

### Double Diamond 24S31E1414 238H & 158H

DISMPS) (DISMISS) + Coses 16132 R-14698 + 16133

## Table of Contents

ij	Double Diamond 24S31E1414 238H C-102 15.	. Wolfcamp: Subsea Structure Map
5.	Double Diamond 24S31E1414 158H C-102 16.	
3.	Tract Maps 17.	
4.	Unit Interests 18.	. Wolfcamp: Simplified Wellbore Diagram
Ŋ.	Double Diamond 24S31E1414 238H Well 19. Proposal and AFE	
9.	Double Diamond 24S31E1414 158H Well Proposal and AFE	
7.	Communication Log	
8.	Competing Development Plans	. I hird bone Spring: Simplified Wellbore Diagram
9.	Tap Rock Information Request Letter 23.	
10.	Chevron Response to Information 24. Request Letter	Offset Operator Activity
11.		
1		Wolfcamp B Producers-1.5+ mile laterals
.71	24S31E1414 238H 27.	Chevron Wolfcamp Well Proposals
13.	Notice of Hearing and Offset- Double Diamond 24S31E1414158H	EOG Well Proposals
14.	Locator Map	



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Exhibit No.

Submitted by Tap Rock Resources State of N Hearing Date: May 17, 2018

Revised August 1, 2011

one copy to appropriate

**District Office** 

FORM C-102

Energy, Minerals Department OIL CONSERVATION DIVISION

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

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 1220 South St. Francis Dr. District IV 1220 S. St. Francis Dr., Sante Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

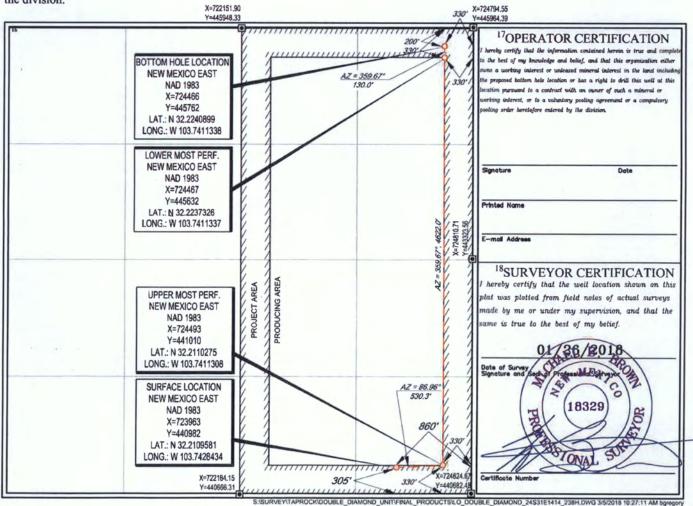
District [ 1625 N. French Dr., Hobbs, NM 88240

District II

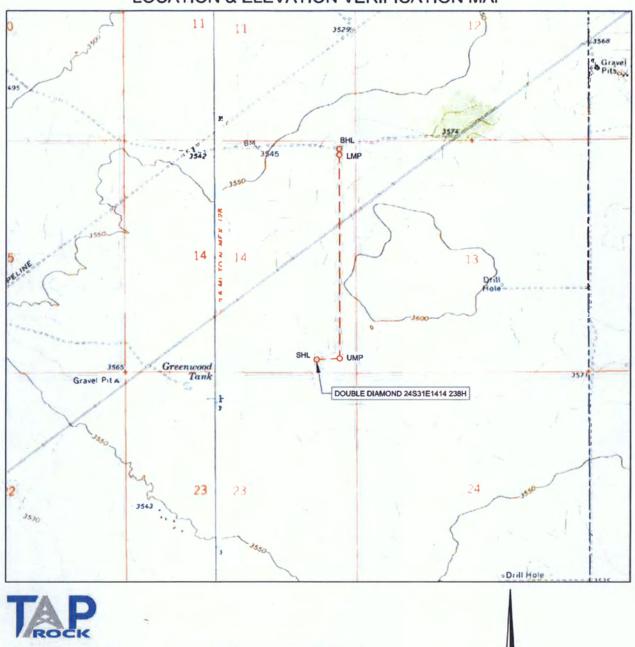
Phone: (575) 393-6161 Fax: (575) 393-0720

	API Number			<sup>2</sup> Pool Code			Pool Name	e	
<sup>4</sup> Property C	Code			DOUBLE	<sup>5</sup> Property Na	me 24S31E1414		1000	Il Number
OGRID N	No.			TAP R	OCK OPER	ATING, LLC.			Clevation 586'
					10 Surface Loc	cation			
UL or lot no.	Section 14	Township 24-S	Range 31-E	Let Idn	Feet from the 305'	North/South line SOUTH	Feet from the 860'	East/West line EAST	EDDY
			11 <sub>B</sub>	ottom Hole	Location If Di	fferent From Surf	ace		
UL or lot no.	Section 14	Township 24-S	Range 31-E	Lot Idn	Feet from the 200'	North/South line NORTH	Feet from the	East/West line EAST	EDDY
12Dedicated Acres 320	<sup>13</sup> Joint or I	nfill 14Ce	nsolidation Cod	e <sup>15</sup> Order	No.		•		

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 .:

DOUBLE DIAMOND 24S31E1414 238H

 SECTION
 14
 TWP
 24-S
 RGE
 31-E
 SURVEY
 N.M.P.M.

 COUNTY
 EDDY
 STATE
 NM
 ELEVATION
 3586'

 DESCRIPTION
 305' FSL & 860' FEL

LATITUDE N 32.2109581 LONGITUDE W 103.7428434



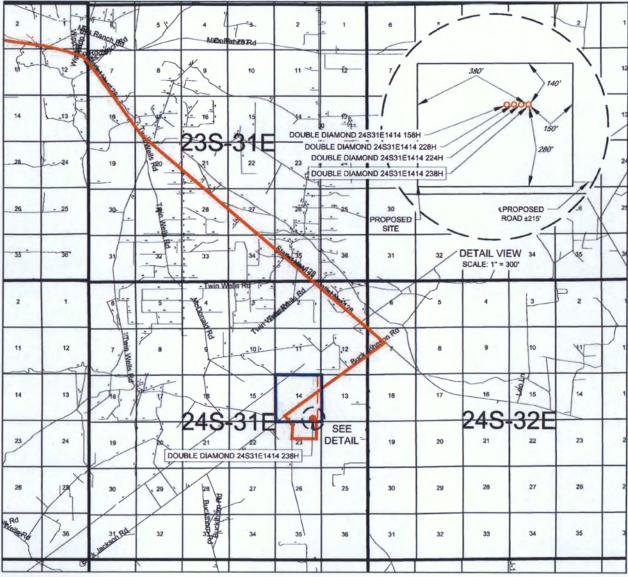
THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY TAP ROCK OPERATING, LLC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF 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) 682-1633 OR (800) 767-1653 • FAX (432) 682-1743 WWW.TOPOGRAPHIC.COM

### EXHIBIT 2 VICINITY MAP





LEASE NAME & WELL NO .:

DOUBLE DIAMOND 24S31E1414 238H

 SECTION
 14
 TWP
 24-S
 RGE
 31-E
 SURVEY
 N.M.P.M.

 COUNTY
 EDDY
 STATE
 NM

 DESCRIPTION
 305' FSL & 860' FEL

### **DISTANCE & DIRECTION**

FROM INT. OF NM-31, & NM-128-E, HEAD EAST ON NM-128 E ±19.6 MILES, THENCE SOUTHWEST (RIGHT) ON BUCK JACKSON RD. ±1.1 MILES, THENCE SOUTHEAST, (LEFT) ON LEASE RD ±1.6 MILES, THENCE WEST ON PROPOSED RD ±215 FEET TO A POINT ±304 FEET SOUTHEAST OF THE LOCATION.

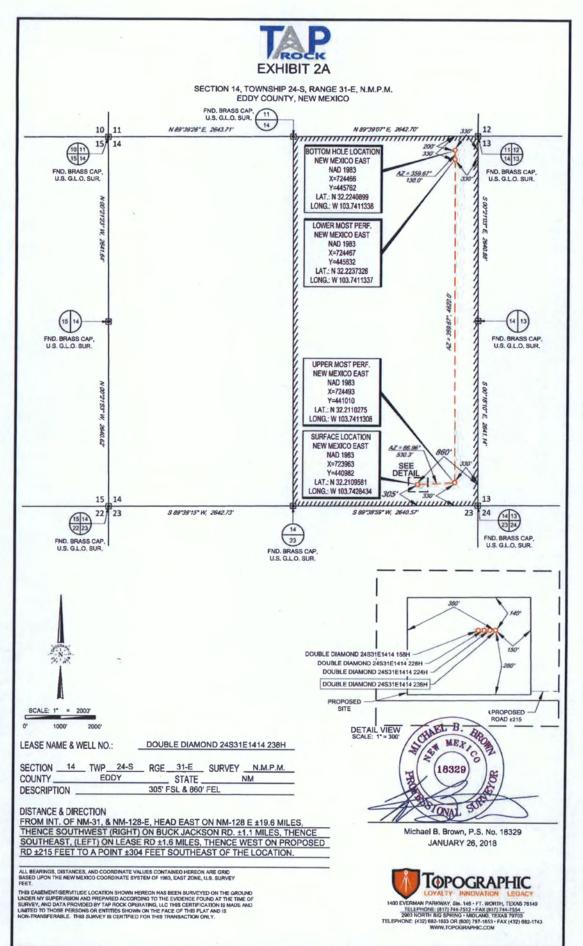
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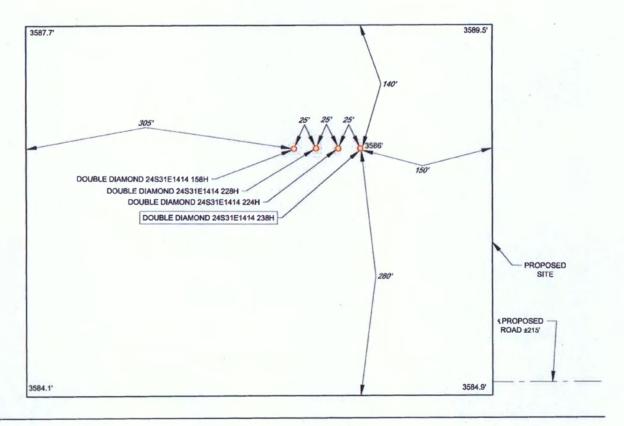


### **EXHIBIT 2B**

### TAP

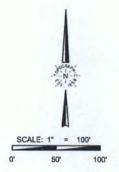
SECTION 14, TOWNSHIP 24-S, RANGE 31-E, N.M.P.M. EDDY COUNTY, NEW MEXICO

DETAIL VIEW SCALE: 1" = 100"



 LEASE NAME & WELL NO.:
 DOUBLE DIAMOND 24S31E1414 238H

 238H LATITUDE
 N 32.2109581
 238H LONGITUDE
 W 103.7428434



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TELEPHONE: (432) 882-653 OR (800) 787-1853 • FAX (432) 882-1743
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BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. 2

State of New Submitted by Tap Rock Resources

Energy, Minerals & 1 Hearing Date: May 17, 2018 Departr.

OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, NM 87505

**FORM C-102** tevised August 1, 2011 1e copy to appropriate **District Office** 

AMENDED REPORT

<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 1000 Rio Brazos Road, Aztec, NM 87410

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Phone: (505) 476-3460 Fax: (505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Numbe	F	<sup>2</sup> Pool Code	<sup>3</sup> Pool Nam	e
<sup>4</sup> Property Code			 operty Name MOND 24S31E1414	*Well Number 158H
OGRID No.		•	perator Name OPERATING, LLC.	SElevation 3586'

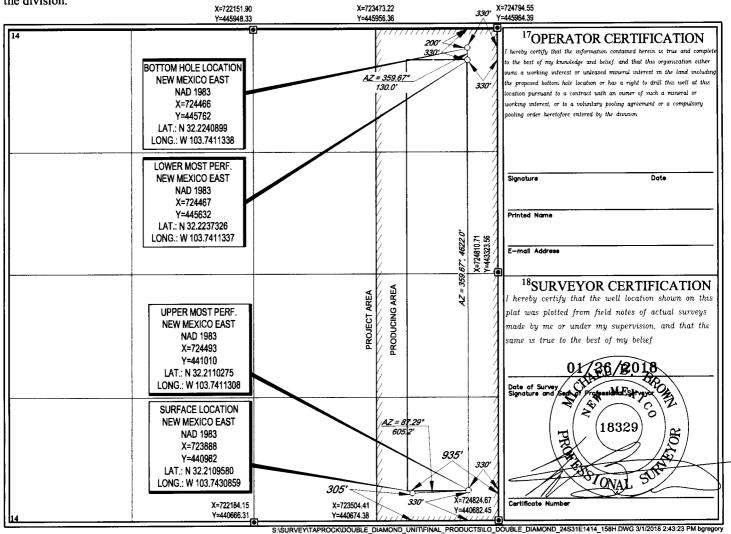
<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	24-S	31-E	-	305'	SOUTH	935	EAST	EDDY

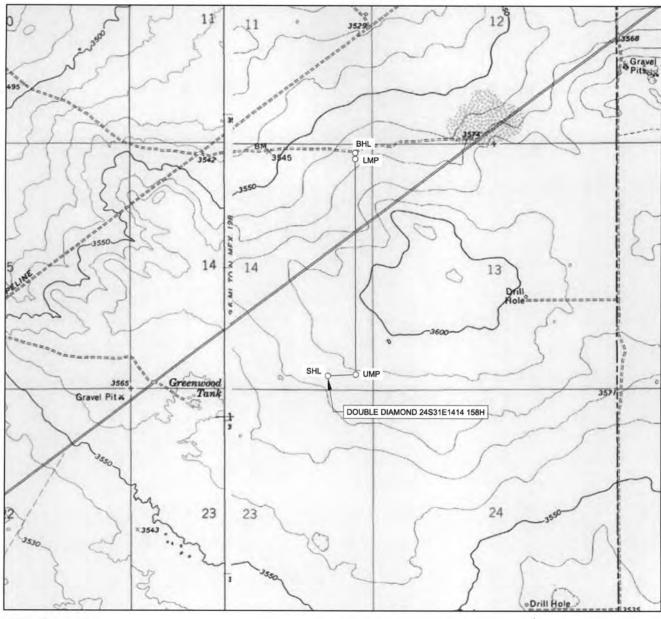
<sup>11</sup>Bottom Hole Location If Different From Surface

UL or lot no.	Section 14	Township 24-S	Range 31-E	Lot Idn —	Feet from the 200'	North/South line NORTH	Feet from the 330'	East/West line EAST	County EDDY
<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or 1	infill 14Co	onsolidation Cod	e <sup>15</sup> Orde	r No.				

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**





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DOUBLE DIAMOND 24S31E1414 158H

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 N.M.P.M.

