stamp #174

County: Lea Date: May 10, 2022 MD/TVD: 18960 / 8300 Lateral Length: 10210 Geologic Target: Avalon

Well Description:

Drill, complete, and produce a horizontal Avalon well with a 10210 foot lateral.

		INTANGIBLE DRILLING COSTS	
	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	78,500
1	6	Remedial Dirtwork	0
1	7	Reserve/Frac Pit Closing	0
1	8	Drilling - Contractor	450,899
1	9	Mob/Rig Up - Contractor/Trucking	50,000
1	10	Cementing Services	185,000
1	11	Cementing Equipment	33,000
1	12	Bits/Drill Out Assemblies	77,000
1	13	Fluid Circulation Equipment/Services	65,856
1	14	Fluids/Chemicals	90,000
1	15	WBM Cuttings/Wastewater Disposal	43,750
1	16	OBM Cuttings/Chemical Disposal	0
1	17	Fuel/Power	123,438
1	18	Water	65,000
1	19	Directional Drilling	180,000
1	20		
1	21	Mud Logging	24,071
1	22	Open/Cased/Production Hole Logs	0
		Coring	0
1	23	Geologic Supervision	0
1	24	Engineering Supervision	0
1	25	Consultant Supervision	100,100
1	26	Freight/Transportation	9,000
1	27	Labor	110,000
1	28	Supplies - Surface	2,500
1	29	Supplies - Living Quarters	1,000
1	30	Rentals - Surface	83,500
1	31	Rentals - Living Quarters	47,588
1	32	Rentals - Downhole	18,500
1	33	Rentals - Pipe & Handling Tools	105,724
1	34	Rentals - Frac Stack	
1	35	Rentals - Frac Tanks	5,925
1	36	Coil Tubing Unit/Workover Rig	
1	37	Wireline/Slickline/Perforating	
1	38	Temporary Packers/Plugs	
1	39	High Pressure Pump Truck	
1	40	Stimulation	
1	41	Rentals - Pressure Control	
1	42	Flowback Services	
1	43	Water Transfer Services	
1	44	Flowback Water Trucking & Disposal	
1	45	Permanent Equipment Installation	
1	46	Pipeline Tapping Services	
1	47	Plugging & Abandonment	0
1	53	Overhead	0
1	54	Insurance	20,000
1	55	Contingency	60,311
-	- 33		00,511

		INTANGIBLE COMPLETION COSTS	
	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	39,421
2	13	Fluid Circulation Equipment/Services	
2	14	Fluids/Chemicals	35,875
2	15	WBM Cuttings/Wastewater Disposal	
2	16	OBM Cuttings/Chemical Disposal	
2	17	Fuel/Power	566,000
2	18	Water	311,253
2	19	Directional Drilling	
2	20	Mud Logging	
2	21	Open/Cased/Production Hole Logs	8,440
2	22	Coring	
2	23	Geologic Supervision	
2	24	Engineering Supervision	
2	25	Consultant Supervision	82,000
2	26	Freight/Transportation	2,000
2	27	Labor	14,220
2	28	Supplies - Surface	2,000
2	29	Supplies - Living Quarters	2,000
2	30	Rentals - Surface	20,080
2	31	Rentals - Living Quarters	14,960
2	32	Rentals - Downhole	
2	33	Rentals - Pipe & Handling Tools	C
2	34	Rentals - Frac Stack	92,688
2	35	Rentals - Frac Tanks	29,315
2	36	Coil Tubing Unit/Workover Rig	94,066
2	37	Wireline/Slickline/Perforating	239,064
2	38	Temporary Packers/Plugs	41,600
2	39	High Pressure Pump Truck	58,300
2	40	Stimulation	2,285,517
2	41	Rentals - Pressure Control	
2	42	Flowback Services	48,681
2	43	Water Transfer Services	79,500
2	44	Flowback Water Trucking & Disposal	13,056
2	45	Permanent Equipment Installation	15,050
2	46	Pipeline Tapping Services	
2	47	Plugging & Abandonment	
2	53	Overhead	16,880
2	54	Insurance	10,000
2	55	Contingency	147,708
	JJ	TOTAL INTANGIBLE COMPLETION COSTS:	

cos	T CODES	INTANGIBLE PRODUCTION COSTS  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	38,000
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	42.600
3	43		43,600
		Water Transfer Services	CF 000
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	11,778
		TOTAL INTANGIBLE PRODUCTION COSTS:	\$275,588

