TOTTA				Revised March 23, 2017
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		E APPLICATIO		CT
THIS CHECKLIST IS MANDATO	RY FOR ALL ADM		ONS FOR EXCEPTI	ONS TO DIVISION RULES AND
pplicant: Tap Rock Operating, LLC			0	GRID Number: 372043
ell Name: Zeus 24S33E0909 State No. 22	8H and Zeus 24S3	3E0909 State No. 204H		PI: 30-025-44525 & 30-025-44473
Upper Wolfcamp Pool, Triple X; Bone Spr	ing, West Pool		Po	<b>bol Code:</b> <u>98135 &amp; 96674</u>
) <b>TYPE OF APPLICATION:</b> Check A. Location – Spacing Unit – NSL		ous Dedication	PRORATION UNIT)	DSD DLC-52
[   ] Commingling – Stora DHC CTB [    ] Injection – Disposal – WFX PMX PMX	LYPLC - Pressure Ind SWD Check those	PC OLS crease – Enhan IPI EO	ced Oil Rec	FOR OCD ONLY Notice Complete
A. Offset operators or lead B. Royalty, overriding roy C. Application requires p D. Notification and/or co E. Notification and/or co F. , Surface owner	alty owners oublished no	otice pproval by SLO		Application Content Complete
G: For all of the above, p H. No notice required	proof of notif	fication or publ	ication is at	tached, and/or,
) <b>CERTIFICATION:</b> I hereby certif administrative approval is <b>acc</b> understand that <b>no action</b> will notifications are submitted to	<b>urate</b> and <b>c</b> be taken o	complete to the in this application	e best of my	knowledge. I also
Note: Statement must be	e completed by	an individual with m	anagerial and/c	or supervisory capacity.
е.	$\sim$	,	October 12, 20 Date	18
ordan L. Kessler			Daio	
rint or Type Name 💦 🧃	-			
			505-988-4421	
			505-988-4421 Phone Num	nber
			<u> </u>	llandhart.com

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Jordan L. Kessler Associate Phone (505) 988-4421 Fax (505) 983-6043 jikessler@hollandhart.com

October 12, 2018

## VIA HAND DELIVERY

OCT 12 2018 AKI0:57

Heather Riley Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

# Re: Application of Tap Rock Operating, LLC for administrative to surface commingle (pool commingle) oil and gas production from the spacing units underlying the E/2 E/2 of Section 9, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

Dear Ms. Riley,

Tap Rock Operating, LLC (OGRID No. 372043) seeks administrative approval to surface commingle (pool commingle) oil and gas production from the WC-025 G-09 S243310P; Upper Wolfcamp Pool (98135) and the Triple X; Bone Spring, West Pool (96674) from all existing and future wells drilled in the following spacing units in Lea County:

(a) Wolfcamp formation, E/2 E/2 of Section 9, Township 24 South, Range 33: This spacing unit is dedicated to the Zeus 24S33E0909 State No. 228H (API No. 30-025-44525) and the Zeus 24S33E0909 State No. 204H well (API No. 30-025-44473). These wells are producing from the WC-025 G-09 S243310P; Upper Wolfcamp (Pool Code 98135).

(b) Bone Spring formation, E/2 E/2 of Section 9 Township 24 South, Range 33: This spacing unit is dedicated to the Zeus 24S33E0909 State No. 108H (API No. 30-025-44523), the Zeus 24S33E0909 State No. 188H (API No. 30-025-44524), and the Mogi 9 State Com No. 11H (API No. 30-025-41787). These wells are producing from the Triple X; Bone Spring, West (Pool Code 96674).

Pursuant to NMAC 19.15.12.7, approved spacing units with are considered separate leases for surface commingling purposes. Tap Rock seeks authority to surface commingle production between the Wolfcamp and Bone Spring pools according to the provisions of NMAC 19.15.12.10.C *from all existing and future wells* in these separate spacing units at a surface facility located in the SE/4 SE/4 (Unit P) of Section 9. Pursuant to 19.15.12.10(C)(4)(g), Tap Rock also seeks authority to commingle production from future wells with notice provided only to interest

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. 3



owners within future leases. Prior to commingling, gas production from each well will be separately metered using individual test separators with calibrated orifice meters that are manufactured to AGA specifications. Oil production from each well will also be separately metered using a turbine meter.

**Exhibit 1** is a land plat showing Tap Rock's current development and gathering system in the subject area. The plat identifies the wellbores, the spacing units, and the common surface facility located in the SE/4 SE/4 (Unit P) of Section 9. The lands in the E/2 E/2 of Section 9 are state lands.

**Exhibit 2** is a completed Application for Surface Commingling Form C-107-B with attachments.

**Exhibit 3** is a C-102 for each of the wells currently drilled within the existing spacing units.

Exhibit 4 is a diagram of the surface facilities.

**Exhibit 5** is a list of the interest owners affected by this request for approval to off-lease measure and surface commingle production. A copy of this application with all attachments has been sent by certified mail to all affected parties advising them that if they have an objection they must file it in writing with the division within 20 days from the date the Division receives Tap Rock's application.

Thank you for your attention to this matter and please feel free to call if you have any questions and require additional information.

Sincerely,

Jordan L. Kessler ATTORNEY FOR TAP ROCK OPERATING, LLC

cc: New Mexico State Land Office P.O. Box 1148 Santa Fe, NM 87504-1148



Jordan L. Kessler Associate Phone (505) 988-4421 Fax (505) 983-6043 jlkessler@hollandhart.com

October 12, 2018

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

- TO: ALL AFFECTED PARTIES
- Re: Application of Tap Rock Operating, LLC for administrative to surface commingle (pool commingle) oil and gas production from the spacing units underlying the E/2 E/2 of Section 9, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced amended application, which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date at the Division's Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

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

Erica Hixson Tap Rock Operating, LLC (720) 460-3316 EHixson@taprk.com

Sincerely,

Jordan L. Kessler

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., Sante Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

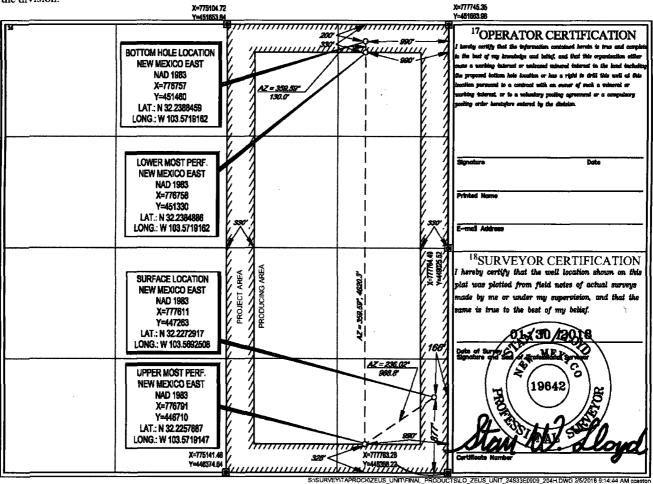
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

