<u>District I</u> 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 321035

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

	,	, , -
1. Operator Name and Address		2. OGRID Number
TAP ROCK OPERATIN	372043	
523 Park Point Drive	3. API Number	
Golden, CO 80401		30-025-50362
4. Property Code	5. Property Name	6. Well No.
329779	HYPERION STATE COM	153H

7 Surface Location

I	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	Α	20	24S	33E	Α	634	N	1115	E	Lea

8. Proposed Bottom Hole Location

ſ	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	0	20	24S	33E	0	30	S	1750	E	Lea

9. Pool Information

TRIPLE X;BONE SPRING, WEST	96674

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
New Well	OIL		State	3562
16. Multiple	17. Proposed Depth	18. Formation	19. Contractor	20. Spud Date
N	16544	Bone Spring		7/27/2022
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	1200	998	0
Int1	12.25	9.625	40	5130	1151	0
Prod	6.75	5.5	20	16544	749	11019
Prod	8.75	5.5	20	11019	446	4930

Casing/Cement Program: Additional Comments

Tap Rock also requests the option to drill a 7-7/8" curve and lateral. If the hole size is increased from 6-3/4" to 7-7/8", cement volumes will be adjusted appropriately.

22. Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
Annular	5000	2500	
Double Ram 10000		5000	
Pipe	Pipe 10000		

knowledge and be	elief.	true and complete to the best of my NMAC ⊠ and/or 19.15.14.9 (B) NMAC		OIL CONSERVA	ATION DIVISION
Signature:					
Printed Name:	Electronically filed by Christian C	ombs	Approved By:	Paul F Kautz	
Title:	Regulatory Manager	Title:	Geologist		
Email Address:	ccombs@taprk.com	Approved Date:	7/22/2022	Expiration Date: 7/22/2024	
Date:	7/14/2022	Phone: 720-360-4028	Conditions of App	roval Attached	

| 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., Santa 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

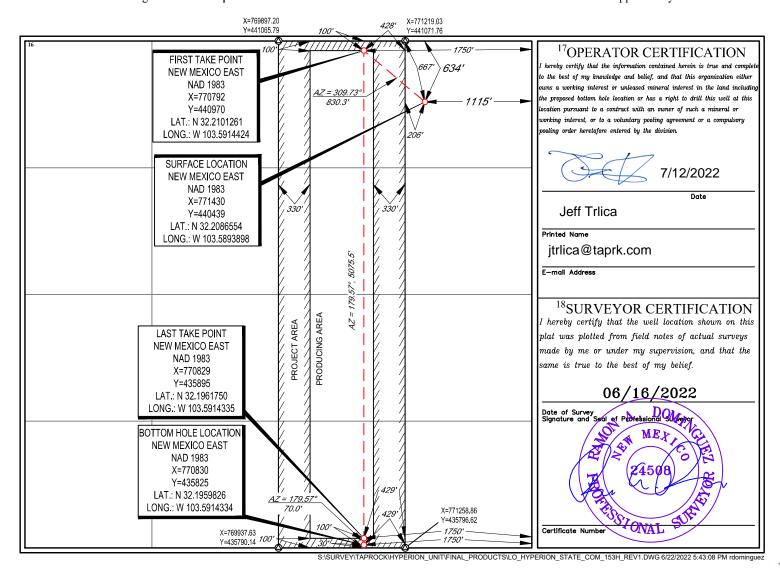
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-50362		² Pool Code 96674		
⁴ Property Code 329779			operty Name N STATE COM	⁶ Well Number 153H
70GRID №. #372043		- 1	perator Name OPERATING, LLC.	⁹ Elevation 3562'

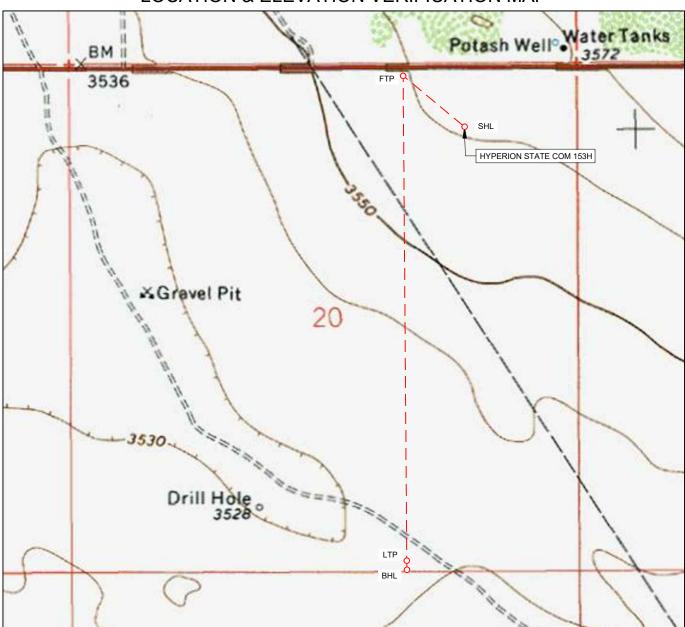
¹⁰Surface Location

UL or lot no.	Section 20	Township 24-S	33-E	Lot Idn —	Feet from the 634'	North/South line NORTH	Feet from the 1115'	EAST	LEA
	¹¹ Bottom Hole Location If Different From Surface								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	20	24-S	33-E	-	30'	SOUTH	1750'	EAST	LEA
12Dedicated Acres	¹³ Joint or	Infill 14Co	onsolidation Co	de ¹⁵ Ord	er No.				
160									

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.



LOCATION & ELEVATION VERIFICATION MAP





LEASE NAME & WELL NO.:

HYPERION STATE COM 153H

 SECTION
 20
 TWP
 24-S
 RGE
 33-E
 SURVEY
 N.M.P.M.

 COUNTY
 LEA
 STATE
 NM
 ELEVATION
 3562'

 DESCRIPTION
 634' FNL & 1115' FEL

LATITUDE ____ N 32.2086554 ___ LONGITUDE ___ W 103.5893898

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.