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 STATE
 NM
 ELEVATION
 3586'

 DESCRIPTION
 305' FSL & 935 FEL

LATITUDE \_\_\_\_ N 32.2109580 \_\_\_ LONGITUDE \_\_\_ W 103.7430859



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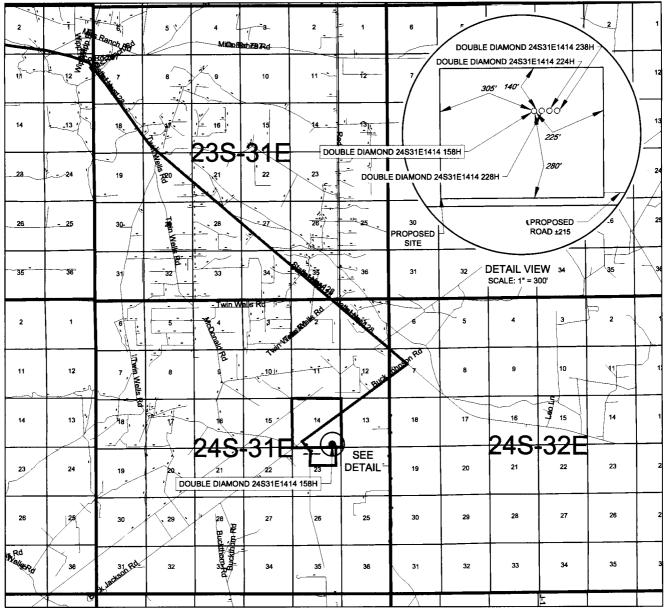
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### EXHIBIT 2 VICINITY MAP





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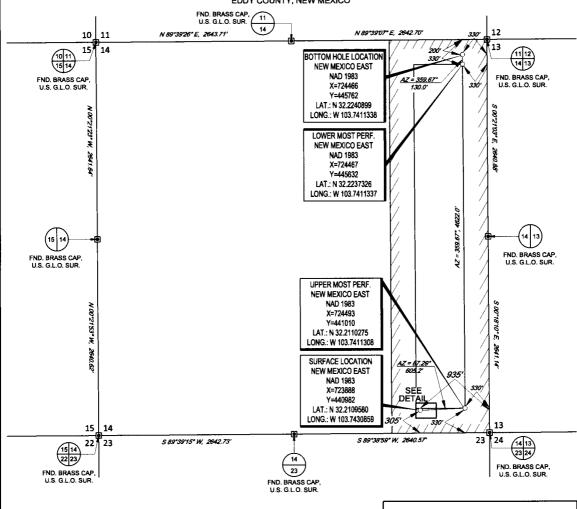




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### SECTION 14, TOWNSHIP 24-S, RANGE 31-E, N.M.P.M. EDDY COUNTY, NEW MEXICO





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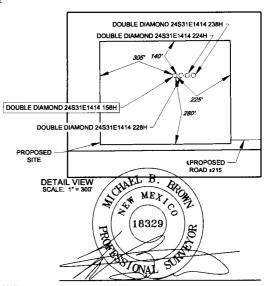
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Michael B. Brown, P.S. No. 18329 JANUARY 26, 2018

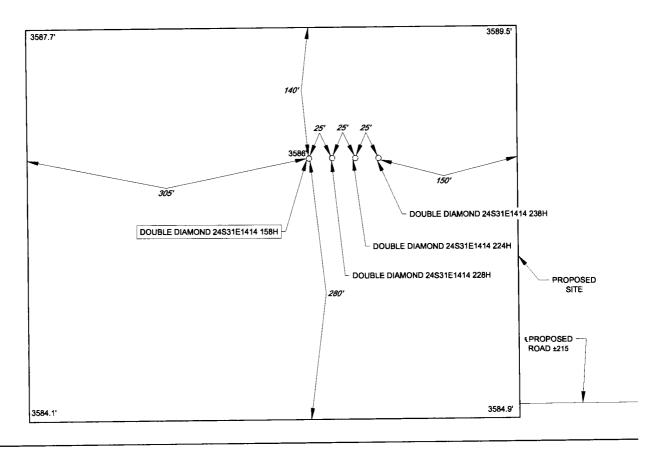


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### EXHIBIT 2B

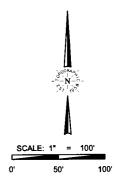
SECTION 14, TOWNSHIP 24-S, RANGE 31-E, N.M.P.M. EDDY COUNTY, NEW MEXICO

DETAIL VIEW SCALE: 1" = 100'



LEASE NAME & WELL NO.: DOUBLE DIAMOND 24S31E1414 158H

158H LATITUDE N 32.2109580 158H LONGITUDE W 103.7430859

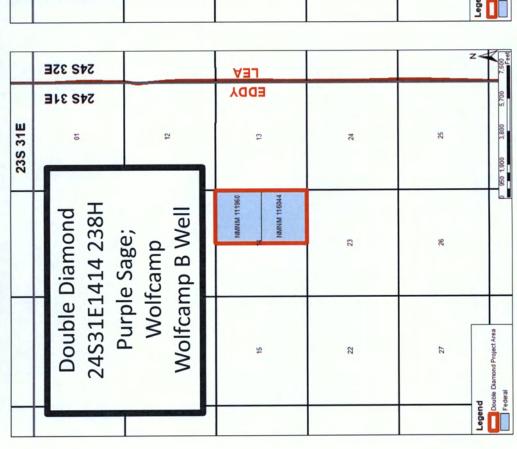


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### Tract Maps



						TTI		VATION DIVISION	sources 18		
	12 32E	54			ABJ			NSER	ock Re 7, 20	2<	7.600 Fee
23S 31E	2 31E	54		12	EDDA g		24	BEFORE THE OIL CONSERVATION DIVISION	Exhibit No. 3 Submitted by Tap Rock Resources Hearing Date: May 17, 2018		950 1,900 3,800 5,700
	Double Diamond	24S31E1414 158H	Cotton Draw;	Bone Spring 3 <sup>rd</sup> Bone Spring Well	096111 MWM PEOSIT MWM	\$	23		26		256_0
	Double	24S31E1	Cotto	Bone 3 <sup>rd</sup> Bone	15	1	z		27	pue	Double Diamond Project Area Federal
										Puegen	



### Purple Sage; Wolfcamp Unit Interest and Cotton Draw; Bone Spring Unit Interest

(for all depths below 10,000')

Entity	Interest Type	Approximates Ramenterse
Tap Rock Resources, LLC	Working Interest	49.975%
Voluntary Joinder	Working Interest	0.025%
*Chevron U.S.A. Inc.	Uncommitted Working Interest	20%

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 4 Submitted by Tap Rock Resources Hearing Date: May 17, 2018

\*party subject to pooling application





October 30, 2017

Chevron USA Inc PO Box 1635 Houston, Texas 77251

RE: Well Proposal – Double Diamond 24S31E1414 #238H

SHL: Sec 14, T24S, R31E - 275' FSL, 800' FEL BHL: Sec 14, T24S, R31E - 200' FNL, 330' FEL

VIA Certified Mail # 7017 0190 0000 4060 5228

8H Construction Durion 8th Control of Social Resources

### Ladies and Gentlemen:

Tap Rock Operating, LLC (TRO), as Operator, hereby proposes to drill the captioned well at the above referenced surface hole location (SHL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 12,850 feet subsurface to evaluate the Wolfcamp B Lower Formation. The proposed well will have a measured depth (MD) of approximately 17,850 feet.

Regarding the above, enclosed for your further handling is our AFE dated October 27, 2017 for the captioned proposed well. In the event Chevron USA Inc elects to participate in the proposed well, please execute the enclosed AFE and return to me as soon as possible. Your interest in this well is 50.00%.

TRO is proposing to drill this well under the terms of the AAPL Form 610-1989 Operating Agreement. The Operating Agreement covers the E2 of Section 14, Township 24 South, Range 31 East, Eddy County, New Mexico; a fully executable copy will be sent for your execution should you choose to participate.

If you do not wish to participate in the Operation, TRO would like to offer the following terms:

- 3 year primary term, Term Assignment
- 20% royalty interest
- \$1,500 per net acre bonus consideration

The Term Assignment offer is subject to the approval of TRO's board and verification of title.

If an agreement cannot be reached within 30 days of the date of this letter, TRO will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well if uncommitted at such time.



Should you have any questions regarding the above, please contact the undersigned.

Sincerely, TAP ROCK OPERATING, LLC

Erica Hiason

### Erica Hixson

Land Analyst Office: 720-460-3316 chixson@taprk.com Enclosures

24S31E141	I/We elect to participate in the drilling and completing of the Double Diamond 4 #238H
24 <b>S</b> 31E141	I/We elect not to participate in the drilling and completing of the Double Diamond 4 #238H
	I/We wish to sell our interest at the terms listed herein
Company:_	
Ву:	
Printed Nar	ne:
Title:	
D-4-	

			DRIZATION FOR EXPE		
DATE:	October 27, 2017		The state of the s	AFE NO.:	XXX
WELL NAME:	Double Diamond Fed	2402404444920		_	
		2433161414#236		FIELD:	Purple Sage
LOCATION:	Caverns			MD/TVD:	17850'/12850'
STATE	New Mexico			LATERAL LENGTH:	4,500
COUNTY	Eddy			GEOLOGIC TARGET	Wolfcamp B Lower
333111	Lucy			arorogic invari	Wolldarip D Lower
REMARKS:	Onit and complete a h	norizontal lower Wolfca	mp with 21 stages		
INTANGIBLE COSTS		DRILLING	COMPLETION	PRODUCTION	TOTAL COSTS
Land (Lagal, Regulatory, S	Burface, Survey)	41,900	3,000	*	44,900
Location/Pit Construction		108,000	*	8,000	116,000
Drilling (Contractor & Mot	)	527,000			527,000
Cementing Services/Equip	ment	128,000			126,000
Bits/Drill Out Assemblies		88,500	30,000		98,500
Fluid Circulation Equipme	nt/Services	49,320			49.320
Fluids/Chemicals		71,000	30,000		101,000
Fluids/Cuttings/Westewat	er Disposal	125,000			125,000
Fuel/Power		110,000	105,000		215,000
Water		30,000	221,000	***************************************	251,000
Directional Drilling, Surve	v s	151,000	221,000		151,000
Mud Logging	y=	15,000			
	nti a a	13,000	1 500		15,000
Logging/Formation Evalua		- A AAA	4,500	40.000	4,500
Rig Supervision/Engineer	ing	91,000	64,400	10,000	165,400
Freight/Transportation		30,000	18,500	20,000	66,500
Labor		128,500	13,000	8,500	150,000
Supplies		-	34,400	-	34,400
Rental - Surface Equipmen	nt	88,400	98,350	-	184,750
Rental - Living Quarters		51,200	18,080		69,280
Rental - Downhole Equips	nent	49,000	*		49,000
CTU/Workover Rig/Swab			80,000	-	80,000
Perforating/Wireline/Slick!	line		86,000		66,000
Temporary Packers/Plugs			22,000		22,000
High Pressure Pump Truc	k		41,500		41,500
Stimulation			1,554,000		1,554,000
Water Transfer/Flowback	Services/Diamossi		145,000	****	145,000
Permanent Equipment Ins			170,000		
Plugging & Abandonment			***************************************		<del></del>
		11.000	44.000	· FAA	70 700
Overhead		11,000	16,000	1,500	28,500
Insurance		32,220			32,220
Contingency		190,204	235,149	4,800	430,153
	TOTAL INTANGIBLES	: \$ 2,092,244	\$ 2,815,879	\$ 52,600	\$ 4,960,923
TANGIBLE COSTS		DRILLING	COMPLETION	PRODUCTION	TOTAL COSTS
				111000011011	
		A 800			
Conductor Casing		4,890			4,890
Conductor Casing Surface Casing		42,750			42,750
Conductor Casing Surface Casing 1st Intermediate Casing		42,750 136,250			42,750 136,250
Conductor Casing Surface Casing 1st intermediate Casing 2nd Intermediate Casing		42,750 136,250 349,450			42,750 138,250 349,450
Conductor Casing Surface Casing 1st intermediate Casing 2nd Intermediate Casing Production Casing		42,750 136,250			42,750 136,250
Conductor Casing Surface Caeing 1st intermediate Casing 2nd Intermediate Casing Production Casing Tubing		42,750 136,250 349,450 312,200			42,750 138,250 349,450 312,200
Conductor Casing Surface Caeing 1st intermediate Casing 2nd Intermediate Casing Production Casing Tubing Wellhead		42,750 136,250 349,450		37,000	42,750 138,250 349,450
Conductor Casing Surface Casing Surface Casing 2nd Intermediate Casing Production Casing Tubing Wellhead Permanent Packers/Hange	√Piuga	42,750 136,250 349,450 312,200		-	42,750 138,250 349,450 312,200 87,000
Conductor Casing Surface Casing Surface Casing 2nd Intermediate Casing Production Casing Tubing Tubing Wellihead Permanent Packers/Hange Tanks	r/Pługe	42,750 136,250 349,450 312,200		88,000	42,750 138,250 349,450 312,200
Conductor Casing Surface Casing Surface Casing 2nd Intermediate Casing Production Casing Tubing Tubing Wellihead Permanent Packers/Hange Tanks	r/Phys	42,750 136,250 349,450 312,200		-	42,750 138,250 349,450 312,200 87,000
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Conductor Casing Surface Casing Surface Casing Production Casing Tobling Wellhead Permanent Packers/Hange Tanks Production Vessels Compressor Surface Flowlinas Gathering Lines Valves/Controllers Antificial Lift Equipment instrumentation/Measurem Electrical/Grounding/Batet Permanent Equipment Inst Other - Burface Other - Downhole	TOTAL TANGIBLES TOTAL COSTS S COMPANY APPRO	42,750 136,250 349,450 3412,200 50,000  50,000  : \$ 896,840 : \$ 2,987,794	\$ \$ 2,815,879	89,000 89,000 25,000 25,000 25,000 11,500 6,000 111,500 5 419,000 \$ 471,600	42,750 136,250 136,250 349,450 312,200
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February 28, 2018

Chevron USA, Inc. 1400 Smith Street Houston, TX 77002

RE: Well Proposal – Double Diamond 24S31E1414 #158H

SHL: 305' FSL, 935' FEL Section 14, T24S, R31E BHL: 200' FNL, 330' FEL Section 14, T24S, R31E

Eddy County, New Mexico

VIA FedEx

Ladies and Gentlemen:

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Santa Fe, New Mexico
Exhibit No.

Exhibit No.
Submitted by Tap Rock Resources
Submitted by Tap Rock Resources
Hearing Date: May 17, 2018

Tap Rock Operating, LLC (TRO), as Operator, hereby proposes to drill the captioned well at the above referenced surface hole location (SHL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 12,850 feet subsurface to evaluate the 3<sup>rd</sup> Bone Spring Carbonate Formation. The proposed well will have a measured depth (MD) of approximately 17,850 feet.