AMENDED REPORT

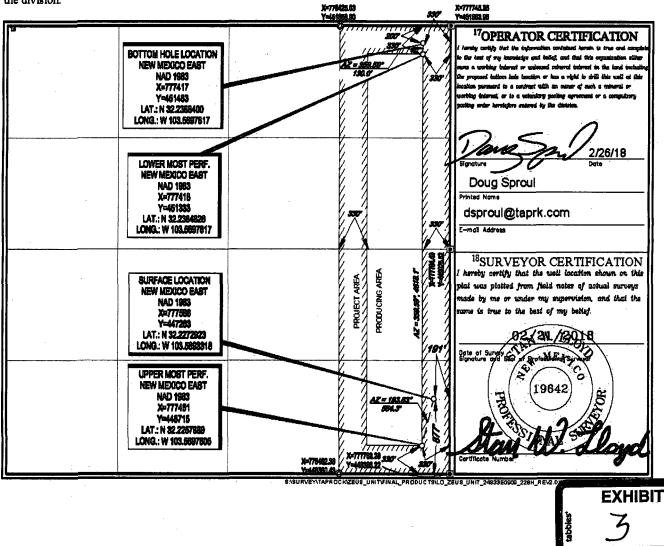
	<sup>1</sup> API Numbe			<sup>2</sup> Pol Codc		EAGE DEDICA	Pool Nam				
0		4447	1981	SB.	5 910		FOOI NAM	c			
*Property (	Code			ZEU	<sup>Property Na</sup>				*Well Number 204H		
<sup>7</sup> OGRID	No.	<sup>'Operator Name</sup> <sup>9</sup> Elevation TAP ROCK OPERATING, LLC. 3613									
					<sup>10</sup> Surface Lo	cation					
VL or lat no. <b>P</b>	Section 9	Towaship 24–S	Range 33–E	Lot Idn —	Feet from the <b>877'</b>	North/South line SOUTH	Feet from the <b>166'</b>	East/West line EAST	LEA		
	•	· · · · · · · · · · · · · · · · · · ·	11 <sub>B</sub>	ottom Hol	e Location If Di	fferent From Surfa	acc				
UL or lot no. <b>A</b>	Section 9	Township 24–S	Range 33–E	Lot Idn —	Feet from the 200'	North/South line NORTH	Feet from the <b>990'</b>	East/West line EAST	LEA		
Dedicated Acres	<sup>13</sup> Joint or 1	nfill <sup>14</sup> Co	nsolidation Code	e <sup>15</sup> Order	Na.		<b>-------</b>	<b>_</b>			

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



District I 1625 N. French Dr., F Phane: (375) 393-616 District II 811 S. First St., Artes Phone: (375) 748-128 District III 1000 Rio Brazos Rose Phone: (305) 334-617 District IV 1220 S. St. Francis DJ Phane: (305) 476-346	51 Fax: (375) 3 14 a. NM 88210 33 Fax: (375) 7 d. Astec, NM 8 78 Fax: (305) 3 r., Sante Fe, NB	93-0720 48-9720 7410 34-6170 4 87505	,e <sup>x</sup> /	OLC	State of New Minerals & Departi ONSERVAT 20 South St. Santa Fe, N	FORM C-1 Revised August 1, 20 Submit one copy to appropris District Off AMENDED REPOR					
		V	VELÌ\LA	DCATIO	NAND ACR	EAGE DEDICA	TION PLAT	r			
30-02	API Number	r									
	*Property Code *Property Nama ZEUS UNIT 24S						S33E0909 228H				
OGRID	No. )719			TAP 1	Operator N ROCK OPER	Preserver Value 'Elevation' DPERATING, LLC. 3614'					
					<sup>10</sup> Surface Lo	cation					
UL er let ne. P	Section 9	Township 24-S	Range 33-E	Let Idn —	Feet from the 877'	North/South line SOUTH	Feetfrom the 191'	East/West Ba EAST	County LEA		
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



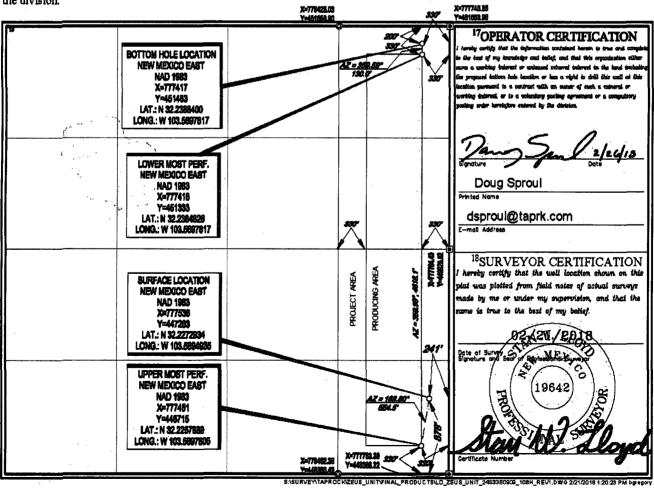
District I 1625 N. French Dr., Hobba, NM 88240 Phone: (373) 393-6161 Fax: (375) 393-0720 District III 811 S. First St, Artesia, NM 88210 Phone: (75) 748-1283 Fax: (375) 748-9720 District III 1000 Rio Brazos Rosd, Azteo, NM 87410 Phone: (50) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St Francis Dr., Sarte Fe, NM 87505 Phone: (503) 476-3460 Fax: (503) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

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	API Numbe		_	<sup>2</sup> Pool Code	,		Pool Nan	DB		
	025	5-44	<u> 23</u>	9667	74					
Property C	ode				Property No	ame		PWe	ell Number	
				ZEU	S UNIT 24	1S33E0909		1	.08H	
OGRID N	io.	•			*Operator N	ame		7	levation	
		TAP ROCK OPERATING, LLC. 3614'							614'	
· ·					<sup>10</sup> Surface Lo	cation				
UL er lot no. 🐴	Sectio n	Township	Range	Lot Id n	Feet from the	North/South line	Feet from the	East/West line	County	
P	9	24-S	33-E	-	878'	SOUTH	241'	EAST	LEA	
			11	Bottom Hole	Location If D	ifferent From Surf	ace	· · · · · · · · · · · · · · · · · · ·		
UL or lat no.	Section	Township	Range	LotIdn	Feet from the	North/South line	Feet from the	East/West line	County	
A	9	24-S	33-E		200'	NORTH	330'	EAST	LEA	
<sup>13</sup> Dedicated Acres 160	<sup>D</sup> Jeint or i	afil <sup>14</sup> Co	nsolidation Co	de <sup>15</sup> Order	No.			· · · · · · · · ·		

