

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 Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-101
August 1, 2011
Permit 269465

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address TAP ROCK OPERATING, LLC 602 Park Point Drive Golden, CO 80401		2. OGRID Number 372043
4. Property Code 325667		3. API Number 30-025-46238
5. Property Name POSEIDON STATE COM		6. Well No. 205H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	9	24S	33E	M	322	S	1270	W	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	4	24S	33E	4	30	N	1155	W	Lea

9. Pool Information

ANTELOPE RIDGE;WOLFCAMP	2220
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3610
16. Multiple N	17. Proposed Depth 22760	18. Formation Wolfcamp	19. Contractor	20. Spud Date 8/30/2019
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1320	1350	0
Int1	12.25	9.625	40	5260	1400	0
Int2	8.75	7.625	29.7	11860	420	4900
Prod	6.75	5.5	20	11660	0	11160
Prod	6.75	5	18	22760	950	11160

Casing/Cement Program: Additional Comments

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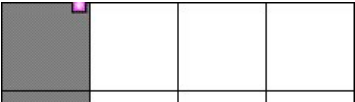
22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	1500	
Double Ram	10000	5000	
Blind	10000	5000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable. Signature:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Clayton Sporich Title: Vice President - Land & Legal Email Address: csporich@taprk.com Date: 7/12/2019	Approved By: Paul F Kautz Title: Geologist Approved Date: 7/19/2019 Expiration Date: 7/19/2021 Conditions of Approval Attached

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
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Form C-102
August 1, 2011
Permit 269465

OPERATOR CERTIFICATION	
<i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>	
E-Signed By:	Clayton Sporich
Title:	Vice President - Land & Legal
Date:	7/12/2019

SURVEYOR CERTIFICATION	
<i>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 and correct to the best of my belief.</i>	
Surveyed By:	John Carnegie
Date of Survey:	6/12/2019
Certificate Number:	11401

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Form APD Comments

Permit 269465

PERMIT COMMENTS

Operator Name and Address: TAP ROCK OPERATING, LLC [372043] 602 Park Point Drive Golden, CO 80401		API Number: 30-025-46238
		Well: POSEIDON STATE COM #205H
Created By	Comment	Comment Date
pkautz	Ochoa Potash Mine area	7/15/2019

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Form APD Conditions

Permit 269465

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: TAP ROCK OPERATING, LLC [372043] 602 Park Point Drive Golden, CO 80401	API Number: 30-025-46238
	Well: POSEIDON STATE COM #205H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	Will require a administrative order for non-standard location prior to placing the well on production.
pkautz	1) SURFACE & INTERMEDIATE1 CASING - Cement must circulate to surface -- 2) INTERMEDIATE2 CASING - Cement must tie back into intermediate1 casing -- 3) PRODUCTION CASING - Cement must tie back into intermediate2 casing --
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 45 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD.
pkautz	Stage Tool 1) Must notify OCD Hobbs Office prior to running Stage Tool at 5753703186 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.