TANGIBLE DRILLING COSTS

DESCRIPTION

COST CODES

61

80

Other - Surface 4 81 Other - Downhole

65 Tubing 66 Wellhead

60 Conductor Casing

Surface Casing

62 1st Intermediate Casing

63 2nd Intermediate Casing 64 Production Casing

67 Permanent Packers/Hangers/Plugs 68 Tanks Production Vessels 70 Compressors Surface Flowlines 72 Gathering Lines Valves & Controllers Artificial Lift Equipment Instrumentation & Measurement 76 Electrical Grounding/Safety Equipment Permanent Equipment Installation

TOTAL INTANGIBLE DRILLING COSTS: \$2,070,661

MOUNT

29,997

112,511

178,610

194.149 573,130

78,000

15,000

#### TANGIBLE COMPLETION COSTS

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

6	60	Conductor Casing	
6	61	Surface Casing	
6	62	1st Intermediate Casing	
6	63	2nd Intermediate Casing	
6	64	Production Casing	
6	65	Tubing	95,400
6	66	Wellhead	62,100
6	67	Permanent Packers/Hangers/Plugs	0
6	68	Tanks	
6	69	Production Vessels	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:

TANGIBLE PRODUCTION COSTS

DESCRIPTION

COST CODES

TOTAL TANGIBLE DRILLING COSTS: \$1,181,396 TOTAL DRILLING COSTS: \$3,252,057 TOTAL TANGIBLE COMPLETION COSTS: \$0 TOTAL COMPLETION COSTS: \$4,244,622

TOTAL PRODUCTION COSTS: \$676,588

TOTAL WELL COST: \$8,173,267

\$401,000

#### TAP ROCK RESOURCES COMPANY APPROVAL:

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

HON OF ENAMES PARTIES AFTROVAL.								
	COMPANY NAME:							
SIGNED BY:	TITLE:							
WORKING INTEREST (%):	DATE:							
TAX ID:	APPROVAL:							

Tap Rock Operating, LLC
Case No. 22933
Exhibit A-5

Party Communiction

EOG Resources, Inc. 05/10/2022 - Tap Rock mailed well proposals, AFEs, and a proposed JOA form

11/1/2022 - Tap Rock and EOG execute Letter agreement to allow Tap Rock to move

forward with a hearing on its applications.

Tap Rock Operating, LLC
Case No. 22933
Exhibit B

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

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

CASE NOS. 22933, 22934

#### SELF-AFFIRMED STATEMENT OF ELI DENBESTEN

- 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 Units ("Units") in the Delaware Basin within Sections 11 and 14, Township 20 South, Range 32 East in Lea County, New Mexico, dedicated to the:
  - a. Double Stamp Fed Com #113H, #123H, #126H, #133H, #153H, #173H, #114H, #116H, #124H, #128H, #134H, #136H, #154H and #174H wells within the E/2 Unit (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 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 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

yellow dot targeted the 2<sup>nd</sup> Bone Spring Sand. The vertical wells controlling the structure map have the subsea vertical depth posted in red. The subsequent cross-section from A-A' is also identified. I do not observe any faulting, pinch-outs, or other geologic impediments or hazards to developing this targeted interval utilizing horizontal wells.

