Approved

NSL

Order

Approved: 07/16/20

State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst Cabinet Secretary Adrienne E. Sandoval, Director Oil Conservation Division

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary

July 16, 2020

Ms. Kaitlyn A. Luck kaluck@hollandhart.com



NON-STANDARD LOCATION

Administrative Order NSL-8045

Tap Rock Operating, LLC [OGRID 372043] WTG Federal Com Well No. 202H API No. 30-015-PENDING

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County_
Surface	285 FNL & 2000 FWL	С	27	26S	29E	Eddy
First Take Point	330 FNL & 1920 FWL	C	27	26S	29E	Eddy
Last Take Point	100 FSL & 1920 FWL	10	34	26S	29E	Eddy
Terminus	30 FSL & 1920 FWL	10	34	26S	29E	Eddy

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
W/2 of Section 27	457.78	Purple Sage; Wolfcamp (GAS)	98220
W/2 of Section 34			

Reference is made to your application received on July 13, 2020.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules for the Purple Sage; Wolfcamp (Gas) Pool of and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 100 feet to the southern edge of the horizontal spacing unit. The encroachment infringes toward the exterior state boundary line, which is not concerning of the correlative rights of all interested parties for this unorthodox location.

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches. Public notice is not required as all affected parties are located exterior to the State's jurisdiction.

Administrative Order NSL-8045 Tap Rock Operating, LLC July 16, 2020 Page 2 of 2

Division understands you are seeking this unorthodox location in order to optimize well spacing and thereby preventing waste within the Wolfcamp formation underlying the W/2 of Section 27 and the W/2 of irregular Section 34.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.

ADRIENNE E. SANDOVAL Division Director

AES/lrl

cc: Oil Conservation Division – Artesia District Office State Land Office – Oil, Gas, and Mineral Division Bureau of Land Management – Carlsbad Field Office From: Lowe, Leonard, EMNRD

To: Kaitlyn A. Luck

Cc: Bratcher, Mike, EMNRD; Podany, Raymond, EMNRD; "lisa@rwbyram.com"; Simmons, Kurt, EMNRD; Terry

Warnell; McClure, Dean, EMNRD; Simmons, Kurt, EMNRD; Garcia, John A, EMNRD; Scott Cox;

"jglover@blm.gov"; Holm, Anchor E.

Subject: APPROVED NSLs_TAP ROCK OPERATING, LLC_ WTG FED COM WELLS [202H, 212H, 217H]_SEC 27 26S 29E

Date: Thursday, July 23, 2020 1:49:00 PM

Attachments: NSL-8045 TAP ROCK WTG Fed Com Well No. 202H 07.13.20 SIGNED.pdf

NSL-8046 TAP ROCK WTG Fed Com Well No. 212H 07.13.20 SIGNED.pdf NSL-8047 TAP ROCK WTG Fed Com Well No. 217H 07.13.20 SIGNED.pdf

image001.png

Importance: High

Ms. Kaitlyn A. Luck,

The following NSL Administrative Orders have been issued and will soon be available on the Division's web site:

http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx

Tap Rock Operating, LLC [372043]

NSL	AMD	My	API
8047	-	WTG Federal Com Well No. 217H	30-015-PENDING
8046	-	WTG Federal Com Well No. 212H	30-015-PENDING
8045	-	WTG Federal Com Well No. 202H	30-015-PENDING

A copy of the approved orders are attached.

PLEASE INFORM THE OCD WHEN THESE WELLS HAVE BEEN ASSIGNED AN API NUMBER.

Leonard R. Lowe

Engineering Bureau OCD - EMNRD 5200 Oakland Ave Albuquerque, N.M. 87113

C: 505-930-6717

http://www.emnrd.state.nm.us/ocd/