1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140

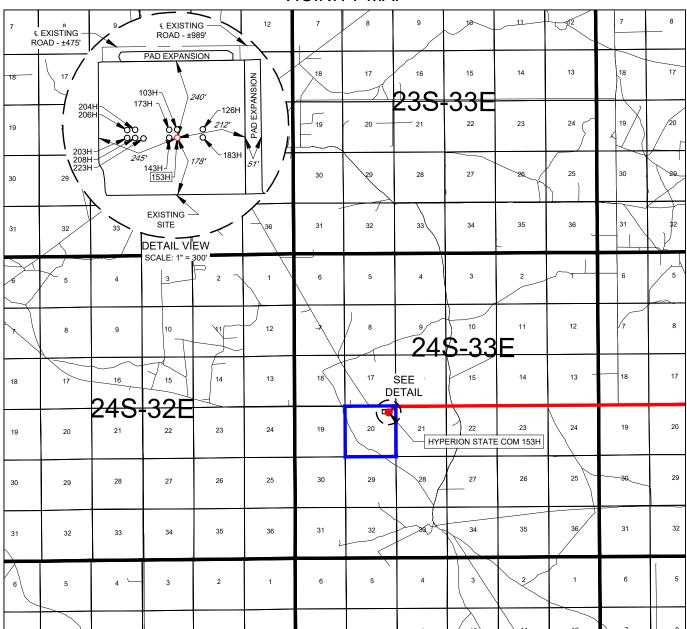
TELEPHONE: (817) 744-7512 • FAX (817) 744-7554

2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705

TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743

WWW.TOPOGRAPHIC.COM

EXHIBIT 2 VICINITY MAP





LEASE NAME & WELL NO.: HYPERION STATE COM 153H

 SECTION
 20
 TWP
 24-S
 RGE
 33-E
 SURVEY
 N.M.P.M.

 COUNTY
 LEA
 STATE
 NM

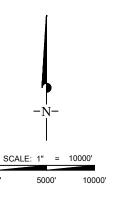
 DESCRIPTION
 634' FNL & 1115' FEL

DISTANCE & DIRECTION

FROM INT. OF NM-128 & DELAWARE BASIN RD., GO WEST ON NM-128 ±4.4 MILES, THENCE SOUTH (LEFT) A PROPOSED RD. ±989 FEET TO A POINT ±312 FEET NORTHEAST OF THE LOCATION.

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.





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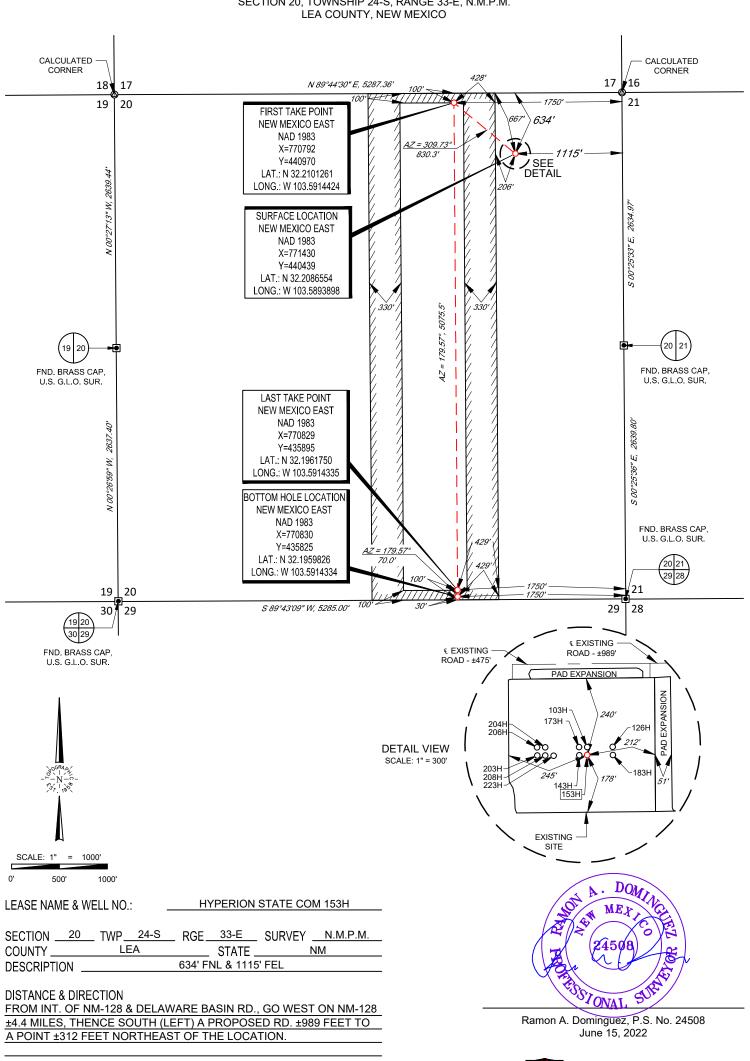
2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705

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SECTION 20, TOWNSHIP 24-S, RANGE 33-E, N.M.P.M. LEA COUNTY, NEW MEXICO



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.

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.

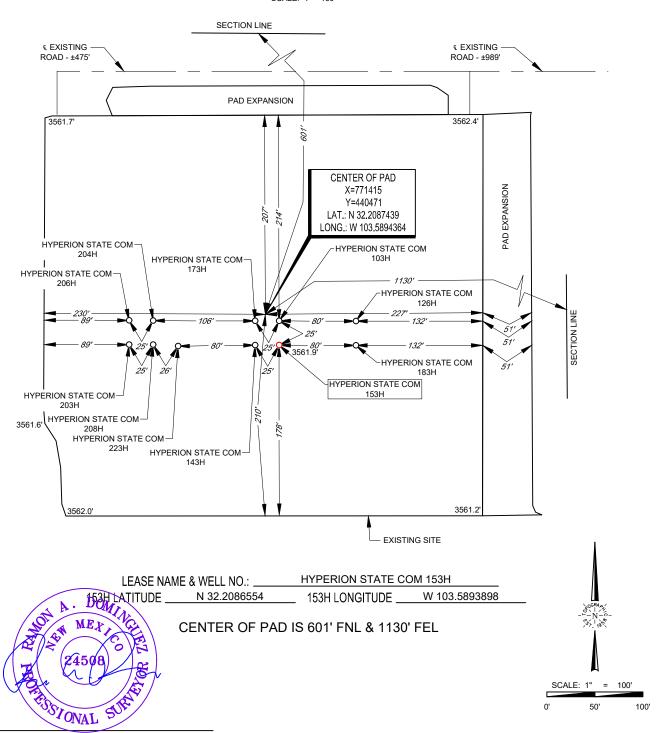


TELEPHONE: (817) 744-7512 • FAX (817) 744-7554 2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705 TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743 WWW.TOPOGRAPHIC.COM



SECTION 20, TOWNSHIP 24-S, RANGE 33-E, N.M.P.M. LEA COUNTY, NEW MEXICO

DETAIL VIEW SCALE: 1" = 100'



Ramon A. Dominguez, P.S. No. 24508 June 15, 2022

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, BEAST ZONE, U.S. SURVEY FEET. ELEVATIONS USED ARE NAVDBB, OBTAINED THROUGH AN OPUS SOLUTION.