Regarding the above, enclosed for your further handling is our AFE dated February 20, 2018 for the captioned proposed well. In the event Chevron USA, Inc. elects to participate in the proposed well, please execute the enclosed AFE and return to me as soon as possible. Your interest in this well is 50.00%.

TRO is proposing to drill this well under the terms of the AAPL Form 610-1989 Operating Agreement. The Operating Agreement covers the E2 of Section 14, Township 24 South, Range 31 East, Eddy County, New Mexico; a fully executable copy will be sent for your execution should you choose to participate.

If you do not wish to participate in the Operation, TRO would like to offer the following terms:

- 3 year primary term, Term Assignment
- 20% royalty interest
- \$1,500 per net acre bonus consideration

The Term Assignment offer is subject to the approval of TRO's board and verification of title.

If an agreement cannot be reached within 30 days of the date of this letter, TRO will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well if uncommitted at such time.

Should you have any questions regarding the above, please email the undersigned or contact our Vice President of Operations, Aaron Byrd, at 720-772-3065.



Sincerely,

### TAP ROCK OPERATING, LLC

**Clayton Sporich** Vice President – Land & Legal Office: 720-772-5903 Cell: 214-707-7073 csporich@taprk.com

Chevron USA, Inc. hereby elects to:
participate in the drilling of the Double Diamond 24S31E1414 #158H
non-consent the drilling of the Double Diamond 24S31E1414 #158H
sell our interest at the terms listed herein
By:
Name:
Title:
Date:
Enclosures

602 Park Point Drive •	SUITE 200 • Golden, CO 80401	Tap Rock C	perating		Phone (720) 772-5090
	ESTIMATE OF	COSTS AND AUTHO	ORIZATION FOR EXPEN	DITURE	
DATE:	February 20, 2018			AFE NO.:	XXX
WELL NAME:	Double Diamond Fed 2	4S31F #158H	_	FIELD:	Pierce Crossing
LOCATION:	Ski Shop		_	MD/TVD:	16100'/11020'
STATE	New Mexico		_	LATERAL LENGTH:	4,500
			_	GEOLOGIC TARGET	3rd Bone Spring
COUNTY	Eddy		_	-	old Bollo opility
REMARKS:	Drill and complete a ho	rizontal 3rd Bone S	pring well with a latera	al length of 4,500'.	
INTANGIBLE COSTS		DRILLING	COMPLETION	PRODUCTION	TOTAL COSTS
Land (Legal, Regulato	ry, Surface, Survey)	32,900	3,000		35,900
Location/Pit Construc	tion	65,000	-	20,000	85,000
Drilling (Contractor &		503,500			503,500 126,000
Cementing Services/E		126,000	40,000		102,000
Bits/Drill Out Assemb Fluid Circulation Equi		56,280	40,000		56,280
Fluids/Chemicals	pmenuservices	48,100	20,000	5,000	73,100
Fluids/Cuttings/Waste	water Disposal	52,500	-		52,500
Fuel/Power		76,950	184,000	10,000	270,950
Water		14,000	255,000		269,000
Directional Drilling, Se	urveys	148,100			148,100
Mud Logging		10,500	- A AAA		10,500 6,000
Logging/Formation Ev		- 66 466	6,000	8,500	161,600
Rig Supervision/Engil		80,400	72,700 18,000	20,000	68,000
Freight/Transportation Labor	II .	110,000	13,000	8,500	131,500
Supplies			38,000	-1	38,000
Rental - Surface Equi	pment	68,943	104,050	-	172,993
Rental - Living Quarte		37,850	19,210	-	57,060
Rental - Downhole Eq	uipment	45,000			45,000
CTU/Workover Rig/Sv			80,000	90,000	170,000
Perforating/Wireline/S			136,000 33,000		136,000 33,000
Temporary Packers/P			104,000	<del></del>	104,000
High Pressure Pump Stimulation	Iruck		1,863,000		1,863,000
	ack Services/Disposal		170,500		170,500
Permanent Equipmen					-
Plugging & Abandons					
Overhead		10,050	17,000	5,000	32,050
Insurance		28,980		47.000	28,980
Contingency		80,353	178,991	17,300	276,643
	TOTAL INTANGIBLES	\$ 1,687,406	\$ 3,355,451	\$ 184,300	\$ 5,227,156
TANGIBLE COSTS		DRILLING	COMPLETION	PRODUCTION	TOTAL COSTS
Conductor Casing		3,490			3,490 39,900
Surface Casing		39,900			122,300
1st Intermediate Casi	•	122,300			20,000
2nd Intermediate Cas Production Casing	ing	276,000			276,000
Tubing		270,000		79,100	79,100
Wellhead		45,000		60,000	105,000
Permanent Packers/H	langer/Plugs				
Tanks	•				
Production Vessels				50,000	50,000
Compressor				25 000	25,000
Surface Flowlines				25,000 25,000	25,000
Gathering Lines				10,000	10,000
Valves/Controllers Artificial Lift Equipme	ant	<del></del>		18,000	18,000
Instrumentation/Meas				20,000	20,000
Electrical/Grounding				6,000	6,000
Permanent Equipmen			<del></del>	21,500	21,500
Other - Surface					
Other - Downhole					
	TOTAL TANGIBLES	\$ 506,690	\$ -	\$ 314,600	\$ 821,290
	TOTAL COSTS	\$ 2,194,096	\$ 3,355,451	\$ 498,900	\$ 6,048,446
TAP ROCK RESO	URCES COMPANY APPROV	/AL:			
	CEO	VP - Explora	tion		
ì	RCL		RRT		
	CFO	VP - Operati	ons		
	WRS	J. Operation	AMB		
V/P 1 == 1 =		Senior Geolo			
VP - Land &	CS CS	Geniui Geolo	AS		
NON OPERATING	PARTNER APPROVAL:				
		Signed by:		Title:	
Company		_		•	
Working Intere	est (%):	_ Date:		Tax ID:	

No (mark one)

Approval:

Yes

## Communication Log

- 6/1/17 Tap Rock acquires its interest in Section 14 from 10,000 feet and below
- 8/9/17 Madron Surveying, Inc conducts surveys
- 8/9/17 Permits West orders archaeology report and begins gathering materials necessary for the permitting process
- 09/12/17 Proposed Wolfcamp Double Diamond wells to Chevron (201, 208). Laterals were 2 miles, extending from 24S 31E Section 14 to Section 11
- 9/18/2017 Chevron received 2 mile Wolfcamp proposals
- 09/20/17 Lewis Sumrall ( Chevron Engineer) inquires about technical plans for the proposals
- 9/27/17 Tap Rock emails to rescind 2 mile lateral Wolfcamp proposals and responds to Chevron's previous questions.
- 10/3/2017 Lone Mountain Archaeological Services, Inc. conducts archaeology study and sends report.
- 10/30/17 Tap Rock re-proposes Wolfcamp wells as 1 mile laterals (224,228,234,238)
- 11/6/17 Chevron receives amended 1 mile Wolfcamp proposals
- 9/26/17 Notice of Staking was submitted to the BLM
- 12/8/18 Tap Rock has onsite with the BLM for a drilling pad in the E/2 of Section 14

SEFORE THE OIL ONSERVATION OILSON

Sala Fe New Merica

Submitted by Tap Acock Resources

Hearing Date: May 17. Aug. Ur.

- 2/5/18-2/9/18 Tap Rock meets with Chevron at NAPE to discuss development plans for Section 14
- 2/9/18-2/14/18 4 Double Diamond APDs are submitted to BLM, along with Environmental Assessment
- 02/28/18 Tap Rock proposed a 3rd Bone Spring Well (158)
- 3/1/18 Chevron received Bone Spring proposal
- 03/9/18 Erica Hixson (landman) from Tap Rock called Chris Cooper (Landman) at Chevron, left voicemail, emailed plats, C-102s, copies of proposals, and geoprogs
- 03/14/18 Erica Hixson sent Communitization Agreements and Section 14 JOA for all depths below 10,000 feet
- 3/19/18 Chris Cooper sends email acknowledging Tap Rock's June 1 lease obligation (which he learned of at Nape in February) and that Chevron cannot rig up by June 1; email states that Chevron will protest Tap Rock's development plan
- 3/21/18 Tap Rock receives Chevron competing proposals for Wolfcamp wells in Sections 14 and 11
- 3/21/18 Clayton calls Chris Cooper to propose that we develop Double Diamond E2E2 wells under wellbore specific JOA, he agrees
- 3/22/18 Chris Cooper emails regarding Chevron's request that it operate the Wolfcamp A, but is open to reciprocating operating agreements for the balance of the acreage
- 3/27/18 Tap Rock sends AFEs that reflect the deal that had been proposed for Tap Rock to develop the Wolfcamp B and Third Bone Spring



## Communication Log Continued

- 4/3/18 (4PM) Holland and Hart calls to say Chevron asked them not to file for compulsory pooling
- 4/4/18 Tap Rock enlists Jim Bruce, who subsequently files pooling applications
- 4/6/18 Chris Cooper informs Tap Rock that Chevron will not participate with Tap Rock in alternative deal structure
- 4/10/18 Emailed Chevron copy of notice of force pooling hearing (which was also sent via mail to their attention)
- 4/22/18 Complete onsite for Double Diamond facilities w/ BLM
- 4/30/18 Clayton sends email to Chris Cooper with letter attachment requesting additional information on CVX's well proposals; also left voicemail regarding the same
- 5/2/18 Tap Rock received response from CVX regarding additional information requested by Tap Rock
- 5/7/18 Chuck Moran emails Clayton Sporich requesting copy of farmout agreement between Tap Rock and Douglas McLeod
- 5/11/18 Tap Rock receives an email from Chuck Moran with 10 AFEs for wells to be proposed on the Lands, but there are not actual proposals
- 5/15/18 Clayton sends email to Chris Cooper regarding nonstandard locations to prevent waste
- 5/15/18 Clayton sends email to Chuck Moran regarding nonstandard locations to prevent waste
- 5/16/18 Chuck Moran sends email opposing Tap Rock's proposal for non-standard locations
- 5/16/18 Clayton sends email to Jim Ball (Yates) regarding nonstandard locations to prevent waste



# Competing Development Plans

	24S 32E		ABJ	2.5			z
23S 31E	<b>542 31</b> €	12	OX a	3	24	55	
	CVX 02	cvx	CVX NANNA (11960)	PPDS(1) WANTED	EOG 2 EOG	DEVON 26	
	69	01	cvx	CVX	22	27 Zagend	Double Diamond Project Area CVX Proposal EOG Proposal

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 8
Submitted by Tap Rock Resources
Hearing Date: May 17, 2018



Double Diamond 24S31E1414 238H & 158H

Case No. 16134 & 16160

		APD	CVX Fe	CVX February schedule	edule	
Well	Reservoir	Submittal*	Submittal* Spud date RDMO POP date Frac Design	RDMO	POP date	Frac Design
SND 11 14 Fed Com 003 Well No. 4H Lower Avalon	Lower Avalon	5/8/2018	Sep-19	Feb-20	Jul-20	Jul-20 pending completion design approval
SND 11 14 Fed Com 003 Well No. 5H Lower Avalon	Lower Avalon	5/8/2018	Oct-19	Feb-20	Jul-20	pending completion design approval
SND 11 14 Fed Com 003 Well No. 6H Lower Avalon	Lower Avaion	5/8/2018	Nov-19	Feb-20	Jul-20	pending completion design approval
		:	č	-	r c	
SND 11 14 Fed Com 004 Well No. 4H Wolfcamp A	Woffcamp A	N/A	Dec-71	77-unr	77-das	Dec-21 Jun-22 Sep-22 pending completion design approval

		APD	CVX Fe	X February schedule	edule	
Well	Reservoir	Submittal*	Spud date	RDMO	POP date	POP date   Frac Design
SND 11 14 Fed Com 003 Well No. 4H Lower Aval	Lower Avalon	5/8/2018	Sep-19	Feb-20	Jul-20	pending completion design approval
SND 11 14 Fed Com 003 Well No. 5H Lower Avaion	Lower Avaion	5/8/2018	Oct-19	Feb-20	Jul-20	pending completion design approval
SND 11 14 Fed Com 003 Well No. 6H Lower Avalon	Lower Avaion	5/8/2018	Nov-19	Feb-20	Jul-20	pending completion design approval
D 11 14 Fed Com 004 Well No. 4H Wolfcamb	Wolfcam	N/A		Jun-22		Sep-22 pending completion design approval

Tep Rock
EXHIBIT 8

CLAYTON SPORICH
VICE PRESIDENT -LAND & LEGAL
DIRECT: (720) 772-5093
CELL: (214) 707-7073
CSPORICH@TAPRK COM



April 30, 2018

Chevron U.S.A. Inc.
Chris Cooper
1500 Smith Street
Houston, Texas
ChrisCooper@chevron.com

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 9
Submitted by Tap Rock Resources Hearing Date: May 17, 2018

Re: SND 11 14 Fed Com 003 #4H, 5H and 6H (the "Bone Spring Wells") and SND 11 14 Fed Com 004 #4H, 5H and 6H (the "Wolfcamp Wells" and, together with the Bone Spring Wells, the "Wells")

Dear Chris,

After several months of discussions regarding the development of Section 14, Township 24S, Range 31E Eddy County, New Mexico ("Section 14"), Tap Rock was disappointed to learn that Chevron no longer wanted to work together for a mutually beneficial development plan. Until recently, it was our understanding that Tap Rock and Chevron had agreed to split operations between intervals within the Bone Spring and Wolfcamp formations, with Tap Rock operating the minimum wellbores necessary to meet its lease obligations. Tap Rock previously agreed to that concession as a good faith effort to address Chevron's communicated singular interest in operating the upper target of each formation. Additionally, Tap Rock had agreed to shorten its laterals to accommodate Chevron's future development plans. Unfortunately, it now appears that Chevron has changed its mind for unstated reasons and each operator has conflicting operating plans for Section 14.

Accordingly, and in connection with the proposed Wells and units, Tap Rock requests the following additional information to adequately assess Chevron's proposed Wells:

- 1. Proposed operating agreements
- 2. Timeline for spud, completion and initial production for each of the Wells
- 3. Proposed facility diagrams
- 4. Marketing plans
- 5. Status on BLM permitting process
- 6. Alternate deal structure proposals for Section 14
- 7. Full development plan for proposed units
- 8. Daily drilling and operating reports from other longer length laterals drilled by Chevron to similar depths in the area
- 9. Final drilling, completion and production costs from other longer length laterals drilled by Chevron to similar depths in the area

10. Completion design including, but not limited to: design type, frac stages, proppant pounds per foot and BBL water per foot

Tap Rock has expended significant time and resources towards the development of Section 14, and, as previously communicated, we have lease obligations on June 1, 2018. Accordingly, we request that Chevron provide us the materials requested herein no later than May 7, 2018.