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



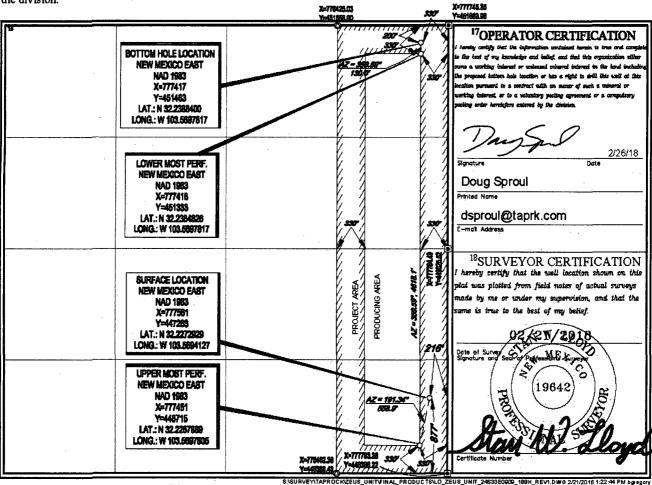
District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fex: (575) 393-0720 District II 811 S. First St., Artésia, NM 88210 Phone: (575) 748-1283 Fex: (575) 748-9720 District III 1000 Rio Brazos Road, Azter, NM 87410 Phone: (505) 334-6178 Fex: (505) 334-6170 District IV 1220 S. St. Francis Dr., Sande Fe, NM 87505 Fhome: (505) 476-3460 Fex: (505) 476-3462 State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 FORM C-102

Revised August 1, 2011 Submit one copy to appropriate District Office

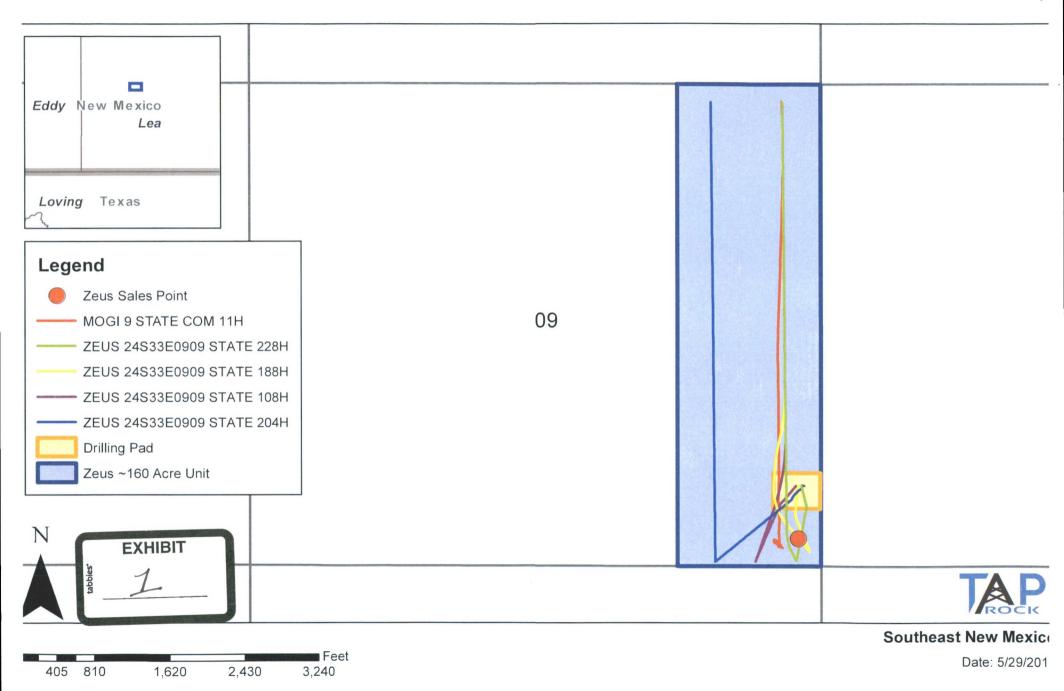
AMENDED REPORT

		<u></u>		CATION	AND ACK	LAGE DEDICA	IIUN FLAI	•	·			
	<sup>1</sup> API Number <sup>2</sup> Pool Code						<sup>3</sup> Pool Name					
. 0	25-4	4524	' c	7667	4				· · · ·			
<sup>4</sup> Property (	Code				Property Na	ıme		۳W	/ell N umber			
				ZEU	S UNIT 24	LS33E0909			188H			
'OGRID	No.				*Operator Na	aine			Elevation			
		TAP ROCK OPERATING, LLC. 3614'						3614'				
<sup>10</sup> Surface Location												
UL er lot no.	Section	Tow nship	Range	Lot Id n	Feet from the	North/South line	Feet from the	East/West line	County			
Р	9	24-S	33-E		877'	SOUTH	216'	EAST	LEA			
	·		<sup>11</sup> E	ottom Hole	Location If D	lfferent From Surf	ace					
UL or lot no.	Section	Tow nship	Range	LotIdn	Feet from the	North/South line	Feet from the	East/West line	County			
A	9	24-S	33-E	-	200'	NORTH	330'	EAST	LEA			
<sup>12</sup> Ded izated Acres 160	<sup>13</sup> Joint or l	infil <sup>14</sup> Cor	ısəlidation Cod	e <sup>15</sup> Order	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.



# Zeus Land Plat



District I 1625 N. French Drive, Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St Francis Dr, Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department Form C-107-B Revised August 1, 2011

## OIL CONSERVATION DIVISION 1220 S. St Francis Drive

Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

# APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: TAP ROCK OPERATING, LLC								
OPERATOR ADDRESS: 602 PARK POINT DR, GOLDEN, CO 80401								
APPLICATION TYPE:	APPLICATION TYPE:							
Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)								
LEASE TYPE: 🔲 Fee 🛛 State 🔲 Federal								
Is this an Amendment to existing Order? Yes XNo If "Yes", please include the appropriate Order No. Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling Yes XNo								
(A) POOL COMMINGLING Please attach sheets with the following information								
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes			
PURPLE SAGE; WOLFCAMP (GAS) 98135	45/1350							
	55/1250	50/1240		No change in value				
TRIPLE X; BONE SPRING, WEST 96674	55/1150	-						
	50/1250							
No	44/1200							
(2) Are any wells producing at top all	owables? Yes No		······ ····		1			
(3) Has all interest owners been notifi	ed by certified mail of the pro-	oposed commingling?	$\blacksquare$ Yes $\square$ No.					
(4) Measurement type: Metering		_						
(5) Will commingling decrease the va	(5) Will commingling decrease the value of production? Yes XNo If "yes", describe why commingling should be approved							
·		·····						

#### (B) LEASE COMMINGLING Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? Yes No

(3) Has all interest owners been notified by certified mail of the proposed commingling?

(4) Measurement type: Metering Other (Specify)

# (C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

# (D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

Is all production from same source of supply? Yes No
 Include proof of notice to all interest owners.

#### (E) ADDITIONAL INFORMATION (for all application types) Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE:

TITLE:

DATE:

.....