THIS PROPOSED PAD SITE 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, ONLY THE DATA SHOWN ABOVE IS BEING CERTIFIED TO, ALL OTHER INFORMATION WAS INTENTIONALLY OMITTED. THIS PLAT IS ONLY INTENDED TO BE USED FOR A PERMIT AND IS NOT A BOUNDARY SURVEY. 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.



1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140

TELEPHONE: (817) 744-7512 • FAX (817) 744-7554

2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705

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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 APD Conditions

Permit 321035

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
TAP ROCK OPERATING, LLC [372043]	30-025-50362
523 Park Point Drive	Well:
Golden, CO 80401	HYPERION STATE COM #153H

OCD Reviewer	Condition
pkautz	Notify OCD 24 hours prior to casing & cement
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system
pkautz	Cement is required to circulate on both surface and intermediate1 strings of casing
pkautz	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud



Tap Rock Resources, LLC

Lea County, NM (NAD 83 NME) (Hyperion) Sec-20_T-24-S_R-33-E Hyperion State Com #153H

OWB

Plan: Plan #1

Standard Planning Report

06 July, 2022





Well:

Intrepid Planning Report



Database: EDM 5000.15 Single User Db
Company: Tap Rock Resources, LLC
Project: Lea County, NM (NAD 83 NME)
Site: (Hyperion) Sec-20_T-24-S_R-33-E

Hyperion State Com #153H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference: TVD Reference:

MD Reference:
North Reference:
Survey Calculation Method:

Well Hyperion State Com #153H

KB @ 3588.0usft KB @ 3588.0usft

Grid

Minimum Curvature

Project Lea County, NM (NAD 83 NME)

Map System:US State Plane 1983Geo Datum:North American Datum 1983Map Zone:New Mexico Eastern Zone

System Datum: Mean Sea Level

Site (Hyperion) Sec-20_T-24-S_R-33-E

Site Position: Northing: 440,505.00 usft 32° 12' 32.058 N Latitude: From: Мар Easting: 767,798.00 usft Longitude: 103° 36' 4.072 W **Position Uncertainty:** 0.0 usft **Slot Radius:** 13-3/16 " Grid Convergence: 0.39°

 Well
 Hyperion State Com #153H

 Well Position
 +N/-S
 -66.0 usft
 Northing:
 440,439.00 usft
 Latitude:
 32° 12' 31.158 N

 +E/-W
 3,632.0 usft
 Easting:
 771,430.00 usft
 Longitude:
 103° 35′ 21.805 W

 Position Uncertainty
 0.0 usft
 Wellhead Elevation:
 Ground Level:
 3,562.0 usft

OWB Wellbore **Model Name** Sample Date Declination **Dip Angle** Field Strength Magnetics (°) (°) (nT) 60.00 47.543.50647173 IGRF2015 03/08/21 6.56

Design Plan #1 **Audit Notes:** Version: Phase: **PLAN** Tie On Depth: 0.0 **Vertical Section:** Depth From (TVD) +N/-S +E/-W Direction (usft) (usft) (usft) (°) 0.0 0.0 0.0 179.57

Plan Survey Tool Program Date 07/06/22 **Depth From** Depth To (usft) (usft) Survey (Wellbore) **Tool Name** Remarks 0.0 Plan #1 (OWB) 5,300.0 GYD_GC+DROP+OH 1 Gyrodata Stationary Tool dro 2 5.300.0 16,544.6 Plan #1 (OWB) **MWD** OWSG MWD - Standard





Database: Company: Project: Site:

Well:

EDM 5000.15 Single User Db Tap Rock Resources, LLC Lea County, NM (NAD 83 NME) (Hyperion) Sec-20_T-24-S_R-33-E

Hyperion State Com #153H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well Hyperion State Com #153H

KB @ 3588.0usft KB @ 3588.0usft

Grid

Minimum Curvature

Plan Sections	S									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,300.0	1.00	180.00	1,300.0	-0.9	0.0	1.00	1.00	0.00	180.00	
2,400.2	1.00	180.00	2,400.0	-20.1	0.0	0.00	0.00	0.00	0.00	
3,532.6	10.65	310.47	3,526.2	38.1	-79.9	1.00	0.85	11.52	134.27	
7,516.1	10.65	310.47	7,441.1	515.9	-639.9	0.00	0.00	0.00	0.00	
8,581.1	0.00	0.01	8,500.0	580.0	-715.0	1.00	-1.00	0.00	180.00	
11,019.1	0.00	0.01	10,938.0	580.0	-715.0	0.00	0.00	0.00	0.01	
11,919.1	90.00	173.55	11,511.0	10.7	-650.6	10.00	10.00	0.00	173.55	
12,220.0	90.00	179.57	11,511.0	-289.6	-632.6	2.00	0.00	2.00	90.01	
16,544.6	90.00	179.57	11,511.0	-4,614.0	-600.0	0.00	0.00	0.00	0.00	PBHL (Hyperion Sta





Database: EDM 5000.15 Single User Db
Company: Tap Rock Resources, LLC
Project: Lea County, NM (NAD 83 NME)
Site: (Hyperion) Sec-20_T-24-S_R-33-E
Well: Hyperion State Com #153H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference: TVD Reference:

MD Reference:
North Reference:

North Reference: Survey Calculation Method: Well Hyperion State Com #153H

KB @ 3588.0usft KB @ 3588.0usft

Grid Minimum Curvature

Design:	Plan #1								
Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	TH - Build 1.00 1.00	180.00	1,300.0	-0.9	0.0	0.9	1.00	1.00	0.00
	0.2 at 1300.0 N		1,000.0	0.0	0.0	0.0			
1,400.0	1.00	180.00	1,400.0	-2.6	0.0	2.6	0.00	0.00	0.00
1,500.0	1.00	180.00	1,500.0	-4.4	0.0	4.4	0.00	0.00	0.00
1,600.0	1.00	180.00	1,599.9	-6.1	0.0	6.1	0.00	0.00	0.00
1,700.0	1.00	180.00	1,699.9	-7.9	0.0	7.9	0.00	0.00	0.00
1,800.0	1.00	180.00	1,799.9	-9.6	0.0	9.6	0.00	0.00	0.00
1,900.0	1.00	180.00	1,899.9	-11.3	0.0	11.3	0.00	0.00	0.00
2,000.0	1.00	180.00	1,999.9	-13.1	0.0	13.1	0.00	0.00	0.00
2,100.0	1.00	180.00	2,099.9	-14.8	0.0	14.8	0.00	0.00	0.00
2,200.0	1.00	180.00	2,199.9	-16.6	0.0	16.6	0.00	0.00	0.00
2,300.0	1.00	180.00	2,299.8	-18.3	0.0	18.3	0.00	0.00	0.00
2,400.2	1.00	180.00	2,400.0	-20.1	0.0	20.1	0.00	0.00	0.00
NUDGE - DI	LS 1.00 TFO 1	34.27							
2,500.0	0.78	247.02	2,499.8	-21.2	-0.6	21.2	1.00	-0.22	67.14
2,600.0	1.48	285.44	2,599.8	-21.1	-2.5	21.1	1.00	0.71	38.42
2,700.0	2.41	297.00	2,699.7	-19.8	-5.6	19.8	1.00	0.92	11.56
2,800.0	3.38	302.05	2,799.6	-17.3	-10.0	17.2	1.00	0.97	5.05
2,900.0	4.36	304.84	2,899.4	-13.6	-15.6	13.5	1.00	0.98	2.79
3,000.0	5.35	306.61	2,999.0	-8.6	-22.5	8.5	1.00	0.99	1.76
3,100.0	6.34	307.82	3,098.5	-2.5	-30.6	2.2	1.00	0.99	1.21
3,200.0	7.33	308.71	3,197.8	4.9	-39.9	-5.2	1.00	0.99	0.89
3,300.0	8.33	309.38	3,296.9	13.5	-50.5	-13.9	1.00	1.00	0.68
3,400.0	9.33	309.92	3,395.7	23.3	-62.3	-23.8	1.00	1.00	0.53
3,500.0 3,532.6	10.32 10.65 3.5 at 3532.6 N	310.35 310.47	3,494.2 3,526.2	34.3 38.1	-75.3 -79.9	-34.9 -38.7	1.00 1.00	1.00 1.00	0.43 0.38
3,600.0	3.3 at 3332.6 h 10.65	310.47	3,592.5	46.2	-89.3	-46.9	0.00	0.00	0.00
3,700.0	10.65	310.47	3,690.8	58.2	-103.4	-59.0	0.00	0.00	0.00
3,800.0	10.65	310.47	3,789.1	70.2	-117.5	-71.1	0.00	0.00	0.00
3,900.0	10.65	310.47	3,887.3	82.2	-131.5	-83.2	0.00	0.00	0.00
4,000.0	10.65	310.47	3,985.6	94.2	-145.6	-95.3	0.00	0.00	0.00
4,100.0	10.65	310.47	4,083.9	106.2	-159.6	-107.4	0.00	0.00	0.00
4,200.0	10.65	310.47	4,182.2	118.2	-173.7	-119.5	0.00	0.00	0.00
4,300.0	10.65	310.47	4,280.4	130.2	-187.8	-131.6	0.00	0.00	0.00
4,400.0	10.65	310.47	4,378.7	142.2	-201.8	-143.7	0.00	0.00	0.00
4,500.0	10.65	310.47	4,477.0	154.2	-215.9	-155.8	0.00	0.00	0.00
4,600.0	10.65	310.47	4,575.3	166.2	-229.9	-167.9	0.00	0.00	0.00
4,700.0	10.65	310.47	4,673.5	178.2	-244.0	-180.0	0.00	0.00	0.00
4,800.0	10.65	310.47	4,771.8	190.2	-258.1	-192.1	0.00	0.00	0.00





Database: EDM 5000.15 Single User Db
Company: Tap Rock Resources, LLC
Project: Lea County, NM (NAD 83 NME)
Site: (Hyperion) Sec-20_T-24-S_R-33-E
Well: Hyperion State Com #153H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference: TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Well Hyperion State Com #153H