Regards,

Tap Rock Operating, LLC

Clayton Sporich

Vice President - Land & Legal



**Chris Cooper** Land Representative

Chevron North America Exploration and Production Company (a division of Chevron U.S.A. Inc.) 1400 Smith Street Houston, Texas 77002 Tel 713 372 6778 ChrisCooper@chevron.com

May 2, 2018

Tap Rock Resources, LLC Attn: Clayton Sporich 602 Park Point Drive Suite 200 Golden, Colorado 80401 BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Santa Fe, No. 10
Exhibit No. 10
Submitted by Tap Rock Resources
Submitted Nay 17, 2018
Hearing Date: May 17, 2018

RE:

Chevron Well Proposal Information SND 11 14 Fed Com 003 #4H, #5H, #6H SND 11 14 Fed Com 004 #4H, #5H, #6H

Mr. Sporich:

I am in receipt of your April 30, 2018 letter discussing communications between Chevron and Tap Rock representatives regarding the development of Section 14, T243, R31E in Eddy County, New Mexico and requesting additional information regarding Chevron's proposed wells and development plans.

Chevron has put forth good-faith efforts in attempting to reach a mutually-agreeable solution in this area since February 2018. While it was noted to Tap Rock in emails, phone conversations, and face-to-face meetings that Chevron intended to operate this acreage, Chevron also met with Tap Rock to discuss other options. However, Chevron and Tap Rock never came to any understanding – or any agreement – about any proposals in any meeting or other communication between our parties. Chevron stated during our 3/27/18 meeting that all proposals were subject to final management approval, which was never broached by the-Chevron negotiation team. Nevertheless, Chevron continued good-faith negotiations with Tap Rock until Chevron deemed the negotiations to no longer be in the best interests of the company.

In response to your requests for additional information, please see the numbered list below that corresponds to your letter:

- 1. Enclosed is an Operating Agreement for your review.
- 2. Chevron's rig is moving to this development area in as early as August and we expect to spud this location within the timeframe allowed by an OCD Order.
- 3. Tap Rock and Chevron have not entered into an Operating Agreement and have never had any agreement between the companies respecting this acreage, so Chevron is not obligated or inclined to provide this information. Upon execution of an Operating Agreement, Chevron would provide well information and development plans as articulated in the Operating Agreement.
- 4. See #3 above.
- 5. APDs for the Bone Spring wells have been submitted.
- 6. See #1 above.

- 7. As is shown by our proposed wells, Chevron intends to drill commercially viable benches by pad drilling multiple wells at a time and in a manner that most efficiently develops the entire bench.
- 8. Because Tap Rock is not a working interest owner of any Chevron-operated wells at similar depths in the area, Chevron is not obligated to provide this information and declines to do so.
- 9. See #8 above.
- 10. See #3 above.

Should you have any questions, please feel free to contact me at the information listed above.

Respectfully,

Chris Cooper

Land Representative

**Enclosures** 

CLAYTON SPORICH VICL PRESIDENT -LAND & ELGAE DIRECT: (720) 772-5093 CELE: (214) 707-7073 CSPORICH@TAPRK.COM



May 15, 2018

Sent via e-mail and certified mail

Yates Holdings LLC Jim Ball P.O. Box 1394 Artesia, NM 88211 jimb@yatesholdings.com BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. \_\_\_\_\_\_\_
Submitted by Tap Rock Resources
Hearing Date: May 17, 2018

Re: Application for Nonstandard Wellbore Locations

Double Diamond 24S31E1414 238H: FTP 10' FSL and 330' FEL 14, 24S, 31E /LTP 10' FNL and 330' FEL 14, 24S, 31E;

Double Diamond 24S31E1414 228H: FTP 10' FSL and 330' FEL 14, 24S, 31E /LTP 10' FNL and 330' FEL 14, 24S, 31E; and

Double Diamond 24S31E1414 224H: FTP 10' FSL and 990' FEL 14, 24S, 31E /LTP 10' FNL and 990' FEL 14, 24S, 31E; and

Double Diamond 24S31E1414 158H: FTP 10' FSL and 330' FEL 14, 24S, 31E /LTP 10' FNL and 330' FEL 14, 24S, 31E (collectively, the "Wells")

Dear Jim,

Pursuant to Division Rule 19.15.15.13, Tap Rock Operating, LLC ("Tap Rock") hereby notifies you that it plans to file for administrative approval of non-standard wellbore locations for its Wells. Attached are Form C-102s for each of the proposed Wells.

Tap Rock is seeking approval of the unorthodox locations in order to maximize recovery of reserves. Tap Rock proposes that it will offer a like number of non-standard location waivers to John A. Yates, Sr., Trustee of the Q Trust under the Will of Peggy A. Yates ("Yates") for its surrounding development in exchange for its waiver of protest of the Wells' locations in understanding that the proposed mutual agreement between the parties will result in the prevention of waste, maximization of ultimate recoveries and protection of correlative rights.

The affected offset tracts are the S/2 and E/2 of Section 11-T24S-R31E, the W/2 and S/2 of Section 12-T24S-R31E, the N/2 and W/2 of Section 24-T24S-R31E and the N/2 and E/2 of Section 23-T24S-R31E. In the event that you have an objection to Tap Rock's application, you must file a written letter with the Division within twenty (20) days from the date the Division receives the application.

Thank you for your consideration of the proposal. Please contact me if you have any questions about the application.

Regards,

Tap Rock Operating, LLC

Clayton Sporich

Clayton Sporich

Vice President-Land & Legal

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

APPLICATION OF TAP ROCK RESOURCES, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 16134

APPLICATION OF TAP ROCK RESOURCES, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 16160

### **AFFIDAVIT OF NOTICE**

COUNTY OF SANTA FE	)	
	) s	S
STATE OF NEW MEXICO	)	

James Bruce, being duly sworn upon his oath, deposes and states:

- 1. I am over the age of 18, and have personal knowledge of the matters stated herein.
- 2. I am an attorney for Tap Rock Resources, LLC.
- 3. Tap Rock Resources, LLC has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the applications filed herein.
- 4. Notice of the applications was provided to the interest owner, at its last known address, by certified mail. Copies of the notice letter and certified return receipt are attached hereto as Attachment A.

5. Applicant has complied with the notice provisions of Division Rules NMAC 19.15.4.9 and 19.15.4.12.C.

James Bruce

SUBSCRIBED AND SWORN TO before me this 16th

day of May, 2018 by James

Bruce.

My Commission E

OFFICIAL SEAL
KERRIE C. ALLEN
Notary Public
State of New Mexico
My Commission Expires 10 22 18

EXHIBIT /2

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax)

jamesbruc@aol.com

April 9, 2018

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of the following applications filed with the New Mexico Oil Conservation Division by Tap Rock Resources, LLC:

- 1. Application for a non-standard spacing and proration unit and compulsory pooling, regarding the Double Diamond 24S31E1414 Well No. 158H, a Bone Spring well in the E/2E/2 of Section 14; and
- 2. Application for compulsory pooling, regarding the Double Diamond 24S31E1414 Well No. 238H, a Wolfcamp well in the E/2 of Section 14,

all in Township 24 South, Range 31 East, NMPM, Lea County, New Mexico.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, May 17, 2018, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by these applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, May 10, 2018. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and its attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

James Bruce

Attorney for Tap rock Resources, LLC

### EXHIBIT A

Chevron U.S.A. Inc. 6301 Deauville Boulevard Midland, Texas 79706

Attention: Permitting Team

38	U.S. Postal Service™ CERTIFIED MAIL® RE( Domestic Mail Only	CEIPT
20	For delivery information, visit our websit	e at www.usps.com®
1762	Certified Mail Fee	
260 0000	S  Extra Services & Fees (check box, add fee as appropriate)  Return Receipt (hardcopy) \$  Return Receipt (electronic) \$  Certified Mail Restricted Delivery \$  Adult Signature Required \$  Adult Signature Restricted Delivery \$  Postage  \$  Total Postage and Fees  \$	Postmark Hore
7017	Street and Apt. No., or PO Box Chevron U.S.A. In City, State, ZIP+4* Midland, Texas	oulevard
	PS Form 3800, April 2015 PSN 7530-02-000-9047	See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> <li>Chevron U.S.A. Inc.         <ul> <li>6301 Deauville Boulevard</li> <li>Midland, Texas 79706</li> </ul> </li> </ul>	A. Gignature  A. Gignature  B. Fleceived by (Printed Name)  D. Is delivery address different from item 1?   Wes  If YES, enter delivery address below:   No
9590 9402 3452 7275 9670 05  2. Article Number (Transfer from sentine label) 7017 2680 0000 1762	3. Service Type  □ Adult Signature □ Adult Signature Restricted Delivery □ Collect on Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Signature Confirmation M
PS Form 3811, July 2015 PSN 7530-02-000-9053	Tap Rock - P Domestic Return Receipt

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

APPLICATION OF TAP ROCK RESOURCES, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 16160

EXHIBIT

### **AFFIDAVIT OF NOTICE**

COUNTY OF SANTA FE )
) ss. STATE OF NEW MEXICO )
James Bruce, being duly sworn upon his oath, deposes and states:
1. I am over the age of 18, and have personal knowledge of the matters stated herei
2. I am an attorney for Tap Rock Resources, LLC.
3. Tap Rock Resources, LLC has conducted a good faith, diligent effort to find the names and correct addresses of the offset operators and working interest owners entitled receive notice of the application filed herein.
4. Notice of the application was provided to the interest owners, at their last know addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Attachment A.
5. Applicant has complied with the notice provisions of Division Rules NMA 19.15.4.9 and 19.15.4.12.C.
SUBSCRIBED AND SWORN TO before me this day of May, 2018 by James
Bruce.  OFFICIAL SEAL KERRIE C. ALLEN Notary Public State of New Mexico My Commission Expires Notary Public

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax)

jamesbruc@aol.com

April 27, 2018

### <u>CERTIFIED MAIL – RETURN RECEIPT REQUESTED</u>

To: Persons on Exhibit A:

Enclosed is a copy of an application for a non-standard oil spacing and proration unit *etc.*, filed with the New Mexico Oil Conservation Division by Tap Rock Resources, LLC, regarding a Bone Spring well in the E/2E/2 of Section 14, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico.

This matter is scheduled for hearing at 8:15 a.m. on Thursday, May 17, 2018, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but **as an offset operator or working interest owner** who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting the matter at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, May 10, 2018. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and its attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

James Bruce

Attorney for Tap Rock Resources, LLC

Attach went A

### **EXHIBIT A**

COG Operating LLC COG Production, LLC 600 West Illinois Avenue Midland, Texas 79701

OXY USA Inc. Suite 110 5 Greenway Plaza Houston, Texas 77046

Douglas McLeod Suite 1455 518 17<sup>th</sup> Street Denver, Colorado 80202

Vladin, LLC 105 South Fourth Street Artesia, New Mexico 88210

EOG Resources Assets, LLC EOG Y Resources, Inc. EOG A Resources, Inc. 5509 Champions Drive Midland, Texas 79706

John A. Yates, Sr., Trustee of the Q Trust U/W/O Peggy A. Yates 411 West Main Street Artesia, New Mexico 88210

U.S. Postal Service CERTIFIED MAIL® RECEIPT	Domestic Mail Only	For delivery information, visit our website at www.usps.com*.	Contined Mall Fee	Extra Services & Fees (check box, add fee as appropriate)  [ Return Receipt (hardcopy) \$	Cartified Mail Restricted Delivery \$   Postmark	T s Total Postage and Fees	Street and Apt. No. or PC Artesia, New Mexico 88210	City, State, ZiP+4 <sup>8</sup>	PS Form 3800, April 2015 PSN 7330-02-000-9047 See Reverse for Instructions	
COMPLETE THIS SECTION ON DELIVERY	Signature	X	B. Received by (Printed Name) C. Date of Delivery	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No			3. Service Type  Cl Adult Signature  Cl Adult Signature Restricted Delivery  Certified Mail®  Certified Mail®  Certified Mail®  Certified Mail®  Certified Mail®  Certified Mail®  Continued Mail	□ Collect on Delivery Restricted Delivery □ Signature Confirmation™	   Restricted Delivery	Domestic Return Receipt
ENDER: COMPLETE THIS SECTION	Complete items 1, 2, and 3.	Frint your name and address on the reverse so that we can return the card to you.	Attach this card to the back of the mailpiece, or on the front if space permits.	Article Addressed to:	COG Operating LLC COG Production, LLC 600 West Illinois Avenue Midland, Texas 79701		9590 9402 3453 7275 3727 23	Article Number (Transfer from service label)	35+5 50+0 0000 0HTO 2H2P	Form 3811, July 2015 PSN 7530-02-000-9053

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	Vladin, LLC 105 South Fourth Street 105 South Fourth Street Artesia, New Mexico 88210		
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Postmark

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Sent To 600 West Illinois Avenue 600 West Illinois Avenue 81/16/2019 Street and Apt. No., or PO Bo. Midland, Texas 19701

PS Form 3800, April 2015 PSN 7530-02-000-9047

City, State, ZIP+4

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For delivery information, visit our website at www.usps.com $^\circ$ .

Certified Mail Fee

U.S. Postal Service" CERTIFIED MAIL® RECEIPT

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COMPLETE THIS SECTION ON DELIVERY	A. Signature	X Gent	B. Received by (Printed Name) C. Date of Delivery	D. Is delivery address different from item 1? \(\text{Types}\) Yes	in L.C., enter delivery address below:   No	James E. Bere	JAMES BEARD		Certilied Main Hestricted Delivery   Check Receipt for Merchandise   Collect on Delivery   Children on Institute Onlimation   Children of Signature Confirmation   Children of Stricted Delivery   Children of Stricted Organization   Children of Stricted	
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2545 5	1048 0000 OI	בנם קנםל

From: Jim Ball <jimb@yatesholdings.com>
To: Jim Bruce <jamesbruc@aol.com>

Cc: shall <shall@montand.com>; darlenec <darlenec@yatesholdings.com>; sharons <sharons@yatesholdings.com>

Subject: Tap Rock Case 16160

Date: Tue, May 15, 2018 3:47 pm

Attachments: 20180515083216945.pdf (290K)

Jim Bruce,

I believe the above case to be the same case as the attached letter refers to and although I did receive a mailing for Vladin, LLC, I also represent as Landman for Trust Q U/W/O Peggy Yates that we did not receive a notice for that entity. However, this email serves as acknowledgement and confirmation that I have received effective notice for the said Trust Q entity when I did receive the notice for Vladin, LLC. Thanks.