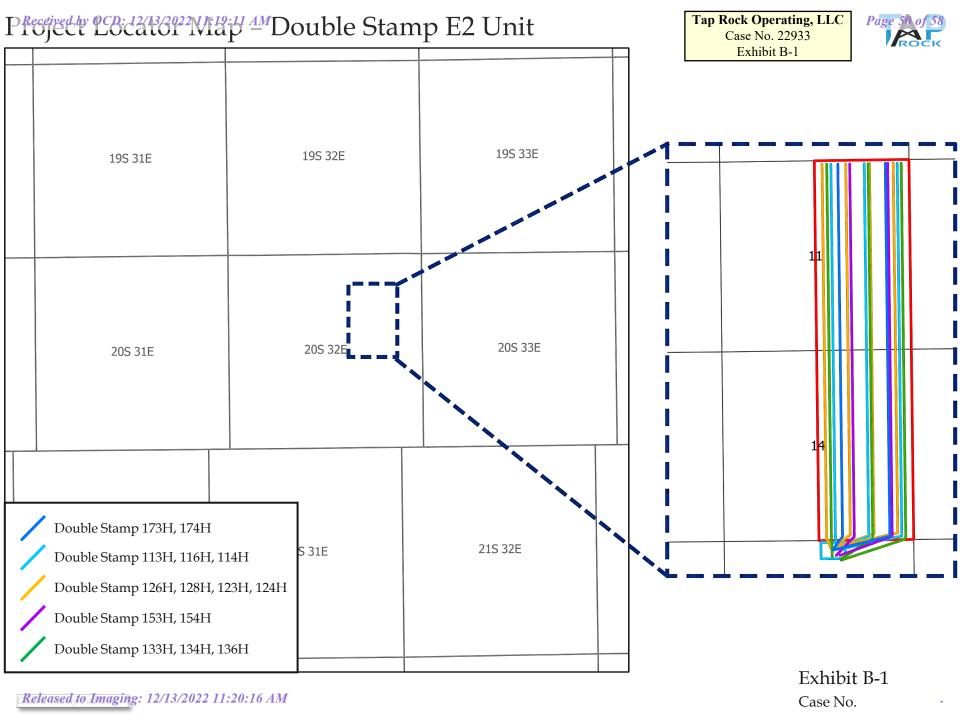
- 5. **Exhibit B-4** is a Bone Spring Stratigraphic Cross Section (flattened on the 2<sup>nd</sup> Bone Spring Sand). The exhibit contains a gamma ray log and deep resistivity log for two of the wells, and a gamma ray log, deep resistivity log, and porosity track for the third well. This exhibit identifies the key tops used to evaluate reservoirs and landing targets for the Wells. The peach circles on the depth track of Well 3 shows the landing target intervals for the Wells.
- 6. **Exhibit B-5** is an Isopach Map of the Bone Spring interval. This map shows the location of the Units outlined by the red box. The surface/bottom hole location of the Wells are shown, zoomed in, to the right. The anticipated gross thickness of the interval is 3050' 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.

11. 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 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