TELEPHONE NO.: 720 460 3318

□Yes □No

0 14

#### **TAP ROCK RESOURCES, LLC**

BRADLEY MORTON SENIOR PRODUCTION ENGINEER DIRECT: (720) 460-3518 BMORTON@TAPRK.COM



October 11, 2018

New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505

# Re: Application of Tap Rock Operating, LLC for administrative approval for approval to surface commingle (pool commingle) oil and gas production from the spacing units comprised of the E/2 E/2 of Section 9, Township 24S, Range 33E Eddy County, New Mexico (the "Lands")

To Whom This May Concern,

Tap Rock Operating, LLC ("Tap Rock"), OGRID No. 372043, requests to commingle current oil and gas production from five (4) distinct wells located on the Lands and future production from the Lands as described herein. All wells will be metered through individual liquid coriolis flow meters for oil and ultrasonic flow meters for gas. The gas commingling will occur after individual measurement at each well. Gas exiting each well test flows into one gathering line, as depicted on **Exhibit A**, the gas gathering line. Each well on the Lands will have its own test separator with a coriolis flow meter for oil and ultrasonic flow meter for oil and ultrasonic flow meter for gas manufactured and assembled in accordance with the American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third-party measurement company in accordance with industry specifications.

Gas samples are obtained at the time of the meter testing and calibration and the composition and heating value are determined by a laboratory in accordance with the American Petroleum Institute (API) specifications to ensure accurate volume and energy (MMBTU) determinations. We have attached a sample gas analysis from the one producing well on the Lands at **Exhibit B**.

The flow stream from each wellhead is demonstrated in the Process Flow Diagram (PFD) attached as **Exhibit A** hereto. The PFD shows that the water, oil and gas leave the wellbore and flow into a wellhead test separator which separates each stream. The oil is measured via the coriolis flow meter on each individual well and is calibrated periodically by a third-party measurement company for accuracy. After the oil is individually metered by coriolis flow meters at each well it can be comingled into a heater treater then into the stock tanks or, each well can be isolated into its own individual tank for testing purposes. The gas is measured on a volume and MMBTU basis by an ultrasonic flow meter on each individual well and supporting EFM equipment in accordance with API Chapter 21.1. The gas is then sent into a gathering line where it is commingled with each of the other well's metered gas. The gathering line is then metered by another ultrasonic flow meter at the tank battery check meter to show the total volume of gas leaving the tank battery. The

tank battery meter is tested and calibrated in accordance with industry specifications and volume and energy and determined on an hourly, daily and monthly basis. Once the gas exits the final tank battery sales check it travels directly into a third-party sales connect meter. The third-party gas gatherer has its own meter that measures the gas for custody transfer and that meter is also calibrated periodically to ensure measurement accuracy.

Α

In conclusion, all the oil and gas produced on the Lands is and will be metered separately at each wellhead and allocated using accurate measurement equipment according to API specifications.

Regards,

TAP ROCK OPERATING, LLC

Bradley Morton Senior Production Engineer

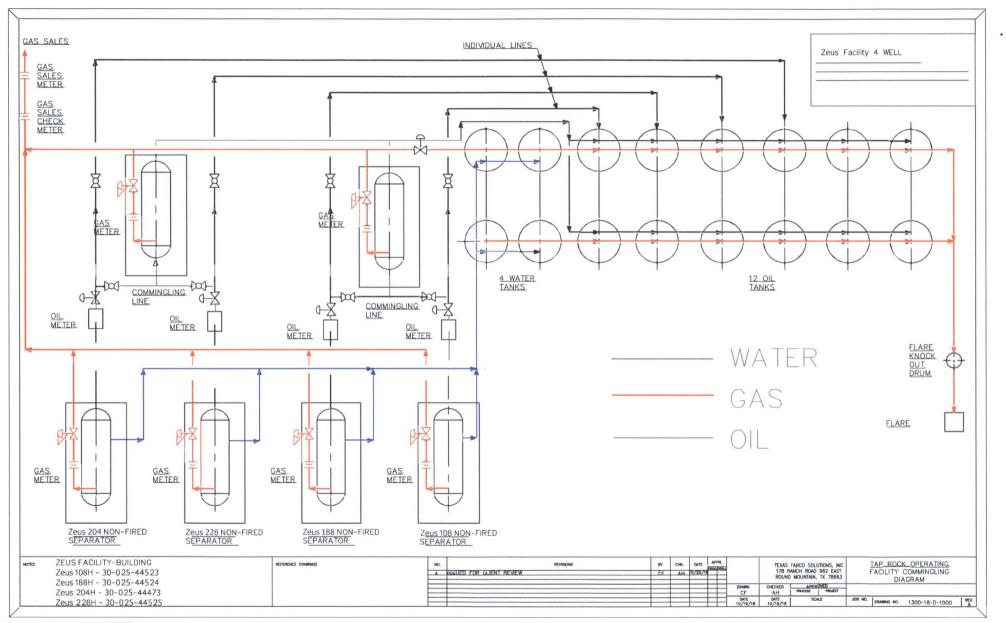
# APPLICATION FOR POOL COMMINGLE, STORAGE AND SALES FOR OIL AND GAS PRODUCTION AT ZEUS CTB

Well Name	ΑΡΙ	Surface Location	Pool		Date Online	OII (MBOD)	Gas (MCFD)	Gravity	BTU/cf
ZEUS 24533E0909 STATE #108H	30-025-44523	P-09-245-33E	96674	TRIPLE X; BONE SPRING, WEST	11.2.18	*567	*2750	*48.6	*1328
ZEUS 24833E0909 STATE #188H	30-025-44524	P-09-245-33E	96674	TRIPLE X; BONE SPRING, WEST	11.2.18	*873	*1850	*46	*1328
ZEUS 24\$33E0909 STATE #204H	30-025-44473	P-09-245-33E	98135	WC-025 G-09 S243310P; UPPER WOLFCAMP	11.2.18	*955	*170 <del>9</del>	*48.6	*1328
ZEUS 24\$33E0909 STATE #228H	30-025-44525	P-09-245-33E	98135	WC-025 G-09 S243310P; UPPER WOLFCAMP	11.2.18	*540	*1013	*48.8	*1328

\* Estimated 6 mo. avg. production & est. oil and gas properties based on off sets

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# Exhibit 5

Devon Production Company, LP 1500 Mid-America Tower 20 North Broadway Oklahoma City, OK 73102

EOG Resources, Inc. 5509 Champions Drive Midland, TX 79706

Murchison Oil and Gas, Inc. 7250 Dallas Parkway, Suite 1400 Plano, TX 75024

Pickens Southwest Energy, LLC 8117 Preston Road, Suite 260W Dallas, TX 75225

MEC Petroleum Corp. 414 W Texas Ave. #410 Midland, TX 79701

Mesa Southwest Energy, LLC 8117 Preston Road, Suite 260W Dallas, TX 75225



# Exhibit 5

Devon Production Company, LP 1500 Mid-America Tower 20 North Broadway Oklahoma City, OK 73102

EOG Resources, Inc. 5509 Champions Drive Midland, TX 79706

Murchison Oil and Gas, Inc. 7250 Dallas Parkway, Suite 1400 Plano, TX 75024

Pickens Southwest Energy, LLC 8117 Preston Road, Suite 260W Dallas, TX 75225

MEC Petroleum Corp. 414 W Texas Ave. #410 Midland, TX 79701

Mesa Southwest Energy, LLC 8117 Preston Road, Suite 260W Dallas, TX 75225

	EXHIBIT	
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Note to Mailer. The labels and volume associated to this form online, must match the labeled packages being presented to the USPS® employee with this form.

