

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

**APPLICATION OF TAP ROCK RESOURCES, LLC  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**CASE NO. 21340**

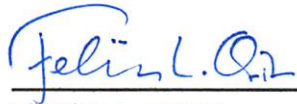
**PRE-HEARING ORDER**

This Pre-Hearing Order follows a status conference held on July 23, 2020, and the submission of a proposed stipulated pre-hearing order via email to the Examiner by the parties.

1. The hearing will commence following the completion of the Division's regular hearing docket on October 22, 2020, and continue as necessary through completion.
2. The hearing will be recorded and transcribed by a court reporter.
3. The hearing will be conducted using the Webex meeting platform; sign-in information will be sent to the parties closer to the date of the hearing. The Hearing Officer may modify the format of the hearing consistent with available resources and public distancing directives in place at the time of the hearing.
4. The parties shall file with the pre-hearing statement required by NMAC 19.15.4.13.B the following additional information, all of which is due by 5 p.m. on October 15:
  - a. a list of material facts not in dispute;
  - b. identification of the witnesses and their qualifications; and
  - c. a full narrative of the direct testimony and exhibits for each witness.
5. Any evidentiary objections to the filed direct testimony or any exhibit shall be filed by 5 p.m. on October 20, and will be addressed at the commencement of the hearing.
6. All witnesses filing direct testimony shall attend the hearing and will be subject to cross examination by counsel for the parties and the Division Examiners.
7. As part of the testimony and exhibits each party desires to present regarding the applications, each party should address the following issues if pertinent:

- a. A description and comparison of the geology of the competing well locations and the potential of the competing prospects to efficiently recover the oil and gas reserves underlying the property;
  - b. A description and comparison of the acreage used and stranded by the competing prospects;
  - c. A description and comparison of the risk associated with the competing proposals to explore and develop the property;
  - d. A description of the ability of each applicant to prudently operate the property and to prevent waste;
  - e. A description of the negotiations by each applicant prior to filing the application;
  - f. A description of each applicant's well cost estimates (AFEs) and other operational costs; and
  - g. A description of the mineral interest owned by each applicant.
8. The OCD's Guidelines for Presentation of Cases by Witnesses, paragraphs 1 through 6, are applicable.
9. Each party will have an opportunity to cross-examine an individual witness directly following oral testimony of that witness, with redirect (if any) to follow cross-examination, before a party moves to the direct testimony of a new witness as part of its case-in-chief.
10. The hearing will proceed in the following matter:
  - a. Opening statements by Tap Rock, and then other parties;
  - b. Case-in-Chief by Tap Rock;
  - c. Case-in-Opposition by any objecting party;
  - d. Rebuttal as needed by any party;
  - e. Closing Statement of Tap Rock, and then other parties, unless the hearing examiner requests closing statements and/or proposed findings of fact and conclusions of law in writing following the hearing.
11. A courtesy copy of all documents filed with the Division Hearings staff shall also be sent to the Hearing Officer via e-mail.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



FELICIA L. ORTH  
HEARING EXAMINER

Date: 8/13/20