Jim Ball Landman



### Yates Holdings LLP

P. O. Box 1394

Artesia, NM 88211-1394 Direct Phone: (575) 736-8572

Main Phone: (575) 736-8575

Fax: (575) 736-8577

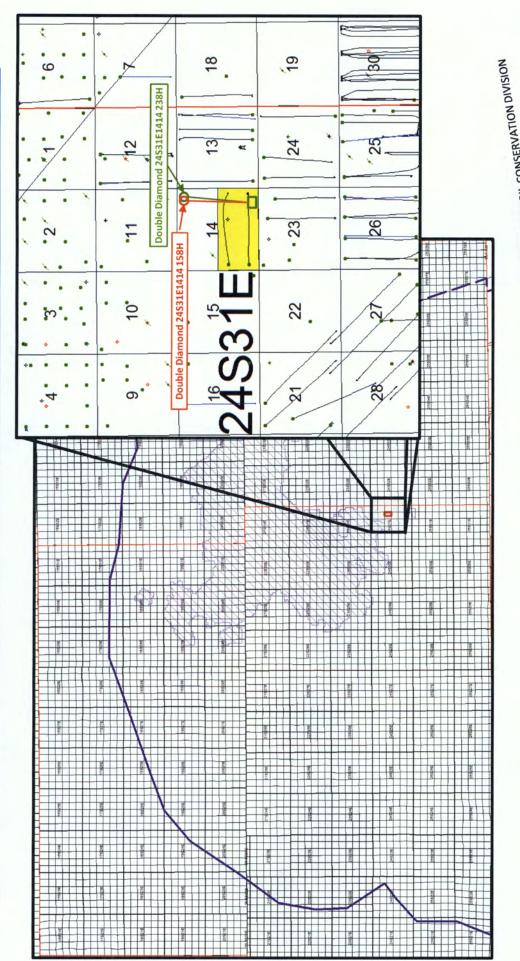
Email: jimb@yatesholdings.com

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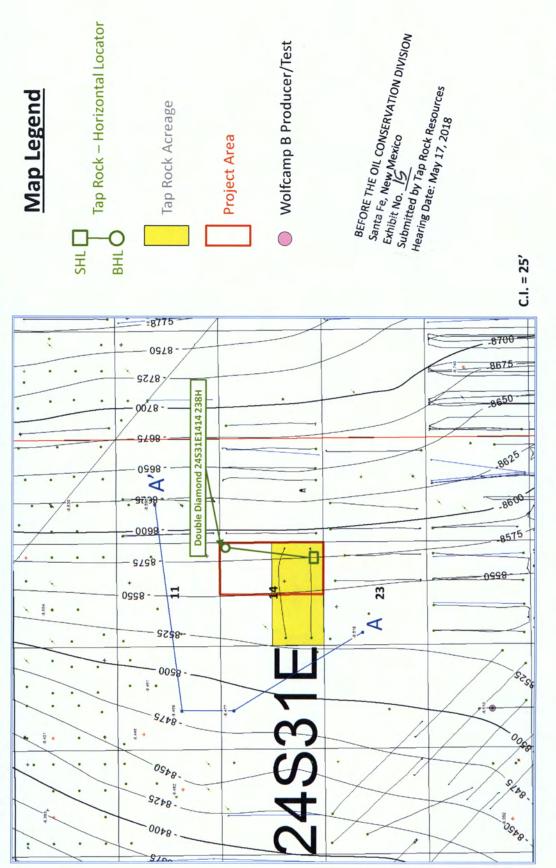
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and the second	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	ELIVERY
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	■ Print your name and address on the reverse	×	☐ Addressee
	so that we can return the card to you.	B. Received by (Printed Name)	C. Date of Delivery
	Attach this card to the back or the manpiece, or on the front if space permits.		
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	Douglas McLeod		
	Suite 1455 518 17th Street		. •
	Denver, Colorado 80202		
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	PS Form 3811, July 2015 PSN 7530-02-000-9053	0-	Domestic Return Receipt



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 14 Sock Resources Submitted by Tap Rock Resources Hearing Date: May 17, 2018

Case No. 16134 & 16160

### Subsea Structure Map (Top Wolfcamp B)





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BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. 16

Submitted by Tap Rock Resources

200

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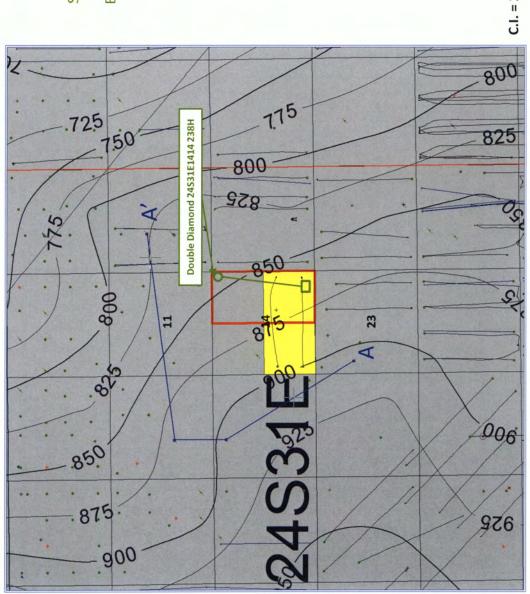
⋖

Lateral Interval

Case No. 16134

Double Diamond 24S31E1414 238H

## Isopach Map (Wolfcamp B to Wolfcamp C)



### Map Legend

SH. OH

Tap Rock - Horizontal Locator

Tap Rock Acreage

Project Area

Wolfcamp B Producer/Test

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 42 Submitted by Tap Rock Resources Hearing Date: May 17, 2018

I. = 25'



### Double Diamond 24S31E1414 238H

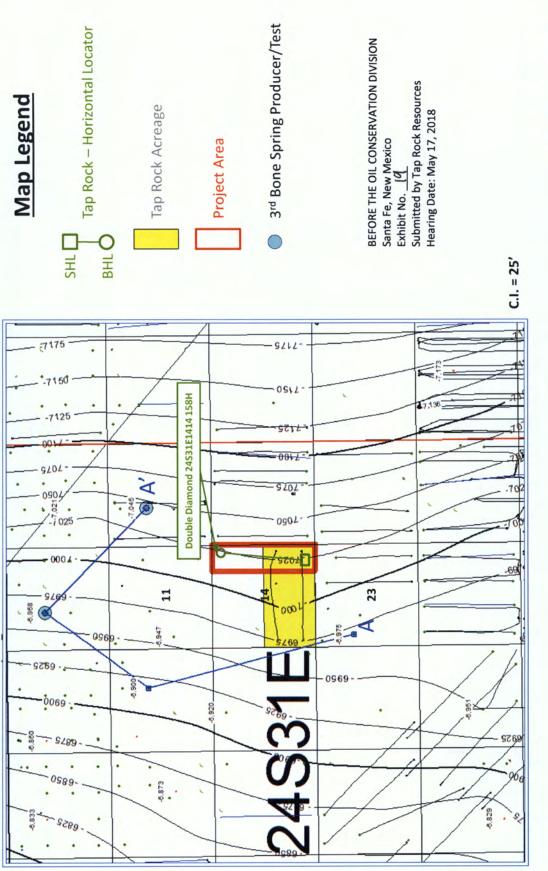
BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 18

Dingram not to scale

330' from North Line of Sec 14-245-31E North Line of Sec 14-24S-31E Last Perforation no closer than 330' from north line of sec 14-245-31E Submitted by Tap Rock Resources Hearing Date: May 17, 2018 Double Diamond 24S31E1414 238H Plan Well Path 330' from South Line of Sec 14-245-31E First Perforation no closer than 330' from south line of sec 14-24S-31E South Line of Sec 14-24S-31E Double Diamond 24531£1414 238H Surface Hole: 305' FSL & 860' FEL of sec 14-245-31E Bottom Hole: 200' FNL & 330' FEL of sec 14-245-31E

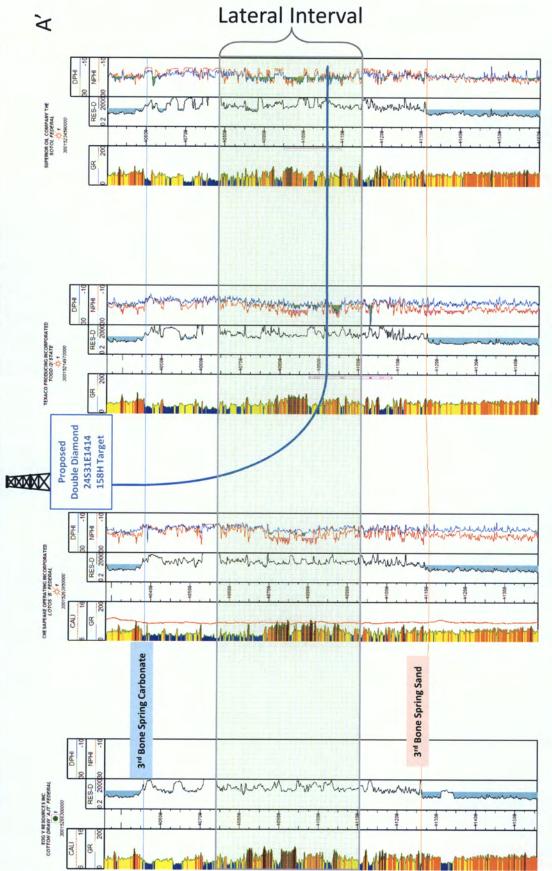


## Subsea Structure Map (3rd Bone Spring Carbonate)



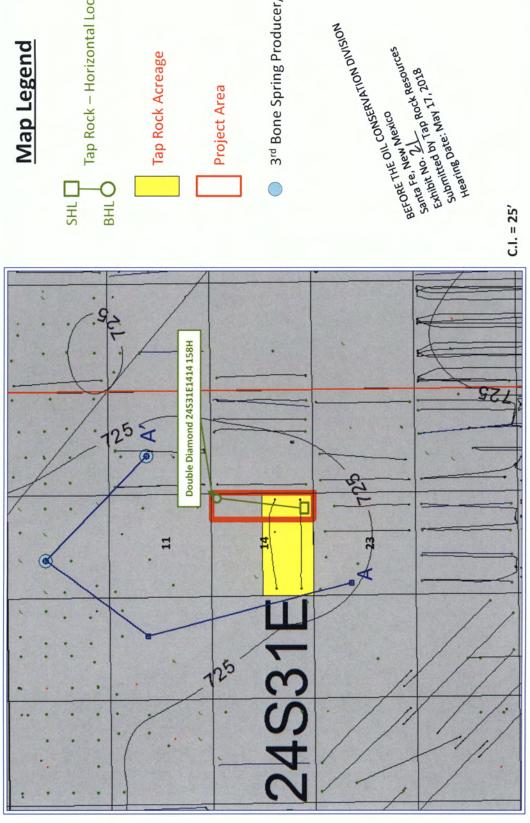


Double Diamond 24S31E1414 158H



Case No. 16160

# Isopach Map (3rd Bone Spring Carbonate to 3rd Bone Spring Sand)



Tap Rock - Horizontal Locator

3rd Bone Spring Producer/Test



### Double Diamond 24S31E1414 158H

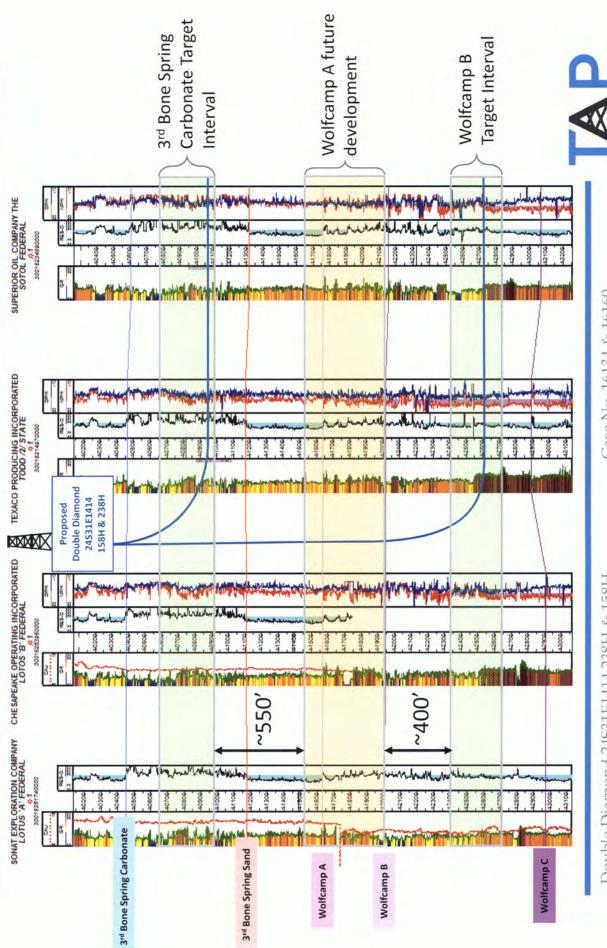
BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 22 not to scale

330' from North Line of Sec 14-245-31E North Line of Sec 14-24S-31E Last Perforation no closer than 330' from north line of sec 14-245-31E Submitted by Tap Rock Resources Hearing Date: May 17, 2018 Double Diamond 24S31E1414 158H Plan Well Path 330' from South Line of Sec 14-245-31E First Perforation no closer than 330' from south line of sec 14-24S-31E South Line of Sec 14-24S-31E Double Diamond 24531£1414 158H Surface Hole: 305' FSL & 935' FEL of sec 14-245-31E Bottom Hole: 200' FNL & 330' FEL of sec 14-245-31E



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 23
Submitted by Tap Rock Resources Hearing Date: May 17, 2018

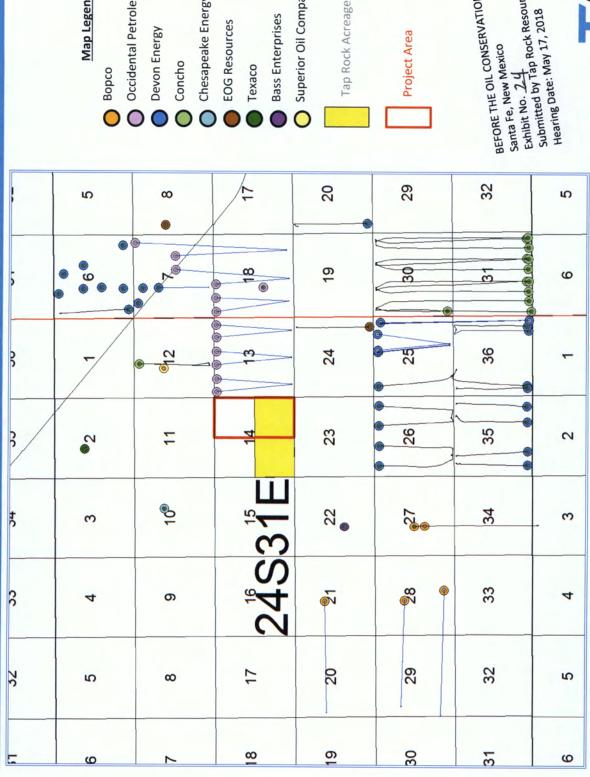
### Vertical Reservoir Profile



Double Diamond 24S31E1414 238H & 158H

Case No. 16134 & 16160

## Operator Activity Targeting Bone Springs and Wolfcamp



Map Legend

Bopco

Occidental Petroleum

**Devon Energy** 

Concho

Chesapeake Energy

**EOG Resources** 

Texaco

**Bass Enterprises** 

Superior Oil Company

Tap Rock Acreage

Project Area

BEFORE THE OIL CONSERVATION DIVISION Exhibit No. 24 Rock Resources Submitted by Tap Rock Santa Fe, New Mexico