# Tap Rock - Zeus Commingle Application CM# 93477.0001 20181012 Interest Owners

Shipment Date: 10/12/2018

Shipped From:

Name: HOLLAND & HART LLP Address: \_\_110 N GUADALUPE ST # 1

City: SANTA FE

State: NM \_ ZIP+4<sup>®</sup>\_87501

Type of Mail	Volume
Priority Mail Express <sup>®∗</sup>	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	6
Total	6

\*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

#### **B. USPS Action**

Note to RSS Clerk:

- 1. Home screen > Mailing/Shipping > More
   2. Select Shipment Confirm
   3. Scan or enter the barcode/label
- Scan or enter the barcode/label number from PS Form 5630
- Confirm the volume count message by selecting Yes or No
   Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail. Leave form with customer or in customer's mail receptacle.

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Name and Address of Sender Holland & Hart LLP 110 N Guadalupe St # 1 Santa Fe NM 87501	Check type of mail or service         Adult Signature Required       Priority Mail Express         Adult Signature Restricted Delivery       Registered Mail         Certified Mail       Return Receipt for Merchandise         Collect on Delivery (COD)       Signature Confirmation         Insured Mail       Signature Confirmation         Priority Mail       Restricted Delivery	(if i: cer ado <b>Po</b> s	tificate of ditional co <b>stmark w</b>	an interna mailing or pies of this	for s receipt). f Receipt.									Ma
USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code™)	Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
9214 8901 9403 8373 9049 69	Devon Production Company LP 1500 Mid-america Tower 20 North Broadway Oklahoma City OK 73102	2.05	3.45	alue							1.50			
9214 8901 9403 8373 9049 76	EOG Resources Inc 5509 Champions Drive Midland TX 79706	2.05	3.45	000 in val							1.50		very	
9214 8901 9403 8373 9049 83	Murchison Oli & Gas Inc 7250 Dallas Parkway Suite 1400 Plano TX 75024	2.05	3.45	ver \$50,				ired	Delivery	4	1.50	tion	cted Dell	
9214 8901 9403 8373 9049 90	Pickens Southwest Energy LLC 8117 Preston Road Suite 260W Dallas TX 75225	2.05	3.45	ed and o				ure Required	estricted	d Deliver	Receip	onfirma	on Restr	Handling
9214 8901 9403 8373 9050 03	MEC Petroleum Corp 414 W Texas Ave #410 Midland TX 79701	2.05	3.45	Register				lt Signature	nature R	estricted	Returā	nature d	nfirmatic	Special
9214 8901 9403 8373 9050 10	Mesa Southwest Energy LLC 8117 Preston Road Suite 260W Dallas TX 75225	2.05	3.45	arge - if				Adulî	Adult Sig	- <del>2</del> 2	1.50	Sig	ature Co	
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Note to Mailer: The labels and volume associated to this form online, must match the labeled packages being presented to the USPS® employee with this form.

Tap Rock - Zeus Commingle Application **SLO** 

Shipment Date: 10/12/2018

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express <sup>®</sup> *	
 Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	1
Total	1

\*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

#### B. USPS Action

Note to RSS Clerk:

- Home Screen > Mailing/Shipping > More
   Select Shipment Confirm
   Scan or enter the barcode/label number from PS Form 5630
   Confirm the volume count message by selecting Yes or No
   Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail. Leave form with customer or in customer's mail receptacle.





Note to Mailer: The labels and volume associated to this form online, must match the labeled packages being presented to the USPS® employee with this form.

Tap Rock - Zeus Commingle Application SLO

#### Shipment Date: 10/12/2018

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express <sup>®∗</sup>	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	1
Total	1

\*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

### B. USPS Action

Note to RSS Clerk:

- 1. Home screen > Mailing/Shipping > More 2. Select Shipment Confirm
- 3. Scan or enter the barcode/label number from PS Form 5630
- Confirm the volume count message by selecting Yes or No
   Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail. Leave form with customer or in customer's mail receptacle.



DITED STATES POSTAL SERVICE ®						F	Firm Ma	ailing	Воо	k Fo	r Acc	coun	table	: Mail
Name and Address of Sender Holland & Hart LLP 110 N Guadalupe St # 1 Santa Fe NM 87501	Check type of mail or service         Adult Signature Required       Priority Mail Express         Adult Signature Restricted Delivery       Registered Mail         Certified Mail       Return Receipt for Merchandise         Collect on Delivery (COD)       Signature Confirmation         Insured Mail       Signature Confirmation         Priority Mail       Signature Confirmation	(if i cer add	tificate of ditional co	an interna mailing or pies of thi	for									
USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code™)	Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
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PS Form <b>3877</b> , April 2015 (Page 1 of PSN 7530-02-000-9098	1) Complete in Ink Priv	acy No	tice: Fo	r more ir	formation	on USF	PS privac	y poli	cies, v	visit u	sps.c	om/p	rivacy	policy.