KB @ 3588.0usft KB @ 3588.0usft

Grid Minimum Curvature

Planned Survey									
Measured			Vertical			Vertical	Dogleg	Build	Turn
Depth (usft)	Inclination (°)	Azimuth (°)	Depth (usft)	+N/-S (usft)	+E/-W (usft)	Section (usft)	Rate (°/100usft)	Rate (°/100usft)	Rate (°/100usft)
4,900.0	10.65	310.47	4,870.1	202.2	-272.1	-204.2	0.00	0.00	0.00
5,000.0	10.65	310.47	4,968.4	214.2	-286.2	-216.3	0.00	0.00	0.00
5,100.0	10.65	310.47	5,066.7	226.1	-300.2	-228.4	0.00	0.00	0.00
5,200.0	10.65	310.47	5,164.9	238.1	-314.3	-240.5	0.00	0.00	0.00
5,300.0	10.65	310.47	5,263.2	250.1	-328.4	-252.6	0.00	0.00	0.00
5,400.0	10.65	310.47	5,361.5	262.1	-342.4	-264.7	0.00	0.00	0.00
5,500.0	10.65	310.47	5,459.8	274.1	-356.5	-276.8	0.00	0.00	0.00
5,600.0	10.65	310.47	5,558.0	286.1	-370.5	-288.9	0.00	0.00	0.00
5,700.0	10.65	310.47	5,656.3	298.1	-384.6	-301.0	0.00	0.00	0.00
5,800.0	10.65	310.47	5,754.6	310.1	-398.6	-313.1	0.00	0.00	0.00
5,900.0	10.65	310.47	5,852.9	322.1	-412.7	-325.2	0.00	0.00	0.00
6,000.0	10.65	310.47	5,951.2	334.1	-426.8	-337.3	0.00	0.00	0.00
6,100.0	10.65	310.47	6,049.4	346.1	-440.8	-349.4	0.00	0.00	0.00
6,200.0	10.65	310.47	6,147.7	358.1	-454.9	-361.5	0.00	0.00	0.00
6,300.0	10.65	310.47	6,246.0	370.1	-468.9	-373.6	0.00	0.00	0.00
6,400.0	10.65	310.47	6,344.3	382.1	-483.0	-385.7	0.00	0.00	0.00
6,500.0	10.65	310.47	6,442.5	394.1	-497.1	-397.8	0.00	0.00	0.00
6,600.0	10.65	310.47	6,540.8	406.1	-511.1	-409.9	0.00	0.00	0.00
6,700.0	10.65	310.47	6,639.1	418.1	-525.2	-422.0	0.00	0.00	0.00
6,800.0	10.65	310.47	6,737.4	430.1	-539.2	-434.1	0.00	0.00	0.00
6,900.0	10.65	310.47	6,835.7	442.0	-553.3	-446.2	0.00	0.00	0.00
7,000.0	10.65	310.47	6,933.9	454.0	-567.4	-458.3	0.00	0.00	0.00
7,100.0	10.65	310.47	7,032.2	466.0	-581.4	-470.4	0.00	0.00	0.00
7,200.0	10.65	310.47	7,130.5	478.0	-595.5	-482.5	0.00	0.00	0.00
7,300.0	10.65	310.47	7,228.8	490.0	-609.5	-494.6	0.00	0.00	0.00
7,400.0	10.65	310.47	7,327.0	502.0	-623.6	-506.7	0.00	0.00	0.00
7,500.0	10.65	310.47	7,425.3	514.0	-637.7	-518.8	0.00	0.00	0.00
7,516.1	10.65	310.47	7,441.1	515.9	-639.9	-520.7	0.00	0.00	0.00
DROP1.0									
7,600.0	9.81	310.47	7,523.7	525.6	-651.3	-530.5	1.00	-1.00	0.00
7,700.0	8.81	310.47	7,622.4	536.1	-663.6	-541.1	1.00	-1.00	0.00
7,800.0	7.81	310.47	7,721.3	545.5	-674.6	-550.5	1.00	-1.00	0.00
7,900.0	6.81	310.47	7,820.5	553.8	-684.2	-558.9	1.00	-1.00	0.00
8,000.0	5.81	310.47	7,919.9	560.9	-692.6	-566.1	1.00	-1.00	0.00
8,100.0	4.81	310.47	8,019.5	566.9	-699.6	-572.1	1.00	-1.00	0.00
8,200.0	3.81	310.47	8,119.2	571.8	-705.4	-577.1	1.00	-1.00	0.00
8,300.0	2.81	310.47	8,219.0	575.5	-709.8	-580.8	1.00	-1.00	0.00
8,400.0	1.81	310.47	8,318.9	578.1	-712.8	-583.5	1.00	-1.00	0.00
8,500.0	0.81	310.47	8,418.9	579.6	-714.6	-585.0	1.00	-1.00	0.00
8,581.1	0.00	0.01	8,500.0	580.0	-715.0	-585.3	1.00	-1.00	0.00
	38.0 at 8581.1 I		0.540.0	500.0	745.0	505.0	0.00	0.00	0.00
8,600.0	0.00	0.00	8,518.9	580.0	-715.0	-585.3	0.00	0.00	0.00
8,700.0	0.00	0.00	8,618.9	580.0	-715.0	-585.3	0.00	0.00	0.00
8,800.0	0.00	0.00	8,718.9	580.0	-715.0	-585.3	0.00	0.00	0.00
8,900.0	0.00	0.00	8,818.9	580.0	-715.0	-585.3	0.00	0.00	0.00
9,000.0 9,100.0	0.00 0.00	0.00 0.00	8,918.9 9,018.9	580.0 580.0	-715.0 -715.0	-585.3 -585.3	0.00 0.00	0.00 0.00	0.00 0.00
9,200.0	0.00	0.00	9,118.9	580.0	-715.0	-585.3 -585.3	0.00	0.00	0.00
9,300.0 9,400.0	0.00 0.00	0.00 0.00	9,218.9 9,318.9	580.0 580.0	-715.0 -715.0	-585.3 -585.3	0.00 0.00	0.00 0.00	0.00 0.00
9,400.0 9,500.0	0.00	0.00	9,318.9	580.0 580.0	-715.0 -715.0	-585.3 -585.3	0.00	0.00	0.00
9,600.0	0.00	0.00	9,418.9	580.0	-715.0 -715.0	-585.3	0.00	0.00	0.00
•									
9,700.0	0.00	0.00	9,618.9	580.0	-715.0	-585.3	0.00	0.00	0.00





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Project: Lea County, NM (NAD 83 NME)
Site: (Hyperion) Sec-20_T-24-S_R-33-E
Well: Hyperion State Com #153H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference: TVD Reference:

MD Reference: North Reference: Survey Calculation Method: Well Hyperion State Com #153H

