

Approved

NSL

Order

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne E. Sandoval, Director
Oil Conservation Division



May 11, 2021

Ms. Kaitlyn A. Luck
Kaluck@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL-8177

Tap Rock Operating, LLC [OGRID 372043]
Cypress 34 Federal Well No. 235H
API No. 30-015-47264

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	323 FNL & 226 FWL	D	34	23S	29E	Eddy
First Take Point	100 FNL & 1180 FWL	D	34	23S	29E	Eddy
Last Take Point	100 FSL & 1180 FWL	M	34	23S	29E	Eddy
Terminus	30 FSL & 1180 FWL	M	34	23S	29E	Eddy

Proposed Horizontal Gas Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 of Section 34	320	Purple Sage; Wolfcamp (GAS)	98220

Reference is made to your application received on April 20, 2021.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules, R-14262, for the Purple Sage; Wolfcamp (Gas) Pool and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 100 feet to the northern edge and 100 feet to the southern edge. Encroachment will impact the following tract.

Section 34, encroachment to the SW/4
Section 3, 24S 29E, encroachment to the NW/4

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.

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Division understands you are seeking this unorthodox location as a preferred well spacing plan for wells within the Wolfcamp formation underlying the W/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.**

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.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl

cc: Oil Conservation Division – Artesia District Office
Bureau of Land Management – Carlsbad Field Office

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Wednesday, May 19, 2021 3:06 PM
To: Kaitlyn A. Luck
Cc: Bratcher, Mike, EMNRD; Kautz, Paul, EMNRD; 'lisa@rwbyram.com'; jglover@blm.gov; drossmango@blm.gov
Subject: APPROVED NSL-8175 & NSL-8177_Tap Rock Operating, LLC_Cypress 34 Federal Well No. 205H & 235H_SEC 34 23S 29E
Attachments: NSL-8175_Tap Rock Operating, LLC_Cypress 34 Federal Well No. 205H_APPROVED.pdf; NSL-8177_Tap Rock Operating, LLC_Cypress 34 Federal Well No. 235H_APPROVED.pdf
Importance: High

Ms. Kaitlyn A. Luck,

The following NSL Administrative Orders have been issued and will soon be available on the Division's web site:

<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

Tap Rock Operating, LLC

NSL-8175, Cypress 34 Federal Well No. 205H
[POOL: Purple Sage, No. 98220]
HSU: W/2 of SECTION 34, 23S 29E

NSL-8177, Cypress 34 Federal Well No. 235H
[POOL: Purple Sage, No. 98220]
HSU: W/2 of SECTION 34, 23S 29E

Copies of the approved orders are attached.

Leonard R. Lowe

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