

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

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

CASE NO. _____

APPLICATION

Tap Rock Operating, LLC ("Tap Rock" or "Applicant"), OGRID No. 372043, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, seeking an order pooling all uncommitted mineral interests within a standard 640-acre, more or less, Purple Sage Wolfcamp horizontal spacing unit ("Unit") comprised of the N/2 of Sections 32 and 33, Township 25 South, Range 26 East, Eddy County, New Mexico. In support of this application, Tap Rock states the following:

1. Applicant is a working interest owner in the proposed Unit and has the right to drill thereon.
2. Applicant proposes to drill the following wells in the proposed Unit (collectively, the "Wells"):
 - a. **Always Smooth Fed Com #211H** well, to be horizontally drilled from an approximate surface hole location 243' FSL and 291' FWL of Section 29, T25S-R26E, to an approximate bottom hole location 825' FNL and 5' FEL of Section 33, T25S-R26E.
 - b. **Always Smooth Fed Com #212H** well, to be horizontally drilled from an approximate surface hole location 243' FSL and 420' FWL of Section 29, T25S-

R26E, to an approximate bottom hole location 2260' FNL and 5' FEL of Section 33, T25S-R26E.

3. The proposed Wells are orthodox in their location, and the take points and completed intervals comply with setback requirements under statewide rules.
4. Applicant has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the Wells or in the commitment of their interests to the Wells for their development within the proposed Unit.
5. The pooling of all interests in the Purple Sage Wolfcamp formation within the proposed Unit, and the establishment of the standard spacing unit, will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
6. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Applicant requests that all uncommitted interests in this Unit be pooled and that Applicant be designated the operator of the proposed horizontal Wells and Unit.

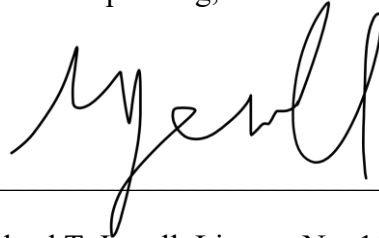
WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 9, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Creating a standard 640-acre, more or less, horizontal spacing unit comprised of the N/2 of Sections 32 and 33, Township 25 South, Range 26 East, Eddy County, New Mexico.
- B. Pooling all uncommitted mineral interests in the Purple Sage Wolfcamp formation underlying the Unit.
- C. Allowing the drilling of all proposed Wells in the Unit;

- D. Designating Applicant as the operator of the Unit and the horizontal Wells to be drilled thereon;
- E. Authorizing Applicant to recover its costs of drilling, equipping, and completing the Wells;
- F. Approving the actual operating charges and costs of supervision, to the maximum extent allowable, while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- G. Imposing a 200% charge for the risk assumed by Applicant 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

A handwritten signature in black ink, appearing to read 'M. Jewell', written over a horizontal line.

Michael T. Jewell, License No. 152702
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CASE _____:

Application of Tap Rock Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in a standard 640-acre, more or less, well spacing unit in the Purple Sage Wolfcamp formation underlying the N/2 of Sections 32 and 33, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico. Tap Rock seeks to dedicate the above-referenced spacing unit to the proposed Always Smooth Fed Com #211H well to be drilled from a surface hole location in the SW/4 SW/4 of Section 29 to a bottom hole location in the NE/4 NE/4 of Section 33 and the proposed Always Smooth Fed Com #212H well to be drilled from a surface hole location in the SW/4 SW/4 of Section 29 to a bottom hole location in the SE/4 NE/4 of Section 33. Also to be considered will be the cost of drilling, equipping and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Applicant as operator, and a 200% charge for risk involved in drilling, equipping and completing the well. Said wells and lands are located approximately 7.5 miles southeast of Whites City, New Mexico.