KB @ 3588.0usft KB @ 3588.0usft

Grid

Minimum Curvature

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
9,800.0	0.00	0.00	9,718.9	580.0	-715.0	-585.3	0.00	0.00	0.00
9,900.0	0.00	0.00	9,818.9	580.0	-715.0	-585.3	0.00	0.00	0.00
10,000.0	0.00	0.00	9,918.9	580.0	-715.0	-585.3	0.00	0.00	0.00
10,100.0	0.00	0.00	10,018.9	580.0	-715.0	-585.3	0.00	0.00	0.00
10,200.0	0.00	0.00	10,118.9	580.0	-715.0	-585.3	0.00	0.00	0.00
10,300.0	0.00	0.00	10,218.9	580.0	-715.0	-585.3	0.00	0.00	0.00
10,400.0	0.00	0.00	10,318.9	580.0	-715.0	-585.3	0.00	0.00	0.00
10,500.0	0.00	0.00	10,418.9	580.0	-715.0	-585.3	0.00	0.00	0.00
10,600.0	0.00	0.00	10,518.9	580.0	-715.0	-585.3	0.00	0.00	0.00
10,700.0	0.00	0.00	10,618.9	580.0	-715.0	-585.3	0.00	0.00	0.00
10,800.0	0.00	0.00	10,718.9	580.0	-715.0	-585.3	0.00	0.00	0.00
10,900.0	0.00	0.00	10,818.9	580.0	-715.0	-585.3	0.00	0.00	0.00
11,000.0	0.00	0.00	10,918.9	580.0	-715.0	-585.3	0.00	0.00	0.00
11,019.1	0.00	0.00	10,938.0	580.0	-715.0	-585.3	0.00	0.00	0.00
KOP - Build	d 10.00								
11,050.0	3.09	173.55	10,968.9	579.2	-714.9	-584.5	10.00	10.00	0.00
11,100.0	8.09	173.55	11,018.7	574.3	-714.4	-579.7	10.00	10.00	0.00
11,150.0	13.09	173.55	11,067.8	565.2	-713.3	-570.5	10.00	10.00	0.00
11,200.0	18.09	173.55	11,115.9	551.9	-711.8	-557.2	10.00	10.00	0.00
11,250.0	23.09	173.55	11,162.7	534.4	-709.8	-539.7	10.00	10.00	0.00
11,300.0	28.09	173.55	11,207.8	512.9	-707.4	-518.2	10.00	10.00	0.00
11,350.0	33.09	173.55	11,250.8	487.7	-704.6	-492.9	10.00	10.00	0.00
11,400.0	38.09	173.55	11,291.5	458.7	-701.3	-464.0	10.00	10.00	0.00
11,450.0	43.09	173.55	11,329.4	426.4	-697.6	-431.7	10.00	10.00	0.00
11,500.0	48.09	173.55	11,364.4	390.9	-693.6	-396.1	10.00	10.00	0.00
11,550.0	53.09	173.55	11,396.1	352.6	-689.3	-357.7	10.00	10.00	0.00
11,600.0	58.09	173.55	11,424.4	311.6	-684.7	-316.7	10.00	10.00	0.00
11,650.0	63.09	173.55	11,448.9	268.3	-679.8	-273.4	10.00	10.00	0.00
11,700.0	68.09	173.55	11,469.6	223.1	-674.7	-228.2	10.00	10.00	0.00
11,750.0	73.09	173.55	11,486.2	176.3	-669.4	-181.3	10.00	10.00	0.00
11,800.0	78.09	173.55	11,498.6	128.1	-663.9	-133.1	10.00	10.00	0.00
11,850.0	83.09	173.55	11,506.8	79.1	-658.4	-84.1	10.00	10.00	0.00
11,900.0	88.09	173.55	11,510.6	29.6	-652.8	-34.5	10.00	10.00	0.00
11,919.1	90.00	173.55	11,511.0	10.7	-650.6	-15.6	10.00	10.00	0.00
12,000.0	90.00	175.17	11,511.0	-69.9	-642.7	65.0	2.00	0.00	2.00
12,100.0	90.00	177.17	11,511.0	-169.6	-636.0	164.8	2.00	0.00	2.00
12,200.0	90.00	179.17	11,511.0	-269.6	-632.8	264.8	2.00	0.00	2.00
12,220.0	90.00	179.57	11,511.0	-289.6	-632.6	284.8	2.00	0.00	2.00
	6 hold at 1222		11 511 0	260.6	600.0	264.0	0.00	0.00	0.00
12,300.0	90.00	179.57	11,511.0	-369.6	-632.0	364.8	0.00	0.00	0.00
12,400.0	90.00	179.57	11,511.0	-469.6	-631.2	464.8	0.00	0.00	0.00
12,500.0	90.00	179.57	11,511.0	-569.6	-630.5	564.8	0.00	0.00	0.00
12,600.0	90.00	179.57	11,511.0	-669.6	-629.7	664.8	0.00	0.00	0.00
12,700.0	90.00	179.57	11,511.0	-769.6	-629.0	764.8	0.00	0.00	0.00
12,800.0	90.00	179.57	11,511.0	-869.6	-628.2	864.8	0.00	0.00	0.00
12,900.0	90.00	179.57	11,511.0	-969.6	-627.5	964.8	0.00	0.00	0.00
13,000.0	90.00	179.57	11,511.0	-1,069.5	-626.7	1,064.8	0.00	0.00	0.00
13,100.0	90.00	179.57	11,511.0	-1,169.5	-626.0	1,164.8	0.00	0.00	0.00
13,200.0	90.00	179.57	11,511.0	-1,269.5	-625.2	1,264.8	0.00	0.00	0.00
13,300.0	90.00	179.57	11,511.0	-1,369.5	-624.4	1,364.8	0.00	0.00	0.00
13,400.0	90.00	179.57	11,511.0	-1,469.5	-623.7	1,464.8	0.00	0.00	0.00





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Well: Hyperion State Com #153H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference: TVD Reference:

MD Reference: North Reference: Survey Calculation Method: Well Hyperion State Com #153H