			Pro		immary Repo	rt					
	API: 30-025-41787										
	MOGI 9 STATE COM #011H										
	Printed On: Monday, October 15 2018										
Year	Pool	Month	Oil(BBLS)	Gas(MCF	Water(BBLS	Days P/I	Water(BBLS				
2015	[96674] TRIPLE X;BONE SPRING, WEST	Jan	7196	6912	25854	16	0				
	[96674] TRIPLE X;BONE SPRING, WEST		8778	9413	15276	28	0				
2015	[96674] TRIPLE X;BONE SPRING, WEST	Mar	9031	9205	12845	31	0				
2015	[96674] TRIPLE X;BONE SPRING, WEST	Apr	7085	7917	10650	30	0				
2015	[96674] TRIPLE X;BONE SPRING, WEST	May	6467	7191	9355	31	0				
2015	[96674] TRIPLE X;BONE SPRING, WEST	Jun	5399	6731	7673	30	0				
2015	[96674] TRIPLE X;BONE SPRING, WEST	Jul	4819	6088	6369	31	0				
2015	[96674] TRIPLE X;BONE SPRING, WEST	Aug	3916	6769	5695	31	0				
2015	[96674] TRIPLE X;BONE SPRING, WEST	Sep	3717	5395	5318	30	0				
2015	[96674] TRIPLE X;BONE SPRING, WEST	Oct	4356	6202	5957	31	0				
2015	[96674] TRIPLE X;BONE SPRING, WEST	Νον	3982	5559	5876	30	0				
2015	[96674] TRIPLE X;BONE SPRING, WEST	Dec	3448	4085	4939	29	0				
2016	[96674] TRIPLE X;BONE SPRING, WEST	Jan	3465	3880	4868	31	0				
2016	[96674] TRIPLE X;BONE SPRING, WEST	Feb	3016	4182	4322	29	0				
2016	[96674] TRIPLE X; BONE SPRING, WEST	Mar	2870	4290	4211	31	0				
2016	[96674] TRIPLE X;BONE SPRING, WEST	Apr	2940	4684	4294	30	0				
2016	[96674] TRIPLE X;BONE SPRING, WEST	May	2899	5084	4350	31	0				
2016	[96674] TRIPLE X;BONE SPRING, WEST	Jun	2527	4128	3696	30	0				
2016	[96674] TRIPLE X;BONE SPRING, WEST	Jul	2631	4587	3772	31	0				
2016	[96674] TRIPLE X;BONE SPRING, WEST	Aug	2511	4539	3692	31	0				
2016	[96674] TRIPLE X;BONE SPRING, WEST	Sep	2251	4375	3370	30	0				
2016	[96674] TRIPLE X;BONE SPRING, WEST	Oct	2388	4479	3507	31	0				
2016	[96674] TRIPLE X;BONE SPRING, WEST	Nov	2134	3811	3205	30	0				
	[96674] TRIPLE X;BONE SPRING, WEST		2236		3234		0				
	[96674] TRIPLE X;BONE SPRING, WEST		2006	2704	3162	31	0				
2017	[96674] TRIPLE X;BONE SPRING, WEST	Feb	1458	2139		26	0				
	[96674] TRIPLE X;BONE SPRING, WEST		856		6909		0				
	[96674] TRIPLE X;BONE SPRING, WEST		4131	9854	18070	30	0				
	[96674] TRIPLE X;BONE SPRING, WEST	-	3449		11467	31	0				
	[96674] TRIPLE X;BONE SPRING, WEST		3000	3545	9890	30	0				
2017	[96674] TRIPLE X;BONE SPRING, WEST	Jul	2760	3340	8194	31	0				
2017	[96674] TRIPLE X;BONE SPRING, WEST	Aug	2672	3322	7538	31	0				
	[96674] TRIPLE X;BONE SPRING, WEST		2351	2640			0				
	[96674] TRIPLE X;BONE SPRING, WEST		2136	4340			0				
	[96674] TRIPLE X;BONE SPRING, WEST		2056		4781	30	0				
	[96674] TRIPLE X;BONE SPRING, WEST		2008	·	-		0				
	[96674] TRIPLE X;BONE SPRING, WEST		1687	2574			0				
	[96674] TRIPLE X;BONE SPRING, WEST		1022								

2018 [	[96674] TRIPLE X;BONE SPRING, WEST	Mar	1631	3289	3643	31	0
2018[	[96674] TRIPLE X;BONE SPRING, WEST	Apr	1375	3992	3498	30	0
2018 [	[96674] TRIPLE X;BONE SPRING, WEST	May	1209	4696	2862	31	0
2018 [	[96674] TRIPLE X;BONE SPRING, WEST	Jun	952	5807	2168	30	0
2018 [	[96674] TRIPLE X;BONE SPRING, WEST	Jul	857	6011	1624	31	0
2018 [	[96674] TRIPLE X;BONE SPRING, WEST	Aug	541	4959	2736	28	0

District 1 1625 N. French Dr., H Phone (575) 393-616 District 11 811 S. First St., Artesi Phone, (575) 748-128 District 111 1000 Rio Brazos Roac Phone, (505) 334-617 District 1V 1220 S. St. Francis Dr Phone. (505) 476-346	<ol> <li>Fax: (575) 3</li> <li>ia, NM 88210</li> <li>Fax: (575) 7</li> <li>fax: (575) 7</li> <li>Aztec, NM 8</li> <li>Fax: (505) 3</li> <li>, Sante Fe, NM</li> </ol>	93-0720 48-9720 7410 34-6170 4 87505	*****		Ener	rgy, T L CC 12	State of N Minerals & Depa ONSERV 20 South Santa Fe,	lew Mexico & Natural Reso artment ATION DIVISI St. Francis Dr. NM 87505 REAGE DEDIC	ION: JEBS	DCD LECEN	Ra Submit one	FORM C-102 evised August 1, 2011 e copy to appropriate District Office MENDED REPORT
f	1		WEI		JLA	IUT	ANDAC	REAGE DEDIC	LATION PLA	11		
30-0	1API Numbe	WW7	3	9	7 8 /	Code 1 Z	5 U	K-025 E		43310		
<sup>4</sup> Property (	Cade	-		*****			Propert	y Name				Well Number
3207	719					ZEU	IS UNK	24S33E0909	STATE			204H
OGRID I	No.	****	****		*********		BOperato	r Name			····	<sup>9</sup> Elevation
3720	243				TA	P F	ROCK OPI	ERATING, LLC	•			3613'
	īy#u						<sup>10</sup> Surface	Location	*****		·	
UL or lot no.	Section	Township	<u> </u>	Range	L	ot Ida	Feet from t		Feet from the	E	st/West line	County
Р	9	24-	S 3	3-E	-		877'	SOUTH	166'	EA	ST	LEA
				11	Botton	n Hol	e Location If	Different From Su	ırface			
UL or lot no.	Section	Township		Range		ot Ida	Feet from t			E	ast/West line	County
A	9	24-	S   3:	3-Е			200'	NORTH	330'	WE	ST	LEA
<sup>13</sup> Dedicated Acres 160	<sup>13</sup> Joint or 1	lofili	<sup>14</sup> Consolie	dation Co	de	<sup>15</sup> Order	· No.			A		

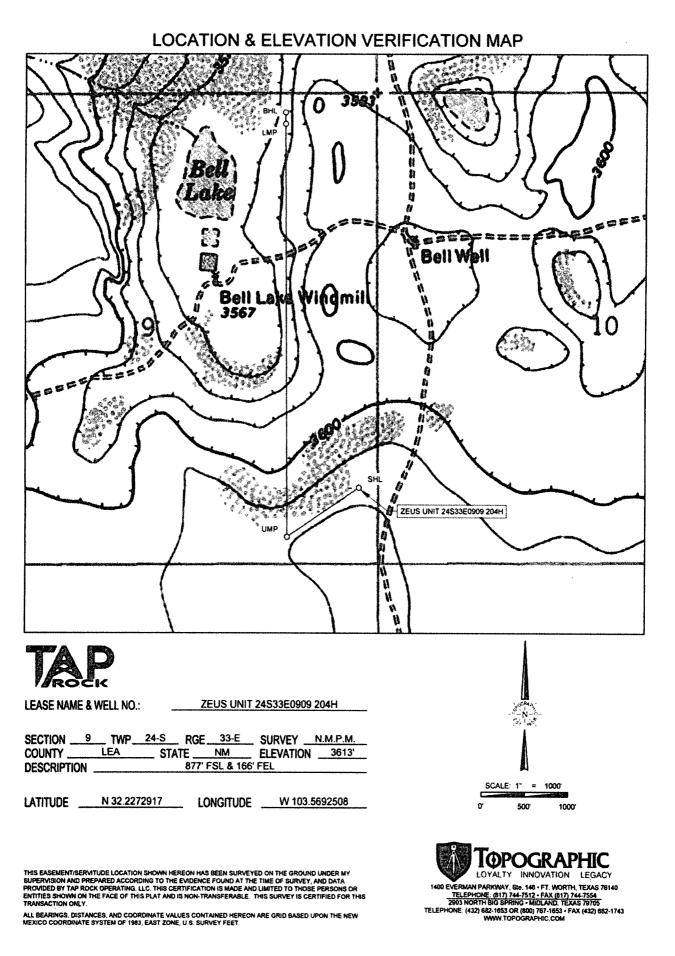
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