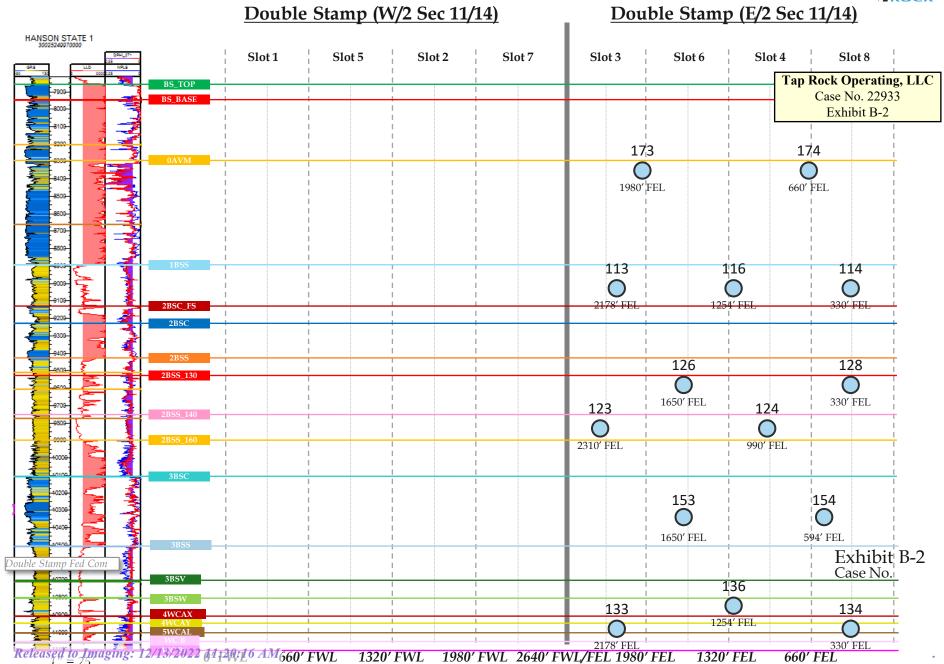
11-10-2022

Date

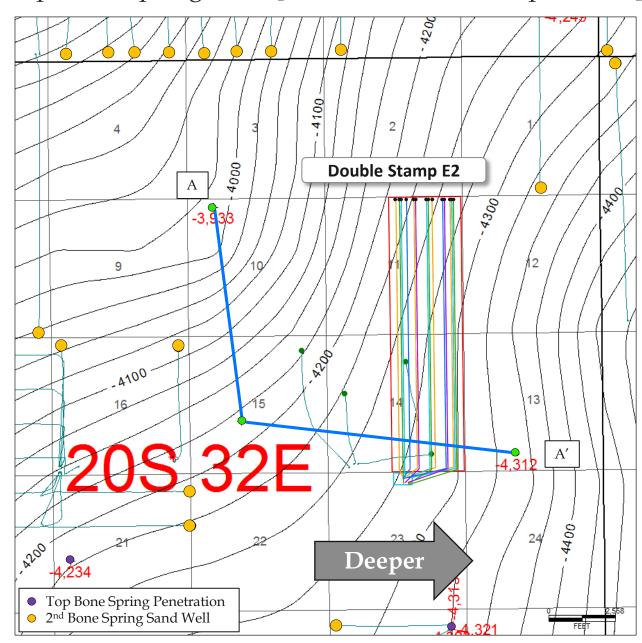


Received by OCD: 12/13/2022 11:19:11 AM Bone Spring Target Zone Development





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



Tap Rock Operating, LLC
Case No. 22933
Exhibit B-3



## **Map Legend**





C.I. = 25'