KB @ 3588.0usft KB @ 3588.0usft

Grid Minimum Curvature

Design:	Plan #1								
Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
13,600.0	90.00	179.57	11,511.0	-1,669.5	-622.2	1,664.8	0.00	0.00	0.00
13,700.0	90.00	179.57	11,511.0	-1,769.5	-621.4	1,764.8	0.00	0.00	0.00
13,800.0	90.00	179.57	11,511.0	-1,869.5	-620.7	1,864.8	0.00	0.00	0.00
13,900.0	90.00	179.57	11,511.0	-1,969.5	-619.9	1,964.8	0.00	0.00	0.00
14,000.0	90.00	179.57	11,511.0	-2,069.5	-619.2	2,064.8	0.00	0.00	0.00
14,100.0	90.00	179.57	11,511.0	-2,169.5	-618.4	2,164.8	0.00	0.00	0.00
14,200.0	90.00	179.57	11,511.0	-2,269.5	-617.7	2,264.8	0.00	0.00	0.00
14,300.0	90.00	179.57	11,511.0	-2,369.5	-616.9	2,364.8	0.00	0.00	0.00
14,400.0	90.00	179.57	11,511.0	-2,469.5	-616.2	2,464.8	0.00	0.00	0.00
14,500.0	90.00	179.57	11,511.0	-2,569.5	-615.4	2,564.8	0.00	0.00	0.00
14,600.0	90.00	179.57	11,511.0	-2,669.5	-614.7	2,664.8	0.00	0.00	0.00
14,700.0	90.00	179.57	11,511.0	-2,769.5	-613.9	2,764.8	0.00	0.00	0.00
14,800.0	90.00	179.57	11,511.0	-2,869.5	-613.1	2,864.8	0.00	0.00	0.00
14,900.0	90.00	179.57	11,511.0	-2,969.5	-612.4	2,964.8	0.00	0.00	0.00
15,000.0	90.00	179.57	11,511.0	-3,069.5	-611.6	3,064.8	0.00	0.00	0.00
15,100.0	90.00	179.57	11,511.0	-3,169.5	-610.9	3,164.8	0.00	0.00	0.00
15,200.0	90.00	179.57	11,511.0	-3,269.5	-610.1	3,264.8	0.00	0.00	0.00
15,300.0	90.00	179.57	11,511.0	-3,369.5	-609.4	3,364.8	0.00	0.00	0.00
15,400.0	90.00	179.57	11,511.0	-3,469.5	-608.6	3,464.8	0.00	0.00	0.00
15,500.0	90.00	179.57	11,511.0	-3,569.5	-607.9	3,564.8	0.00	0.00	0.00
15,600.0	90.00	179.57	11,511.0	-3,669.5	-607.1	3,664.8	0.00	0.00	0.00
15,700.0	90.00	179.57	11,511.0	-3,769.5	-606.4	3,764.8	0.00	0.00	0.00
15,800.0	90.00	179.57	11,511.0	-3,869.5	-605.6	3,864.8	0.00	0.00	0.00
15,900.0	90.00	179.57	11,511.0	-3,969.5	-604.9	3,964.8	0.00	0.00	0.00
16,000.0	90.00	179.57	11,511.0	-4,069.5	-604.1	4,064.8	0.00	0.00	0.00
16,100.0	90.00	179.57	11,511.0	-4,169.5	-603.3	4,164.8	0.00	0.00	0.00
16,200.0	90.00	179.57	11,511.0	-4,269.5	-602.6	4,264.8	0.00	0.00	0.00
16,300.0	90.00	179.57	11,511.0	-4,369.5	-601.8	4,364.8	0.00	0.00	0.00
16,400.0	90.00	179.57	11,511.0	-4,469.5	-601.1	4,464.8	0.00	0.00	0.00
16,500.0 16,544.6 TD at 16544	90.00 90.00	179.57 179.57	11,511.0 11,511.0	-4,569.4 -4,614.0	-600.3 -600.0	4,564.8 4,609.4	0.00 0.00	0.00 0.00	0.00 0.00

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
FTP (Hyperion State C - plan misses targo - Point			11,511.0 11500.0usf	531.0 t MD (11364.	-638.0 4 TVD, 390.9	440,970.00 9 N, -693.6 E)	770,792.00	32° 12′ 36.456 N	103° 35' 29.188 W
PBHL (Hyperion State - plan hits target or - Rectangle (sides	enter	179.58 146.0 D30.0	11,511.0	-4,614.0	-600.0	435,825.00	770,830.00	32° 11′ 45.542 N	103° 35' 29.159 W
LTP (Hyperion State C - plan misses targe - Point			11,511.0 474.5usft M	-4,544.0 ID (11511.0 ⁻	-601.0 TVD, -4544.0	435,895.00 N, -600.5 E)	770,829.00	32° 11′ 46.235 N	103° 35' 29.165 W





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Well: Hyperion State Com #153H

Wellbore: OWB
Design: Plan #1

Local Co-ordinate Reference: TVD Reference: MD Reference:

North Reference: Survey Calculation Method: Well Hyperion State Com #153H

KB @ 3588.0usft KB @ 3588.0usft

Grid

Minimum Curvature

ormations						
	Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
	1,180.0	1,180.0	Rustler			
	1,570.0	1,570.0	Top Salt			
	4,793.1	4,765.0	Base Salt			
	5,072.9	5,040.0	Delaware Mountain Group			
	5,078.0	5,045.0	Lamar			
	5,098.3	5,065.0	Bell Canyon			
	5,113.6	5,080.0	Ramsey Sand			
	6,065.0	6,015.0	Cherry Canyon			
	7,545.5	7,470.0	Brushy Canyon			
	9,136.1	9,055.0	Bone Spring Lime			
	9,291.1	9,210.0	Upper Avalon			
	9,536.1	9,455.0	Middle Avalon			
	9,901.1	9,820.0	Lower Avalon			
	10,126.1	10,045.0	1st Bone Spring Sand			
	10,676.1	10,595.0	2nd Bone Spring Carb			
	10,801.1	10,720.0	2nd Bone Spring Sand			
	11,391.8	11,285.0	3rd Bone Spring Carb			

Plan Annotation	ns				
N	leasured Depth (usft)	Vertical Depth (usft)	Local Coord +N/-S (usft)	dinates +E/-W (usft)	Comment
	1,200.0	1,200.0	0.0	0.0	DRIFT SOUTH - Build 1.00
	1,300.0	1,300.0	-0.9	0.0	HOLD - 1100.2 at 1300.0 MD
	2,400.2	2,400.0	-20.1	0.0	NUDGE - DLS 1.00 TFO 134.27
	3,532.6	3,526.2	38.1	-79.9	HOLD - 3983.5 at 3532.6 MD
	7,516.1	7,441.1	515.9	-639.9	DROP1.00
	8,581.1	8,500.0	580.0	-715.0	HOLD - 2438.0 at 8581.1 MD
	11,019.1	10,938.0	580.0	-715.0	KOP - Build 10.00
	11,919.1	11,511.0	10.7	-650.6	EOC/TRN - DLS 2.00 TFO 90.01
	12,220.0	11,511.0	-289.6	-632.6	Start 4324.6 hold at 12220.0 MD
	16,544.6	11,511.0	-4,614.0	-600.0	TD at 16544.6

State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 Plan Description

			Effective May 25					
I. Operator:Ta	p Rock Oper	ating LLC	OGRID: _	372043_		Date	:_7/14/202	2
II. Type: ⊠ Original □] Amendmer	nt due to □ 19.15.2	7.9.D(6)(a) NMA	AC □ 19.15.27.9	.D(6)(b) N	ГМАС □	Other.	
If Other, please describe	:							
III. Well(s): Provide the be recompleted from a si					of wells pr	oposed to	be drilled	or proposed to
Well Name	API	ULSTR	F	Cootages	Anticip Oil BB		Anticipated Gas MCF/D	Anticipated Produced Water
Hyperion State Com 15.	3Н	Sec 20, T24S R 3	3E 634 FNL	, 1115 FEL	956	1	103	1838
V. Anticipated Schedul proposed to be recomple Well Name					t.	et of well Initial		to be drilled or
Well I valle	7111	Spud Bute	Date	Commenceme		Back		Date
Hyperion State Com 153H		7/28/22	8/15/22	10/1/22		10/20/2	2 10	/20/22
VII. Operational Pract Subsection A through F VIII. Best Managemen during active and planne	ices: ⊠ Atta of 19.15.27.8 t Practices:	ach a complete des 3 NMAC.	cription of the ac	ctions Operator v	will take to	o comply	with the r	equirements of

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

🗵 Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the
production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of
the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system \square will \square will not have capacity to gather 100% of the a	anticipated natural gas
production volume from the well prior to the date of first production.	