BOITIOM HOLE LOCATION			76425.03 51658.90		X=777745.35 Y=451663.98
LAT:: N 32.2384886 LONG:: W 103.5719162 SURFACE LOCATION NEW MEXICO EAST NAD 1983 X=777611 LONG:: W 103.5892508 UPPER MOST PERF. NEW MEXICO EAST NAD 1983 X=776791 Y=446712 LAT:: N 32.2257938 LONG:: W 103.5719147 X=7764238 X=777613 Y=445982 20 X=77764238 X=777614 Y=445982 20 X=777615 Y=445982 20 X=777715 20 X=77775 20 X=77755 20 X=777555 20 X=777555 20 X=7775555 20 X=7775555555555555555555555555555555555	NEW MEXICO EAST NAD 1983 X=776757 Y=451460 LAT.: N 32.2388459	AZ - 350.59	330'		I hereby certify that the information contained herein to true and complete to the best of my knowledge and belof, and that this organization either owns a working interest or unleased numeral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an over of such a mineral or working interest, or to a voluntary pooling agreement or a computery
NEW MEXICO EAST NAD 1983 X=777611 Y=447263 LAT.: N 32.2272917 LONG: W 103.5692508       made by me or under my supervision, and that the same is true to the best of my belief.         UPPER MOST PERF. NEW MEXICO EAST NAD 1983 X=776791 Y=446712 LAT.: N 32.2257938 LONG: W 103.5719147       907         320'       K=177783.28 Y=446398.27         X=776491 Y=446712 LAT.: N 32.2257938 LONG: W 103.5719147       320'	NEW MEXICO EAST NAD 1983 X=776758 Y=451330 LAT.: N 32.2384886		V [- ]	330"	Printed Name
NEW MEXICO EAST NAD 1983 X=776791 Y=446712 LAT.: N 32.2257938 LONG: W 103.5719147 X=7776492.38 X=7776492.38 X=7776492.38 Y=44598.72 X=7776492.38 Y=44598.72 X=7776492.88 Y=44598.72 Y=44598.72	NEW MEXICO EAST NAD 1983 X=777611 Y=447263 LAT.: N 32.2272917		a 360,50°, 46		I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.
X=776402.30 Y=46338 72	NEW MEXICO EAST NAD 1983 X=776791 Y=446712 LAT.: N 32.2257938	328 <	987.7 950 550	877 - B	Han AV. Slow
			11 Y=448388 27	A	<b>v</b>

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All Party Property States and Anna Party

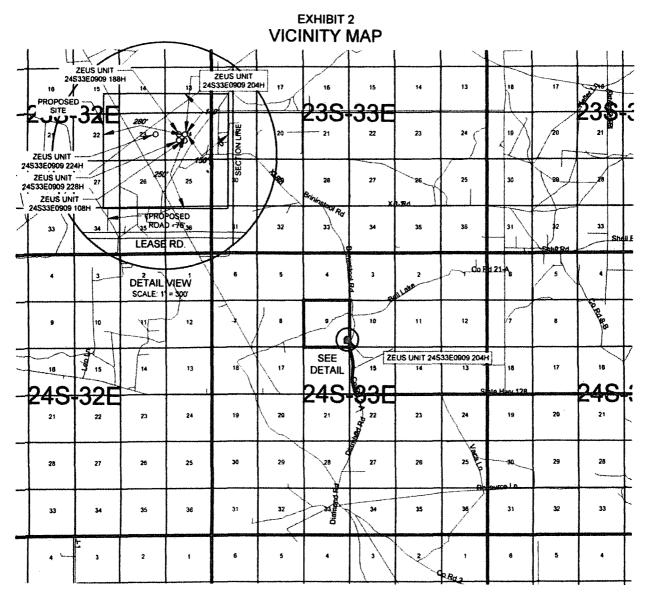
matter 6 14



SISURVENTAPROCKIZEUS\_UNITVINAL\_PRODUCTSILO\_ZEUS\_UNIT\_24S33E0909\_204H\_REV1.DWG 2/14/2018 6:15:37 AM bgregory

- 21

C. sertine





LEASE NAME & WELL NO .: ZEUS UNIT 24S33E0909 204H

SECTION9	TWP24-S	RGE	SURVEY N.M.P.M.
COUNTY	LEA	STATE	NM
DESCRIPTION		877' FSL & 166'	FEL

**DISTANCE & DIRECTION** 

FROM INT. OF NM-128 W & NM-18S, GO WEST ON NM-128 W ±23.9 MILES, THENCE NORTH (RIGHT) ON BRININSTOOL RD. ±1.1 MILES, THENCE WEST (LEFT) ON LEASE RD. ±540 FEET, THENCE NORTH (RIGHT) ON A PROPOSED RD. ±90 FEET TO A POINT ±364 FEET SOUTHWEST OF THE LOCATION.



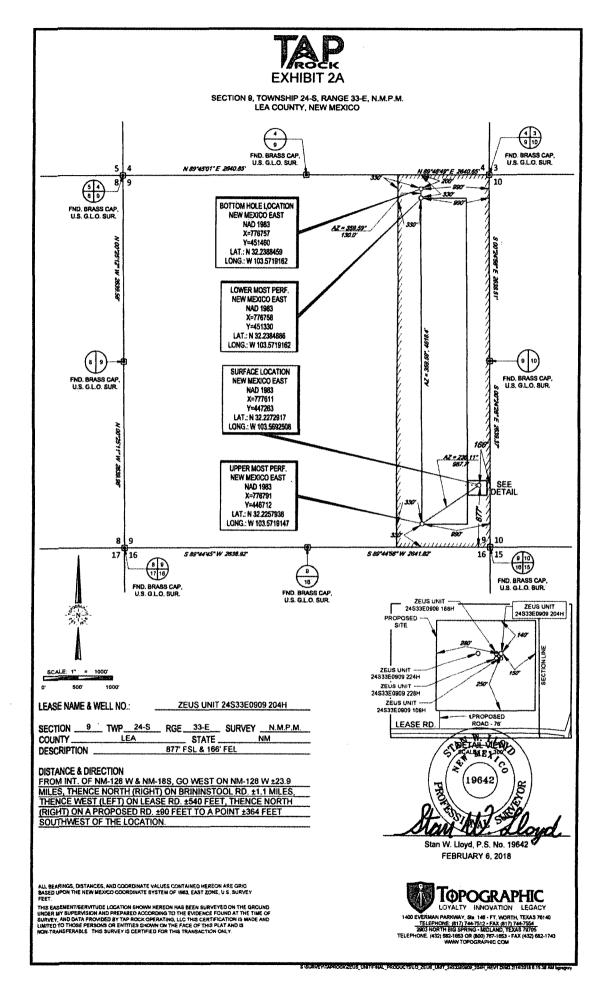


1400 EVERMAN PARKWAY, Ste. 148 - FT. WORTH, TEXAS 78140 <u>TELEPHONE:</u> (817) 744-7512 - FAX (817) 744-7554 2903 NORTH BIG SPRING - MIDLAND, TEXAS 79705 TELEPHONE: (432) 682-1633 - R600 737-1653 - FAX (432) 682-1743 WWW.TOPOGRAPHIC.COM