### Wolfcamp B Producers

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. 225 Exhibit No. 125 Submitted by Tap Rock Resources Submitted by Tap Rock Resources Hearing Date: May 17, 2018

Map Legend

Deep Wolfcamp B Producer

22S 34E

2S 32E

2S 31E

25

28E

26S 31E

Double Diamond 24S31E1414 238H

Case No. 16134

Tap Rock Acreage
Project Area

5S 32E

29E

**48** 

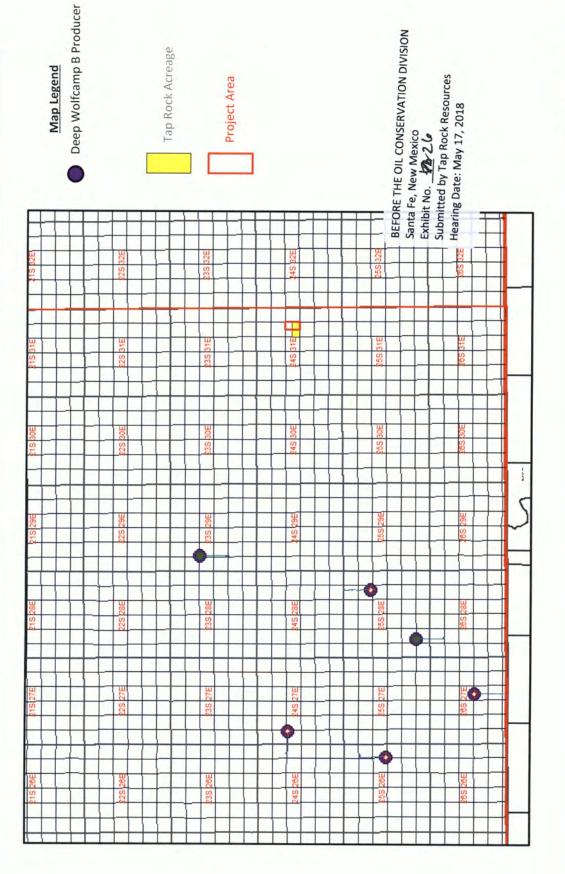
24S 32E

45 31E

248

48

## Wolfcamp B Producers with 1.5 mile laterals or greater





MAR 19 2018



**Chris Cooper** Land Representative Chevron U.S.A. Inc. 1400 Smith Street Houston, Texas 77002 Tel 713.372.6778 Email ChrisCooper@chevron.com

### VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 12, 2018

Tap Rock Resources 602 Park Point Drive Suite 200 Golden, Colorado 80401 Douglas Cameron McLeod 600 Grant Street, Suite 850 Denver, Colorado 80203

RE:

Proposal To Drill

SND 11 14 FED COM 004 4H SND 11 14 FED COM 004 5H SND 11 14 FED COM 004 6H

S/2 Section 11, Township 24 South, Range 31 East Section 14, Township 24 South, Range 31 East,

N.M.P.M., Eddy County, New Mexico

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Santa Fe, New Mexico
Exhibit No.
Exhibit No. Tap Rock Resources
Submitted by Tap Rock Resources
Hearing Date: May 17, 2018

Dear Working Interest Owner:

Chevron U.S.A. Inc. ("Chevron") hereby proposes to drill the above-mentioned wells with the surface hole locations, bottom hole locations, and depths as shown in the attached spreadsheet. Chevron will develop this area by pad drilling.

The wells are proposed to drill vertically to a depth of approximately 9,100' and horizontally in a southern direction within the Avalon formation to the referenced bottom hole location. Total measured depth of the wells is proposed to be approximately 15,900' from surface to terminus. Please note that compliance with topography, cultural, and/or environmental concerns, among others, may require modifications to Chevron's intended procedure and/or location.

Enclosed for your review and execution are detailed AFEs for each well, in duplicate, reflecting estimated costs associated with this proposal. If you intend to participate, please execute in the appropriate box on each AFE, for each individual well, and return to the undersigned within 30 days of receipt of this proposal. A governing Operating Agreement for these wells will be sent to you shortly.

Due to lease retention requirements, <u>Chevron will submit an application for a Compulsory Pooling</u>
<u>Order with the New Mexico Oil Conservation Division after 30 days of your receipt of this letter</u>.

This will allow Chevron to move forward with planning and drilling the subject well(s) while allowing time to properly execute a JOA amongst the parties and meet its lease retention obligations.

Please note that Chevron is open to discuss possible trades, assignments, etc. of your working interest in the subject acreage. Should you be interested or have any questions, please feel free to contact me at the information listed above.

Ato 13 1 1 k LC + Olivi orig at ,		State: New Mexico Township/Range: 24\$-31E	County: Eddy Section: 11/14		
ne gerakaya		l	Cost breakdown		
ijaci Timo T Tim <del>a</del>			Project Cost		\$10,613,4
ngibies	160	cost Element	£igiderija -	empetion	facilità.
	71900021	Casing (tangible)	675,000		
	71900110	Wellheads (tangible)	47,000	10,500	
	71500100 71900020	Surface Lifting Equipment And Materials WCR - Well Pipe - Tubing Under 2" OD			
	71900021	WCR - Well Pipe - Tubing 2" OD and Over		\$0,000	
	71900022	WCR - Well Pipe Casing		250.000	
	71900100	Well Equipment And Materials  Battery Equipment		260,000	33,3
		Frac Pond Equipment			
		Compressor Station Equipment			740.0
		Electrical, Pipelines, Roads, Well Connect			750,0
angibles					
	00000000	Company Drilling Equipment	744 707		
	74400001 65010100	Rig Work Company Labor	7 <b>33,78</b> 5 211,733	105,000	
	70000300	Contract Project Supervision	36,418	60,000	
	71290100	Fuel Diesel	130,089	790,000	
	71290300	Utflittes / Potable Water	3,388	1,140,925	
	71900100 71900500	Well Equipment & Materials Materials, Parts, & Supply	7,500		
	72300100	Surface Equipment Rentals	300,000	620,000	
	72300200	Well Service Equipment Rentals	175,000	47,500	
	73400300	Transportation Services, Land & Marine	50,000		
	73400500 74200300	Transportation Air Solid Waste Disposal	158,987		
	74400004	Drilling Fluids	135,500	550,000	
	74400005	Directional Survey & Services			
	74400007	Orili-Pipe Rental & Bits	175,000		
	74400009	Coil Tubing		250,000 1,137,285	
	74400010 74400011	Stimulation / Gravel Pack Material Pumping Services		1,137,265	
	74400014	Perforating			
	74400015	Slickline Services			
	74400017	Coring			
	74400019 74400019	Testing Logging Wireline			
	74400020	Logging While Drilling (LWD)			
	74400021	Logging Mud	17,500		
	74400024	Cementing	190,000		
	74400025 74500021	Fishing Services & Tools Sitework / Locations	30,000		
	74500023	Mobilization	12,000		
	74500200	Tech Services, Affiliates, & 3rd Party	,		
	75100500	HES, Permits, & Fees			
	76150600	Communications Telephone			
	71400100 71900120	Chemicals and Treating Agents Engineering Services (Not Drilling)			
	71900500	Materials, Supply, Repair Parts			
	73200200	Marine Transportation - Allocated			
	73400300	Other Land Transportation Services - Not Rail			
	73400400 74200300	ATC - Air Transportation Solid Waste Disposal			
	74200600	Waste Water Disposal		80,000	
	74400001	WCR - Rig Daywork		,	
	74400006	WCR - Directional Survey And Service Costs			
	74400010	Stim/Gravel Pack Service (Not Materials)		1 310 000	
	74400011 74400013	WCR - Pumping Services WCR - Equipment Lost in Hole		1,210,000	
	74400014	WCR - Perforating & Electric Line Services	•	430,000	
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Total Cost	\$1,825,840		10 \$10,618,490		
GRA Percentage:			Amount		
Participation & Authorization Chevron U.S.A, Inc.	Net Acres 320	Share 66.66666670%	Amount \$7,075,633		
Tap Rock Resources	160	93.89333337%	\$3,537,817		
		100 90000099%			
Approved (	Print Nama)	Approved (Signature		w	

SNI-11 J4 FED COM 604 SIC		State: New Mexico Township/Range: 245-31E	County: Eddy Section: 11/14		
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ni grane s	71900021	Casing (tangible)	675,000		
	71900110	Wellheads (tangible)	47,000	10,500	
	71500100	Surface Lifting Equipment And Materials			
	71900020 71900021	WCR - Well Pipe - Tubing Under 2" OD WCR - Well Pipe - Tubing 2" OD and Over		50,000	
	71900022	WCR - Well Pipe Casing		**,***	
	71 <b>9001</b> 00	Well Equipment And Materials		260,000	
		Battery Equipment			33,
		Frac Pond Equipment Compressor Station Equipment			
		Electrical, Pipelines, Roads, Well Connect			750,
tangibles	00000000	Company Drilling Equipment			
	74400001	Rig Work	733,785		
	66010100	Company Labor	211,733	105,000	
	70000300	Contract Project Supervision	36,418	60,000	
	71290100	Fuel Diesel Utilities / Potable Water	130,089 3 389	790,000 1,140,925	
	71290300 71900100	Utilities / Potable Water Well Equipment & Materials	3,388	1,140,325	
	71900500	Materials, Parts, & Supply	7,500		
	72300100	Surface Equipment Rentals	300,000	620,000	
	72300200	Well Service Equipment Rentals	175,000	47,500	
	73400300	Transportation Services, Land & Marine	50,000		
	73400500	Transportation Air	158,987		
	74200300 74400004	Solid Waste Disposal Drilling Fluids	135,500	550,000	
	74400006	Directional Survey & Services		•	
	74400007	Drill-Pipe Rental & Bits	175,000		
	74400009	Coil Tubing		250,000	
	74400010 74400011	Stimulation / Gravel Pack Material Pumping Services		1,137,285	
	74400011	Perforating			
	74400015	Slickline Sarvices			
	74400017	Coring			
	74400018	Testing			
	74400019	Logging Wireline			
	74400020 74400021	Logging While Drilling (LWD) Logging Mud	17,500		
	74400021	Cementing	190,000		
	74400025	Fishing Services & Tools			
	74500021	Sitework / Locations	30,000		
	74500023	Mobilization	12,000		
	74500200	Tech Services, Affiliates, & 3rd Party			
	75100500 76150600	HES, Permits, & Fees Communications Telephone			
	71400100	Chamicals and Treating Agents			
	71900120	Engineering Services (Not Drilling)			
	71900500	Materials, Supply, Repair Parts			
	73200200	Marine Transportation - Allocated			
	73400300	Other Land Transportation Services - Not Rail			
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	74400006	WCR - Directional Survey And Service Costs			
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	74400011 74400013	WCR - Pumping Services WCR - Equipment Lost in Hole		1,210,000	
	74400013 74400014	WCR - Parforating & Electric Line Services		430,000	
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abtotal	\$1,825,84				
&A	٥	0 _	0.0		
Total Cost	\$1,829,84 0.0		\$10,613,450		
G&A Percentage:					
Participation & Authorization Chevron U.S.A. Inc.	Net Acres 320	<b>Share</b> 66.65666670%	Amount \$7,075,633		
Tap Rock Resources	160	33 33333330%	\$9,597,817		
		100 0000000035			
Approved (Print Nam	nej	Approved (Signature			
		Date			

-		Township/Range: 245-31E	County: Eddy Section: 11/14		
		•			
toject Time			Project Cost		510,613.4
PT Turne					
angibles	Codi	Cost Henre d	⊖-ಗಿ-ಬ್ರ	ompletion:	Facilities
	71900021	Casing (tangible)	675,000		
	71900110	Wellheads (tangible)	47,000	10,500	
	71500100 71900020	Surface Lifting Equipment And Materials WCR - Well Pipe - Tubing Under 2" OD			
	71900021	WCR - Well Pipe - Tubing 2" OD and Over		50,000	
	71900022	WCR - Well Pipe Casing		,	
	71900100	Well Equipment And Materials		260,000	
		Battery Equipment Frac Pond Equipment			33,
		Compressor Station Equipment			
		Electrical, Pipelines, Roads, Well Connect			750,0
tangibles					
	00000000 74400001	Company Drilling Equipment Rig Work	222 705		
	65010100	Company Labor	733,785 211,733	105,000	
	70000300	Contract Project Supervision	36,418	50,000	
	71290100	Fuel Diesel	130,089	790,000	
	71290300	Utilities / Potable Water	3,388	1,140,925	
	71900100	Well Equipment & Materials	7.00		
	71900500 72390100	Meterials, Parts, & Supply Surface Equipment Rentals	7,500 300,000	620,000	
	72300200	Well Service Equipment Rentals	175,000	47,500	
	73400300	Transportation Services, Land & Marine	50,000	,	
	73400500	Transportation Air			
	74200300 74400004	Solid Wasta Disposal Drilling Fluids	158,987	EE0 000	
	74400004	Directional Survey & Services	135,500	550,000	
	74400007	Drill-Pipe Rental & Bits	175,000		
	74400009	Coll Tubing	·	250,000	
	74400010	Stimulation / Gravei Pack Material		1,137,285	
	74400011	Pumping Services			
	74400014 74400015	Perforating Slickline Services			
	74400017	Coring			
	74400018	Testing			
	74400019	Logging Wireline			
	74400020	Logging While Drilling (LWD)	.3.000		
	74400021 74400024	Logging Mud Cementing	17,500 190,000		
	74400025	Fishing Services & Tools	130,000		
	74500021	Sitework / Locations	30,000		
	74500023	Mobilization	12,000		
	74500200	Tech Services, Affiliates, & 3rd Party			
	75100500 76150600	HES, Permits, & Fees Communications Telephone			
	71400100	Chemicals and Treating Agents			
	71900120	Engineering Services (Not Drilling)			
	71900500	Materials, Supply, Repair Parts			
	73200200	Marine Transportation - Allocated			
	73400300 73400400	Other Land Transportation Services - Not Rail ATC - Air Transportation			
	74200300	Solid Waste Disposal			
-	74200600	Waste Water Disposal		80,000	
	74400001	WCR - Rig Daywork		•	
	74400006	WCR - Directional Survey And Service Costs			
	74400010 74400011	Stim/Gravel Pack Service (Not Materials) WCR - Pumping Services		1,210,000	
	74400011	WCR - Equipment Lost In Hole		1,410,000	
	74400014	WCR - Perforating & Electric Line Services		430,000	
	Langinie	estar graia	1423		
btotal LA	\$1,825,840 0 0				
Total Cost	\$1,825,840				
G&A Percentage:	0.00				
Participation & Authorization Chevron U.S.A. Inc.	Net Acres 320	Share 66.66666670%	Amount \$7,075,633		
			\$7,075,633		
	160	44 334344340%	\$4 547 817		
Tap Rock Resources	160	33 33333330% 100.0000000%	\$3,537,817		