XIII. Line Pressure. Operator \square does \square does not anticipate that its existing well(s) connected to the same segment, or portion	n, of the
natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new	

_								
\Box	A 441- C) ···	? 1			·	. 4 - 41 - :	ased line pressure
1 1	A Hach C	merator	s bian ic	manage	production	in response	e to the increa	ased line pressure

XIV. Confidentiality: \Box Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information providentiality.	ided in
Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific infor	mation
for which confidentiality is asserted and the basis for such assertion.	

Section 3 - Certifications Effective May 25, 2021

	Effective May 23, 2021
Operator certifies that,	after reasonable inquiry and based on the available information at the time of submittal:
one hundred percent of	e to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering
hundred percent of the into account the current	able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. **Dox, Operator will select one of the following:*
Well Shut-In. ☐ Opera D of 19.15.27.9 NMAC	tor will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection c; or
0	Plan. ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential ses for the natural gas until a natural gas gathering system is available, including:
(a)	power generation on lease;
(b)	power generation for grid;
(c)	compression on lease;
(d)	liquids removal on lease;
(e)	reinjection for underground storage;
(f)	reinjection for temporary storage;
(g)	reinjection for enhanced oil recovery;
(h)	fuel cell production; and
(i)	other alternative beneficial uses approved by the division.

Section 4 - Notices

- 1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:
- (a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or
- (b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.
- 2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature:
Printed Name: Jeffrey Trlica
Title: Regulatory Analyst
E-mail Address: jtrlica@taprk.com
Date: 7/14/2022
Phone: 720-772-5910
OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

VI. **Separation Equipment:** Attach a complete description of how Operator will size separation equipment to optimize gas capture:

Each surface facility design includes the following process equipment: 3-phase separators (1 separator per well), a sales gas scrubber, one or two 3-phase heater treaters, a vapor recovery tower (VRT), a VRU compressor, multiple water and oil tanks, as well as flare knockouts (HP & LP), and flares (HP & LP). All process vessels will be sized to separate oil, water, gas based upon typical/historical & predicted well performance. Each process vessel will be fitted with an appropriately sized PSV as per ASME code requirements to mitigate vessel rupture and loss of containment. Additionally, the process vessels will be fitted with pressure transmitters tied to the facility control system which will allow operations to monitor pressures and when necessary, shut-in the facility to avoid vessel over-pressure and the potential vent of natural gas. Natural gas will preferentially be sold to pipeline, and only during upset/emergency conditions will gas be directed to the HP flare system. Flash gas from both the 3-phase heater treater and the VRT will be recompressed using a VRU compressor and this gas will also preferentially be directed to the gas sales pipeline. Oil tanks & water tanks will be fitted with 16 oz thief hatches as well as PVRVs to protect the tanks from rupture/collapse. Additionally, the tank vapor outlets and tank vapor capture system will be sized to keep tank pressures below 12 oz. The tank vapor capture system will include a tank vapor blower & knockout as well as a lowpressure flare and knockout. Tank vapors will preferentially be directed to the VRU and the sales gas pipeline. Only during process upsets/emergency conditions will tank vapors be directed to the LP flare system.

VII. **Operational Practices:** Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC. ← See attached reg for requirements.

- During drilling operations- Gas meters will be installed at the shakers and Volume
 Totalizers will be installed on the pits. In the event that elevated gas levels, or a pit
 gain are observed, returns will be diverted to a gas buster. Gas coming off the gas
 buster will be combusted at the flare stack. A 10' or taller flare will be located at
 least 100' from the SHL.
- During completions operations, including stimulation and frac plug drill out operations, hydrocarbon production to surface is minimized. When gas production does occur, gas will be combusted at a flare stack. A 10' or taller flare will be located at least 100' from the SHL.
- During production operations, all process vessels (separators, heater treaters, VRTs, Tanks) will recompress (where necessary) and route gas outlets into the natural gas gathering pipeline. Gas will preferentially be routed to natural gas gathering pipeline and the flare system will be used only during emergency, malfunction, or if the gas does not meet pipeline specifications. In the event of flaring off-specification gas, operations will pull gas samples twice a week and will also route gas back to pipeline as soon as the gas meets specification. Exceptions to this will include only those qualified exceptions per the regulation 19.15.27.8 Subsection D.

• To comply with state performance standards, separation and storage equipment will be designed to handle the maximum anticipated throughput and pressure to minimize waste and reduce the likelihood of venting gas to atmosphere. Additionally, each storage atmospheric tank (Oil & Water) will be fitted with a level transmitter to facilitate gauging of the tank without opening of the thief hatch. Any gas collected through the tank vent system is expected to be recompressed and routed to sales. However, in the event of an emergency, the tank vapor capture system will be designed to combust the gas using a flare stack fitted with a continuous or automatic ignitor. The flare stack will be properly anchored and will be located a minimum of 100 feet from the well and storage tanks. Operators will conduct weekly AVO inspections. These AVO inspection records will be stored for the required 5-year period and will be made available upon Division request.

VIII. **Best Management Practices:** Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

• When performing routine or preventive maintenance on a vessel or tank, initially all inlet valves are closed, and the vessel or tank is allowed to depressurize through the normal outlet connections to gas sales and/or liquid tanks. Once the vessel or tank is depressurized to lowest acceptable sales outlet pressure, usually around 20 psig, a temporary low-pressure flowline is connected from the vessel or tank to the Vapor Recovery Unit (VRU) for further pressure reduction. Once depressurized to less than 1-2 psig, the remaining natural gas in the vessel or tank is vented to atmosphere through a controlled pressure relief valve. Once the vessel or tank is depressurized to atmospheric pressure, the vessel or tank can be safely opened, and maintenance performed.