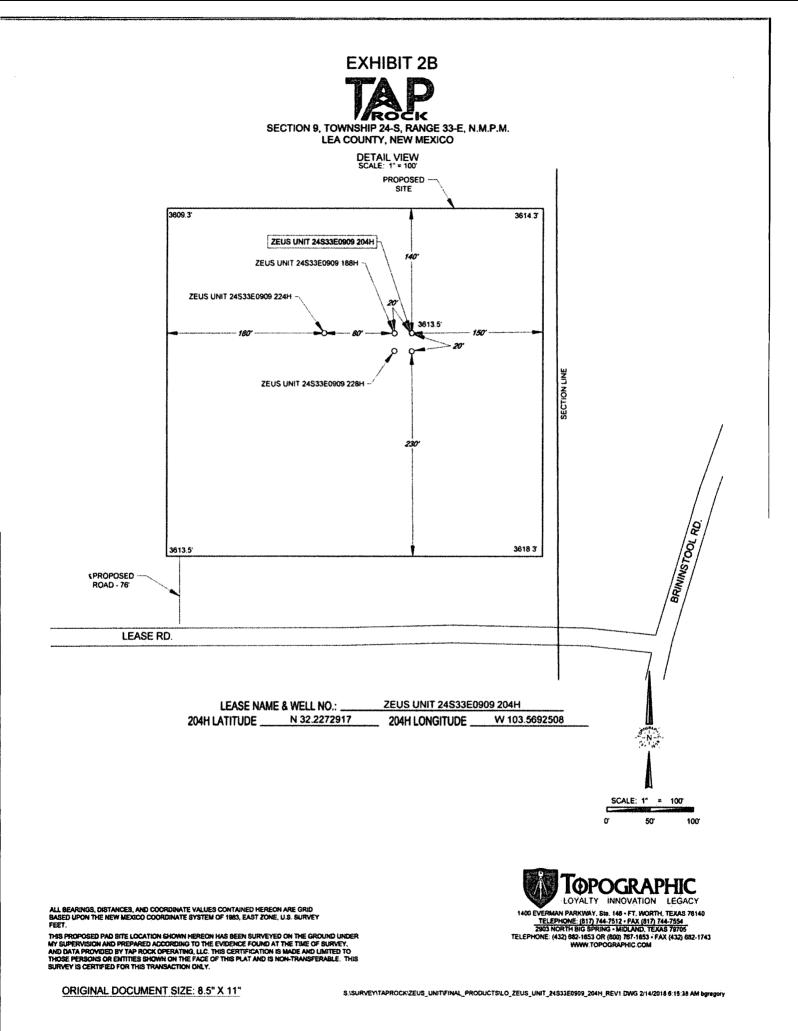
THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY TAP ROCK OPERATING, LLC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET

SISURVEYITAPROCKIZEUS\_UNITYFINAL\_PRODUCTSILO\_ZEUS\_UNIT\_24533E0809\_204H\_REV1.DWG 2/14/2018 6:15:37 AM bgregory







Share and the

District I 1625 N. French Drive, Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St Francis Dr, Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION 1220 S. St Francis Drive Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

#### APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME:	TAP ROCK	OPERATING,	LLC

**OPERATOR ADDRESS:** APPLICATION TYPE:

602 PARK POINT DR, GOLDEN, CO 80401

LEASE TYPE:

Deol Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

Federal State Fee Fee

Is this an Amendment to existing Order? Yes XNo If "Yes", please include the appropriate Order No. Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling Yes No

· · · ·		DL COMMINGLIN ts with the following in			
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravitics / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
WC-025 G-09 S243310P; UPPER WOLFCAMP 98135	45/1350				
WC-025 G-09 S243310P; UPPER WOLFCAMP 98135	55/1250	50/1240		No change in value	
TRIPLE X; BONE SPRING, WEST 96674	55/1150				
TRIPLE X; BONE SPRING, WEST 96674	50/1250				
TRIPLE X; BONE SPRING, WEST 96674	44/1200				
<ul> <li>Are any wells producing at top allow</li> <li>Has all interest owners been notified</li> <li>Measurement type: Mctering</li> </ul>	by certified mail of the pr	oposed commingling?	⊠Yes □No.		

(5) Will commingling decrease the value of production? TYes No If "yes", describe why commingling should be approved

# **(B) LEASE COMMINGLING**

Yes No

Please attach sheets with the following information

(2) Is all production from same source of supply? Yes No

(3) Has all interest owners been notified by certified mail of the proposed commingling?

(4) Measurement type: Metering Other (Specify)

#### (C) POOL and LEASE COMMINGLING Please attach sheets with the following information

Complete Sections A and E (1)

Pool Name and Code.

(1)

(1)

YPE OR PRINT NAME

#### **(D) OFF-LEASE STORAGE and MEASUREMENT** Please attached sheets with the following information

□Yes □No Is all production from same source of supply? (1) Include proof of notice to all interest owners. (2)

Brad Morton TELEPHONE NO .:

(E) ADDITIONAL INFORMATION (for all application typ	es)
Please attach sheets with the following information	•
A schematic diagram of facility, including legal location.	

A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved. (2)

Lease Names, Lease and Well Numbers, and API Numbers. (3)

I hereby certify that the information above is true and complete to SIGNATURE:	o the best of my knowledge and belief. TITLE: TODUTTON TONNER	2 DATE: 10/19/18
A hard a	<del> </del>	

720 460 3518 E-MAIL ADDRESS:

bmorton@taprk.com

	Production Summary Report API: 30-025-41787 MOGI 9 STATE COM #011H											
Month	Pool	Oil(BBLS)	Gas(MCF)	Days P/I								
3/1/2018	[96674] TRIPLE X;BONE SPRING, WEST	1631	3289	31								
4/1/2018	[96674] TRIPLE X;BONE SPRING, WEST	1375	3992	30								
5/1/2018	[96674] TRIPLE X;BONE SPRING, WEST	1209	4696	31								
6/1/2018	[96674] TRIPLE X;BONE SPRING, WEST	952	5807	30								
7/1/2018	[96674] TRIPLE X;BONE SPRING, WEST	857	6011	31								
8/1/2018	[96674] TRIPLE X;BONE SPRING, WEST	541	4959	28								
Cum		138219	214408									

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