

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
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Dylan M. Fuge, Director
Oil Conservation Division (Acting)



Mr. Michael Rodriquez
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ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 8696

Tap Rock Operating, LLC [OGRID 372043]
WTG Federal Com Well No. 124H
API No. 30-015-47034

Reference is made to your application received on November 21st, 2023.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	313 FNL & 914 FEL	A	27	26S	29E	Eddy
First Take Point	330 FNL & 331 FEL	A	27	26S	29E	Eddy
Last Take Point	99 FSL & 331 FEL	12	34	26S	29E	Eddy
Terminus	29 FSL & 331 FEL	12	34	26S	29E	Eddy

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
E/2 E/2 Section 27	218.85	Wildcat; Bone Spring, Pool	98211
E/2 E/2 Section 34			

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **oil** well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an **oil** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal well shall be no closer than 100 feet for an **oil** in the horizontal plane, to any outer boundary of the horizontal spacing unit.

Administrative Order NSL - 8695
Tap Rock Operating, LLC
Page 2 of 2

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of First and Last Take Points referenced above within the described Horizontal Spacing Unit.

The affected tract concerning this well's completed interval is as close as 99 feet to the southern edge. 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.

Division understands you are seeking this unorthodox location as your preferred well spacing plan for horizontal wells within the Wolfcamp formation underlying E/2 E/2 of Section 27 and the E/2 E/2 of Section 34, thereby preventing waste.

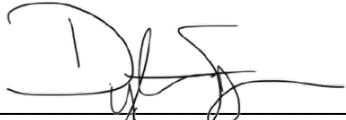
Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

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

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

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.



DYLAN M. FUGE
Division Director (Acting)
DMF/lrl

Date: 12/21/23

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 298259

CONDITIONS

Operator: TAP ROCK OPERATING, LLC 523 Park Point Drive Golden, CO 80401	OGRID: 372043
	Action Number: 298259
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	12/28/2023