

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

**APPLICATION OF TAP ROCK
OPERATING, LLC FOR APPROVAL OF
STANDARD HORIZONTAL SPACING
UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 26047

TAP ROCK OPERATING, LLC’S PRE-HEARING STATEMENT

Tap Rock Operating, LLC (“Tap Rock”), OGRID No. 372043, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Tap Rock Operating, LLC

ATTORNEY

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INTERESTED PARTY

Powderhorn Assets, LLC

ATTORNEY

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APPLICANT’S STATEMENT OF CASE

In this case, Tap Rock seeks orders to approve a standard 640-acre, more or less, horizontal spacing unit (“HSU”) composed of the S/2 of Sections 3 and 4, Township 25 South, Range 25 East, N.M.P.M., Eddy County, New Mexico (the “Application Lands”), and to pool all uncommitted mineral interests in the Cottonwood Draw; Bone Spring Pool [97494], designated as an oil pool, underlying said HSU.

Under **Case 26047**, Tap Rock seeks to pool the Cottonwood Draw; Bone Spring Pool underlying the Application Lands and seeks to dedicate the HSU to the following proposed well:

- A. **Beer 30 Fed Com #154H** (API No. *Pending*), which is an oil well that will be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 3, Township 25 South, Range 25 East, to a bottom hole location in the Cottonwood Draw; Bone Spring Pool in the SW/4 SW/4 (Unit M) of Section 4, Township 25 South, Range 25 East.

The well is orthodox in its location as defined by 19.15.16.15.(C) NMAC, and the take points and laterals comply with Statewide Rules for setbacks under 19.15.16.15.(C) NMAC. Also to be considered will be the cost of drilling and completing the Well and the allocation of the cost, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well.

The well and lands are located approximately 1.2 miles south of Whites City, New Mexico.

APPLICANT’S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Erica Shewmaker, Senior Landman	Affidavit	Approx. 5
Matt Jones, Vice President of Geoscience	Affidavit	Approx. 5

PROCEDURAL MATTERS

If uncontested at the hearing, Tap Rock intends to present these cases by affidavit.

Dated this 30th day of April, 2026.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By: 

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the forgoing was served to counsel of record by electronic mail this 30th day of April 2026, as follows:

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

Action 580963

QUESTIONS

Operator: TAP ROCK OPERATING, LLC 1700 Lincoln St Denver, CO 80203	OGRID: 372043
	Action Number: 580963
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	2
Testimony time (in minutes)	10