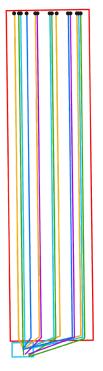
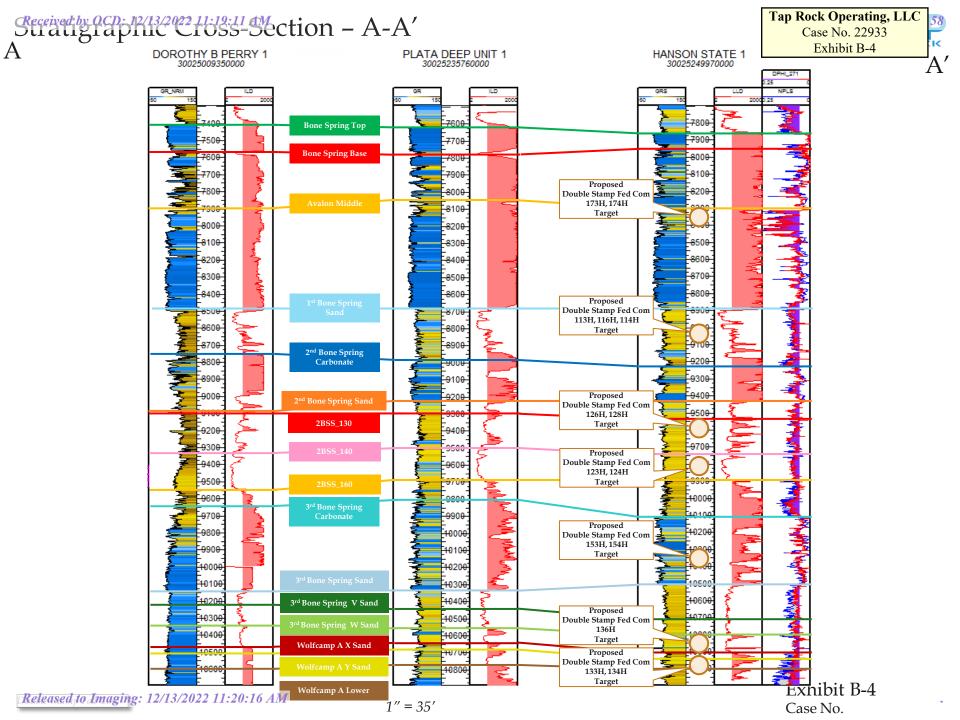
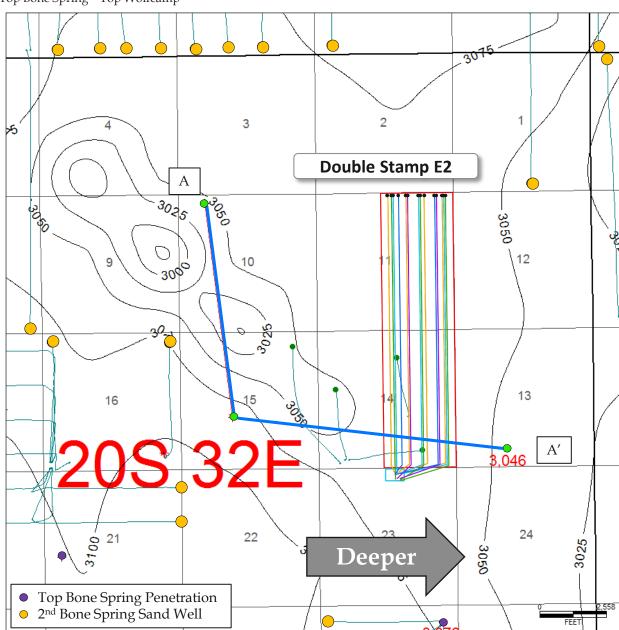


Exhibit B-3 Case No.



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

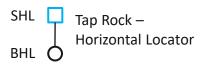
Top Bone Spring - Top Wolfcamp



Tap Rock Operating, LLC
Case No. 22933
Exhibit B-5



## Map Legend





C.I. = 25'

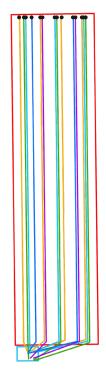


Exhibit B-5 Case No.

Page 55 of 58

Tap Rock Operating, LLC

Case No. 22933 Exhibit C

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

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

CASE NOS. 22933, 22934

## SELF-AFFIRMED STATEMENT OF MICHAEL RODRIGUEZ

- I am attorney in fact and authorized representative of Tap Rock Operating, LLC, the Applicant herein.
- 2. On July 14, 2022, I caused notice of the applications for the captioned cases to be sent by certified mail through the United States Postal Service to all interest owners entitled to receive notice of the applications filed herein.
- 3. The notice letter attached as **Exhibit C-1**, along with the applications in these cases, were sent to the uncommitted interest owners in these cases. This exhibit also contains a tracking sheet that identifies the parties and addresses that notice was sent to and the status of receipt.
- 4. On July 15, 2022, notice was also directed to all interested parties by publication in the Carlsbad Current Argus. An Affidavit of Publication from the Legal Clerk of the Carlsbad Current Argus, along with a copy of the notice publication, is attached as **Exhibit C-2**.
- 5. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 4 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.