Well Name/Number	Surface Hole Location	Bottom Hole Location	True Vertical Depth	Total Measured Depth
	(All T245 R31E)	(A)I 7245 R31E)	(Feer)	(Fame)
		,	/1 88 s.l	(reet)
	Section 11, 2360 FNL, 825 FEL	Section 14, 180 FSL, 330 FEL	11970	18770
SND 11 14 FED COM 004 5H	Section 11, 2360 FNL, 850 FEL	Section 14, 180 FSL, 1254 FEL	11860	19660
ISND 11 14 FED COM DOM SH	Section 11 3250 ENI 975 EEI	7 14 400 55, 00 50, 00		TOOOC
	SECTION 11, 2300 FNL, 8/5, FEL	Section 14, 180 FSL, 2178 FEL	11950	18750

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### usa0435@fedex.com

يَّrom:

Erica Hixson <ehixson@taprk.com>

Sent:

Thursday, May 17, 2018 12:39 PM

ĩo:

usa0435@fedex.com

Subject:

Fwd: FW: Well Proposals - Haracz 23 Federal Com Wells: S/2 Sec. 14 & All Sec. 23-T24S-

R31E, Eddy County, NM

**Attachments:** 

WP - Haracz 23 Fed Com Wells - Courtesy Copy.pdf

----- Forwarded message -----

From: Clayton Sporich <csporich@taprk.com>

Date: May 17, 2018 12:30 PM

Subject: FW: Well Proposals - Haracz 23 Federal Com Wells: S/2 Sec. 14 & All Sec. 23-T24S-R31E, Eddy

County, NM

To: Erica Hixson <ehixson@taprk.com>

Cc:

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 28
Submitted by Tap Rock Resources
Hearing Date: May 17, 2018

From: Charles Moran [mailto:Charles\_Moran@eogresources.com]

Sent: Friday, May 11, 2018 12:26 PM
To: Clayton Sporich <csporich@taprk.com>

Subject: Well Proposals - Haracz 23 Federal Com Wells: S/2 Sec. 14 & All Sec. 23-T24S-R31E, Eddy County, NM

Clayton: As you are aware, EOG has its own plans for the development of the S/2 Sec. 14 & All Sec. 23-T24S-R31E, Eddy County, NM. EOG is providing Tap Rock courtesy copies of EOG's AFEs sent to working interest owners prior to the upcoming hearings. I have not sent well proposals to Tap Rock because I am unable to find where you have an interest and you have not provided me any documentation to support Tap Rock owning an interest.

EOG is in opposition to Tap Rocks current force pooling plans. The attached AFE's are for the following wells:

Well Name	Twn	Rng	Sec SHL	Sec BHL	SHL	BHL	Proje
Haracz 23 Fed Com #201H	T24S	R-31E	23	14	220 FSL & 600 FWL	230 FNL & 360 FWL	Sec. 2
Haracz 23 Fed Com #204H	T24S	R-31E	23	14	220 FSL & 1875 FWL	230 FNL & 1875 FWL	Sec. 2
Haracz 23 Fed Com #207H	T24S	R-31E	23	14	220 FSL & 1875 FEL	230 FNL & 1875 FEL	Sec. 2
Haracz 23 Fed Com #209H	T24S	R-31E	23	14	220 FSL & 633 FEL	230 FNL & 865 FEL	Sec. 2
Haracz 23 Fed Com #602H	T24S	R-31E	23	14	280 FSL & 2001 FWL	230 FNL & 2125 FWL	Sec. 2
Haracz 23 Fed Com #603H	T24S	R-31E	23	14	280 FSL & 2001 FWL	230 FNL & 2125 FEL	Sec. 2
Haracz 23 Fed Com #611H	T24S	R-31E	23	14	280 FSL & 726 FWL	230 FNL & 615 FWL	Sec. 2
Haracz 23 Fed Com #615H	T24S	R-31E	23	14	220 FSL & 376 FEL	230 FNL & 615 FFI	Sec. 2
Haracz 23 Fed Com #711H	T24S	R-31E	23	14	280 FSL & 693 FWL	230 FNL & 610 FWL	Sec. 2
Haracz 23 Fed Com #715H	T24S	R-31E	23	14	220 FSL & 343 FEL	230 FNL & 610 FEL	Sec. 2

If you would like to discuss ahead of time please do not hesitate to contact me. I look forward to orking with you to resolve this matter.

Chuck Moran

EOG Resources, Inc. - Midland Division

432-686-3684

From: Clayton Sporich [mailto:csporich@taprk.com]

Sent: Monday, May 07, 2018 12:50 PM

To: Charles Moran < Charles Moran@eogresources.com>

Subject: Tap Rock's Application - Sec. 14, T24S-R31E, Eddy County, NM

\*\* External email. Use caution.\*\*

Chuck,

Thank you again for your assistance on Tap Rock's rig visit last week.

I understand from our conversation last week that EOG plans to contest Tap Rock's pending applications at the Division based on its own competing development plan for Section 14, Township 24 South, Range 31 East (the "Section"). As discussed, Tap Rock has not received a development proposal from EOG to date. Further, EOG does not own any interest in Tap Rock's initial development plan for the Section—all wells will be drilled and completed at depths below 10,000'. By contrast, Tap Rock has expended a tremendous amount of time and resources to develop the Section and has a vested interest in timely development.

Accordingly, please provide the following to Tap Rock no later than May 11th in anticipation of the hearing:

- 1. Well proposals, if any, for the Section including estimated costs and an operating agreement ("EOG Proposal(s)");
- 2. Drilling schedules, including spud date, drilling and completion schedules and approximate dates of first production for EOG Proposal;
- 3. Status of APDs for the EOG Proposal, including filing dates and on-site reviews;
- 4. Proposed completion design for EOG Proposal, including, but not limited to: design type, frac stages, proppant pounds per foot and water in barrels per foot;
- 5. Alternative deal structures for the Section; and
- 6. Production facility and marking plans for EOG Proposal.

Because of the depth severed ownership in the Section, we believe that there is a way that our two companies can work together for optimal development. Please contact me if you wish to discuss further.

Thank you,

### Clayton Sporich

Vice President - Land & Legal

Direct: (720) 772-5093 Cell: (214) 707-7073 csporich@taprk.com





MIDLAND	F	Printed:04/12/2018
AFE No.	CE11071	Original
Property No.	XXXXXX-000	
EOG W.I.(BCP)	(	ACP)
EOG AFE Amt:	(Drig)	\$2,537,500
	(Land)	\$88,500
	(Completion)	\$3,432,000
	(Facility)	\$435,500
	(Flowback)	\$206,500
	Total Cost	\$6 700 000