MOR	12/6/2022			
Michael Rodriguez	Date			

523 PARK POINT DRIVE, SUITE 200 - GOLDEN, COLORADO 80401

MICHAEL RODRIGUEZ – ATTORNEY MDRODRIGUEZ@TAPRK.COM



Tap Rock Operating, LLC Case No. 22933 Exhibit C-1

December 12, 2022

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

TO: ALL INTERESTED PARTIES SUBJECT TO NOTICE

Re: Case Nos. <u>22933, 22934</u> - Applications 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 August 4, 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:

Erica Shewmaker Tap Rock Operating, LLC 720-987-7446 eshewmaker@taprk.com

Thank you,

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

Received by OCD: 12/13/2022 11:19:11 AM

Tracl	kingNo	ToCompanyName	ToName	DeliveryAddress	City	State	Zip		USPS_Status Your item was picked up at a postal facility at 7:46 am on July 19, 2022
9414	4811898765876291341		EOG Resources, Inc.	5509 Champions Dr	Midland	TX	79706-2843	, ,	in MIDLAND, TX 79702. Your item was delivered to an individual at the address at 2:16 pm on July 18, 2022 in MIDLAND, TX
9414	4811898765876291389		Colgate Royalties, LP	300 N Marienfeld St Ste 1000	Midland	TX	79701-4688	07/14/2022	
9414	4811898765876291051	Anadarko E&P Onshore LLC /	Anadarko Petroleum Corporation	1201 Lake Robbins Dr	The Woodlands	TX	77380-1181		facility. Your item was delivered to an individual at the address at 1:37 pm on July 18, 2022 in SANTA FE, NM
9414	4811898765876291006		Bureau of Land Management	PO Box 27115	Santa Fe	NM	87502-0115	07/14/2022	87508.

Tap Rock Operating, LLC
Case No. 22933
Exhibit C

## **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 July 15, 2022 and ending with the issue dated July 15, 2022.

Publisher

Sworn and subscribed to before me this 15th day of July 2022.

Business Manager

My commission expires January 29, 2023

(Seal)

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

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

#### LEGAL NOTICE July 15, 2022

To all interested parties subject to notice including EOG Resources, Inc.; Colgate Royalties, LP Anadarko E&P Onshore LLC; Anadarko Petroleum Corporation; Bureau of Land Management; and their Anadarko E&P Onshore LLC: Anadarko Petroleum Corporation; Bureau of Land Management; and their successors or assigns. On August 4, 2022, the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Tap Rock Operating, LLC in Case No. 22933. 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 H e a r i n g s w e b s i t e https://www.emnrd.nm.gov/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 E/2 of Sections 11 and 14, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico. The Unit will be dedicated to the following proposed initial wells ("Wells") which it intends to drill simultaneously:

Double Stamp Fed Com #13H, Double Stamp Fed Com #123H, Double Stamp Fed Com #126H, Double Stamp Fed Com #173H to be horizontally drilled from a surface hole location in the SW/4SE/4 of Section 14 to a bottom hole location in the NW/4NE/4 of Section 11, and

Double Stamp Fed Com #154H and Double Stamp Fed Com #134H, Double Stamp Fed Com #136H, Double Stamp Fed Com #136H, Double Stamp Fed Com #174H to be horizontally drilled from a surface hole location in the SW/4SE/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 14 to a bottom hole location in the NE/4NE/4 of Section 14 to a bottom hole to a bottom hole location in the NE/4NE/4 of Section 11. The completed interval for the Double Stamp Fed Com #116H will be within 330' of the quarter-quarter line separating the W/2E/2 from the E/2E/2 of Sections 11 and 14 to allow the inclusion of this acreage into a standard horizontal spacing unit. 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 35 miles southwest of Hobbs, New Mexico.

MINIO

67117307

00268919

MICHAEL RODRIGUEZ
TAP ROCK OPERATING LLC
523 PARK POINT DR
GOLDEN, CO 80401