1	ENT DRILLING	3	AFE Name	: Haracz D&C	23 Fed Co	m #201H	AFE Date :	4/12/2018		Budget Yea	r: 2018	*
Reg. Lease No. :			Prospect N		RED HII	LS NORTH	TVD/MD:	9100 / 16700		Begin Date		
Location : Section 23-T2	24S-R31E, 220	FSL & 600 F	WL,				BHLocation :	BH(LATERAL	#1): Section 14-			WL,
Formation : Leonard B							DD&A Field :					
Operator : EOG RESOUR AFE Description :		Fed Com #2	County & 9		EDDY /		Field : E LATERAL TO	UNASSIGNED	Product :	Water Dept		: 0/0
	COMPLET	ED IN THE L DDY CO., NI	EONARD B FO	ORMATION	N. THE WE	LL IS LOCAT	ED IN SECTION	14/23, T24S,	riodact .	OIL.	Days	
		RIPTION				SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
ACCESS LOCATION, ROADS&S COMP-FLBK-LOCATION AND RI						401 401	67,000		5,000		0 0	72
COMP-RIG MOVE	JADO .					402	<del>                                     </del>		5,000	1	0 7,500 0 0	5
RIG MOVE						402	180,000	0	(		0 0	
FOOTAGE COST DAY WORK COST						403 404	382,500	0	(		0 0	
BITS & BHA						405	100,000				0 0	
COMP-BITS & PHA COMP - FUEL						405	0		10,000		0 0	
FUEL						406 406	86,000		200,000		0 2,500	202 86
WATER						407	18,000	0	450,000		0 0	468
COMP-FLBK-CHEMICALS MUD & CHEMICALS						408 408	275,000	0	0		3,000	275
CEMENTING & SERVICE						409	180,000	0	0		0 0	180
COMP- PERFORATING COMP- STIMULATION						413	0	0	225,000			225
COMP-TRANSPORTATION						414 415	0		1,900,000			1,900
TRANSPORTATION						415	36,000	0	0	(		36
COMP-Completion Overhead DRILLING OVERHEAD						416 416	5,000	0	10,000			10
COMP-EQUIPMENT RENTAL						417	5,000	0	110,000			110
FLBK-EQUIPMENT RENT/OPERATIONS						417	135,000	0	0		25,000	163
COMP-COMPLETION RIG						418	0	0	20,000		0	20
OTHER DRILLING EXPENSE						419	10,000	Ö	0	7		10
COMP-ENVIRON & SAFETY CHA ENVIRONMENTAL & SAFETY	RGES					421 421	15,000	0	25,000			32
DIRECTIONAL DRILLING			·			422	225,000	0	- 0			19
COMP- SUPERVISION						424	0	0	90,000		0	90
SUPERVISION COMP- COMMUNICATIONS						424 431	100,000	0	3,500			100
TUBULAR INSPECTION/HANDLIF						436	15,000	0	0	d		15
COMP-CASED HOLE LOGGING/ SPECIALTY SERVICES	EST					438 441	0	0	3,500			
COMP-WIRELINE SERVICES						442	75,000 0	0	7,000	0		75
COMP-COIL TUBING/NITROGEN						445	Ő	0	140,000	0	0	140
COMP-CONTRACT LABOR MISC FLBK-DISPOSAL COSTS						446 447	110,000	0	17,000 17,000	Ō		17
COMP-COMPLETION FLUIDS						448	0	- 0	10,000	0		217 10
TITLE OPINION-DRILL SITE						453	0	7,500	0	0		7
COMP-LAND DRILLSITE TITLE O	PINION					465 480	0	0	50,000	0	57,000	107
OMP-LAND ROW DRILLING						482	0	12,500				12
OMP-LAND ROW COMPLETION OMP-LAND SURVEY & DAMAGI						483 484	0	12,500 20,000			0	12
PRILL						404	· ·	20,000	0	0	l "	20
OMP-LAND SURVEY & DAMAGE	£S					485	0	20,000	0	0	o	20
OMP-REG-PERMIT FEE/ENV						486	0	16,000	0	0	0	16
37773700200			**			TANGIBLES	\$2,014,500	\$88,500	\$3,318,000	\$3,000	\$196,500	\$5,620
URFACE CASING	UOM	QTY	SIZE	SiZE	GRADE	RATE						
NTERMEDIATE CASING	<del> </del>		<b>-</b>	+	<del>                                     </del>	102	28,000 120,000	0	0	0	0	28 120
RODUCTION CASING						104	300,000	0	0	0		300
OMD TUDING					L	106	n)	0	44,000	0	0	44 135
OMP-TUBING /ELLHEAD EQUIPMENT	<del> </del>	<del> </del>			1 1			O.	en non			
OMP-TUBING /ELLHEAD EQUIPMENT OMP-FAC-FLOW LINES					-	107 109	75,000 0	0	60,000 0	150,000	0	
ELLHEAD EQUIPMENT						107	75,000			150,000 31,000	0	150
/ELLHEAD EQUIPMENT OMP-FAC-FLOW LINES OMP-FAC-VALVES & FITTINGS						107 109 110	75,000 0	0	0		0	150 31
/ELLHEAD EQUIPMENT OMP-FAC-FLOW LINES OMP-FAC-VALVES & FITTINGS OMP-VALVES & FITTINGS OMP-PUMP						107 109	75,000 0 0	0	0	31,000		150 31 12
VELLHEAD EQUIPMENT OMP-FAC-FLOW LINES OMP-FAC-VALVES & FITTINGS OMP-PAULVES & FITTINGS OMP-PUMP DUIP/SUBSURFACE						107 109 110 110 1113	75,000 0 0	0 0 0	0 0 2,500 7,500	31,000 0 0	10,000 0	150 31 12 7
JELLHEAD EQUIPMENT OMP-FAC-FLOW LINES OMP-FAC-VALVES & FITTINGS OMP-VALVES & FITTINGS OMP-PUMP OUIP/SUBSURFACE OMP-FAC- EATERS, TREATRS, SEPRS						107 109 110 110 113	75,000 0 0	0	0 0 2,500	31,000	0	150 31 12 7
FELLHEAD EQUIPMENT  OMP-FAC-FLOW LINES  OMP-FAC-VALVES & FITTINGS  OMP-VALVES & FITTINGS  OMP-PUMP  DUIP/SUBSURFACE  OMP-FAC: ATERS.TREATRS.SEPRS  MMP-FACMETERING						107 109 110 110 1113	75,000 0 0	0 0 0	0 0 2,500 7,500	31,000 0 0	10,000 0	150 31 12 7
MELLHEAD EQUIPMENT OMP-FAC-FLOW LINES OMP-FAC-VALVES & FITTINGS OMP-VALVES & FITTINGS OMP-PUMP DUIP/SUBSURFACE OMP-FAC- EATERS, TREATRS, SEPRS DMP-FAC- METERING DUIPMENT						107 109 110 110 113	75,000 0 0 0 0	0 0 0	0 0 2,500 7,500 0	31,000 0 0 88,000 24,000	0 10,000 0	150 31 12 7 88
FELLHEAD EQUIPMENT  OMP-FAC-FLOW LINES  OMP-FAC-VALVES & FITTINGS  OMP-VALVES & FITTINGS  OMP-PUMP  DUIP/SUBSURFACE  OMP-FAC- ATERS, TREATRS, SEPRS  DUIPMENT  DUIPMENT  OMP-FAC-  DUIPMENT  OMP-FAC-  DUIPMENT  OMP-FAC-  DUIPMENT  OMP-FAC-  DUIPMENT  OMP-FAC-  OMP-FAC-  DUIPMENT  OMP-FAC-  OMP-FAC-  DUIPMENT  OMP-FAC-  OMP-FAC-  DUIPMENT  OMP-FAC-  OMP-FAC						107 109 110 110 113 115 118	75,000 0 0 0 0 0	0 0 0	0 0 2,500 7,500 0 0	31,000 0 0 88,000 24,000	0 10,000 0	150 31 12 7 88 24
MP-FAC-CUSTRUCTION  MP-FAC-CONSTRUCTION  MP-VALVES & FITTINGS  MP-VALVES & FITTINGS  MP-PUMP  MP-PUMP  MP-PUMP  MP-FAC-METERING  MP-FAC-METERING  MP-FAC-METERING  MP-FAC-CONSTRUCTION  MP-FAC-LABR/FELEC						107 109 110 110 113 115	75,000 0 0 0 0 0	0 0	0 0 2,500 7,500 0	31,000 0 0 88,000 24,000	0 10,000 0	150 31 12 7 88 24
FELLHEAD EQUIPMENT OMP-FAC-VALVES & FITTINGS OMP-PUBLIVES & FITTINGS OMP-PUBLIVES & FITTINGS OMP-PUBLIVES & FITTINGS OMP-PUBLIVES & FITTINGS OMP-PAC- EATERS, TREATRS, SEPRS OMP-FAC-METERING DUPMENT OMP-FAC-CONSTRUCTION DST OMP-FAC-LABR/FLEC EAS/AUTOMA OMP-FAC- DMP-FAC- MP-FAC- MP- MP-FAC- MP- MP- MP- MP- MP- MP- MP- MP- MP- MP						107 109 110 110 113 115 118	75,000 0 0 0 0 0	0 0 0	0 0 2,500 7,500 0 0	31,000 0 0 88,000 24,000	0 10,000 0	150 31 12 7 88 24 125
MELLHEAD EQUIPMENT OMP-FAC-FLOW LINES OMP-FAC-VALVES & FITTINGS OMP-VALVES & FITTINGS OMP-POUMP DUIP/SUBSURFACE  MMP-FAC- EATERS.TREATRS.SEPRS OMP-FAC-METERING DUIPMENT DMP-FAC-CONSTRUCTION DST OMP-FAC-LABR/FELEC EAS/AUTOMA DMP-FAC-LABR/FELEC EAS/AUTOMA DMP-FAC-CONSTRUCTION DMP-FAC-LABR/FELEC EAS/AUTOMA DMP-FAC-CONSTRUCTION DMP-FAC-LABR/FELEC EAS/AUTOMA DMP-FAC-CONSTRUCTION DMP-FAC-CONSTRUCTION DMP-FAC-LABR/FELEC EAS/AUTOMA DMP-FAC-CONSTRUCTION D						107 109 110 110 113 115 118 122 124 128	75,000 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 2,500 7,500 0 0	31,000 0 88,000 24,000 125,000 5,000	0 10,000 0 0 0 0	150 31 12 7 88 24 125
TELLHEAD EQUIPMENT OMP-FAC-FLOW LINES OMP-FAC-VALVES & FITTINGS OMP-VALVES & FITTINGS OMP-VALVES & FITTINGS OMP-FAC- DIPSUBSURFACE OMP-FAC- ATERS, TREATRS, SEPRS OMP-FAC- DIPSUBSURFACE OMP-FAC-DASTRUCTION OST OMP-FAC-LABR/ÆLEC AS/AUTOMA OMP-FAC- STRUMENT/ÆLECTRIC OMP-FAC-TRÄNSPORTATION						107 109 110 110 113 115 118 122 124 128 415	75,000 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 2,500 7,500 0 0 0	31,000 0 0 88,000 24,000 1,000 5,000	0 10,000 0 0 0 0	150 31 12 7 88 24 125 1 5
TELLHEAD EQUIPMENT  OMP-FAC-VALVES & FITTINGS  OMP-FAC-VALVES & FITTINGS  OMP-POLIVES & FITTINGS  OMP-POLIVES & FITTINGS  OMP-POLIVES & FITTINGS  OMP-POLIVES & FITTINGS  OMP-FAC- EATERS, TREATRS, SEPRS  OMP-FAC-METERING  DUIPMENT  OMP-FAC-CONSTRUCTION  DST  OMP-FAC-LABR/FELEC  EAS/AUTOMA  OMP-FAC-TRANSPORTATION  OMP-FAC-TRANSPORTATION  OMP-FAC-TRANSPORTATION  OMP-FAC-TRANSPORTATION  OMP-FAC-TRANSPORTATION  OMP-FAC-TRANSPORTATION  OMP-FAC-TRANSPORTATION  OMP-FAC-TRANSPORTATION						107 109 110 110 113 115 118 122 124 128	75,000 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 2,500 7,500 0 0	31,000 0 88,000 24,000 125,000 5,000	0 10,000 0 0 0 0	150 31 12 7 88 24 125 1,
JELLHEAD EQUIPMENT OMP-FAC-FLOW LINES OMP-PAC-VALVES & FITTINGS OMP-VALVES & FITTINGS OMP-PALPUMP QUIP/SUBSURFACE OMP-FAC- EATERS, TREATRS, SEPRS OMP-FAC-METERING QUIPMENT OMP-FAC-CONSTRUCTION OST OMP-FAC-LABR/FELEC EAS/AUTOMA DMP-FAC-TRANSPORTATION DMP-FAC-TRANSPORTATION DMP-FAC-ENVIRONMENTAL SAFETY DMP-FAC-ELECTRICAL						107 109 110 110 113 115 118 122 124 128 415	75,000 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 2,500 7,500 0 0 0	31,000 0 0 88,000 24,000 1,000 5,000	0 10,000 0 0 0 0	1550 1550 31 12 7 88 24 125 1.
MP-FAC-LABR/ELEC  CAS/AUTOMA  MP-FAC-VALVES & FITTINGS  OMP-PALVALVES & FITTINGS  OMP-PALVALVES & FITTINGS  OMP-POLINES  OMP-PACE  EATERS, TREATRS, SEPRS  OMP-FAC-METERING  JUIPMENT  DMP-FAC-CONSTRUCTION  DSTANDAM  OMP-FAC-LABR/ELEC  CAS/AUTOMA  DMP-FAC-TRANSPORTATION					TOTAL	107 109 110 110 113 115 118 122 124 128 415 421	75,000 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 2.500 7.500 0 0 0 0 0	31,000 0 88,000 24,000 125,000 1,000 5,000 2,500 3,000 3,000	0 10,000 0 0 0 0 0 0	150 31 12 7 888 24 125 1 5 3 2,
MELLHEAD EQUIPMENT OMP-FAC-FLOW LINES OMP-FAC-VALVES & FITTINGS OMP-VALVES & FITTINGS OMP-VALVES & FITTINGS OMP-PACHON OMP-FAC- OMP-FAC- ATERS, TREATRS, SEPRS OMP-FAC- DMP-FAC-BAC-CONSTRUCTION DST OMP-FAC-LABR/FELEC EAS/AUTOMA DMP-FAC- STRUMENT/ELECTRIC OMP-FAC- STRUMENT/ELECTRIC OMP-FAC- STRUMENT/ELECTRIC OMP-FAC- STRUMENT/ELECTRIC OMP-FAC- STRUMENT/ELECTRIC OMP-FAC- STRUMENT/ELECTRIC OMP-FAC- OMP-FAC- STRUMENT/ELECTRIC OMP-FAC- OMP-FAC- STRUMENT/ELECTRIC OMP-FAC- O						107 109 110 110 1113 115 118 122 124 128 415 421	75,000 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 2.500 7.500 0 0 0 0	31,000 0 88,000 24,000 125,000 1,000 5,000 2,500	0 10,000 0 0 0 0 0	150 31 12 7 88 24 125 1 5 3 2 3,
MELLHEAD EQUIPMENT OMP-FAC-FLOW LINES OMP-FAC-VALVES & FITTINGS OMP-VALVES & FITTINGS OMP-VALVES & FITTINGS OMP-PACHON OMP-FAC- OMP-FAC- ATERS, TREATRS, SEPRS OMP-FAC- DMP-FAC-BAC-CONSTRUCTION DST OMP-FAC-LABR/FELEC EAS/AUTOMA DMP-FAC- STRUMENT/ELECTRIC OMP-FAC- STRUMENT/ELECTRIC OMP-FAC- STRUMENT/ELECTRIC OMP-FAC- STRUMENT/ELECTRIC OMP-FAC- STRUMENT/ELECTRIC OMP-FAC- STRUMENT/ELECTRIC OMP-FAC- OMP-FAC- STRUMENT/ELECTRIC OMP-FAC- OMP-FAC- STRUMENT/ELECTRIC OMP-FAC- O						107 109 110 110 1110 113 115 118 122 124 128 415 421 471 ANGIBLES	75,000 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 2.500 7.500 0 0 0 0 0 0 0	31,000 0 88,000 24,000 125,000 1,000 5,000 3,000 2,500 3,000 \$432,500	0 10,000	150 31 12 7 88 24 125 1 5 3 2 3,
TELLHEAD EQUIPMENT  OMP-FAC-FLOW LINES  OMP-FAC-VALVES & FITTINGS  OMP-VALVES & FITTINGS  OMP-VALVES & FITTINGS  OMP-FAC-  OMP-FAC-  ATERS, TREATRS, SEPRS  OMP-FAC-  OMP-FAC-  ATERS, TREATRS, SEPRS  OMP-FAC-  OMP-FAC-  OMP-FAC-  OMP-FAC-  OMP-FAC-  STRUMENT/ELECTRIC  OMP-FAC-  STRUMENT/ELECTRIC  OMP-FAC-  STRUMENT/ELECTRIC  OMP-FAC-			Date			107 109 110 110 1110 113 115 118 122 124 128 415 421 471 ANGIBLES TTAL COST	75,000 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 2.500 7.500 0 0 0 0 0 0 0	31,000 0 88,000 24,000 125,000 1,000 5,000 3,000 2,500 3,000 \$432,500 \$432,500	0 10,000	150 31 12 7 88 24 125 1 5 3 2 3,
FELLHEAD EQUIPMENT  OMP-FAC-FLOW LINES  OMP-FAC-VALVES & FITTINGS  OMP-VALVES & FITTINGS  OMP-PUMP  JUMP-SUBSURFACE  JUMP-FAC-AMPERING  DUIPMENT  JUMP-FAC-AMPERING  DUIPMENT  JUMP-FAC-LABR/ELEC  ESS/AUTOMA  MP-FAC-ENSTRUCTION  SET  JUMP-FAC-TRANSPORTATION  MP-FAC-ENVIRONMENTAL  SAFETY  MP-FAC-ENVIRONMENTAL  SAFETY  MP-FAC-ENVIRONMENTAL  SAFETY  MP-FAC-ENVIRONMENTAL  SAFETY  MP-FAC-ENVIRONMENTAL  SAFETY  MP-FAC-ELECTRICAL  BOR				PERATOR		107 109 110 110 1110 113 115 118 122 124 128 415 421 471 ANGIBLES TAL COST	75,000 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 2.500 7.500 0 0 0 0 0 0 0 0	31,000 0 88,000 24,000 125,000 1,000 5,000 3,000 2,500 3,000 \$432,500 \$432,500	0 10,000 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	150 31 12 7 88 24 125 1, 5,



MIDLAND	Pr	inted:04/12/2018
AFE No.	CE11072	Origina
Property No.	XXXXXX-000	
EOG W.I.(BCP)	(A	CP)
EOG AFE Amt:	(Drig)	\$2,537,500
	(Land)	\$88,500
	(Completion)	\$3,432,000
	(Facility)	\$435,500
	(Flowback)	\$206,500
	Total Cost	\$6,700,000

	ENT DRILLIN	G		D&C	z 23 Fed (	Com #204H	AFE Date :	4/12/2018		Budget Ye	ear: 2018	
Reg. Lease No. : Location : Section 23-T2	4S-R31E, 220	FSL & 1,875	Prospect N		RED	IILLS NORTH		9100 / 16700	L #1): Section 14	Begin Dat		
							Bricocation	I. DIILAIEKA	L #1): Section 14	-1245-R37E,	230 FNL & 1,875	3 FWL,
Formation : Leonard B Operator : EOG RESOUR	CES INC		County & S	State ·	EDDY	/ NM	DD&A Field Field :	UNASSIGNE		Iwasa Ba		
AFE Description :	Haracz 23	Fed Com #2	04H D&C 9,10	OT DVT '0	16,000' N	D IS A 1.5 M	LE LATERAL T	O BE	Product :	Water Dep OIL		s: 0/0
	R31E IN E	DDY CO., NA	EONARD B F	ORMATIO	N. THE W	ELL IS LOCA	TED IN SECTION	ON 14/23, T24S,				
		RIPTION				SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	Y FLOWBACK	TOTAL
ACCESS LOCATION, ROADS&SI COMP-FLBK-LOCATION AND RO						401	67,0		0 5.00	0	0	0 72,0
COMP-RIG MOVE	DAUS					401			0 5,00	0	0 7,50	0 7,5 0 5,0
RIG MOVE						402	180,0			<del>-</del>		0 180,0
FOOTAGE COST DAY WORK COST	_					403	000.5			0		0
BITS & BHA	_					404	382,5			0		0 382,5 0 100,0
COMP-BITS & PHA COMP - FUEL						405			0 10,00	D		0 10,0
FUEL FUEL						406 406	86,0		200.00	0	0 2,50	
WATER						407	18,0		450,00			0 86,0 0 468,0
COMP-FLBK-CHEMICALS MUD & CHEMICALS						408			0		0 3,000	0 3,0
CEMENTING & SERVICE						408	275,00					0 275,0 0 180,0
COMP- PERFORATING						413	100,00		225,00	1		0 225,0
COMP- STIMULATION COMP-TRANSPORTATION	··-					414			1,900,000			0 1,900,0
TRANSPORTATION						415 415	36,00		20,000		0 4,000	
COMP-Completion Overhead						416		0 0				0 10,0
DRILLING OVERHEAD COMP-EQUIPMENT RENTAL						416	5,00					5,0
FLBK-EQUIPMENT						417	135,00		110,000	3,00	0 25,000	-1
RENT/OPERATIONS								Ĭ ,	1`	1	25,500	163,01
COMP-COMPLETION RIG OTHER DRILLING EXPENSE						418 419		0 0	20,000		0 (	
COMP-ENVIRON & SAFETY CHA	RGES					421	10,00	0 0			0 7,500	
ENVIRONMENTAL & SAFETY						421	15,00	0 (			0 0	
DIRECTIONAL DRILLING COMP- SUPERVISION						422 424	225,00				0 0	
SUPERVISION						424	100,00	0 0	90,000		0 0	
COMP- COMMUNICATIONS	-					431		0 0	3,500		0 0	3,50
TUBULAR INSPECTION/HANDLIN COMP-CASED HOLE LOGGING/T						436 438	15,00	0 0	3,500		0 0	
SPECIALTY SERVICES			•			441	75,00				0 0	
COMP-WIRELINE SERVICES COMP-COIL TUBING/NITROGEN						442		0 0	- 1000		0 0	7,00
COMP-CONTRACT LABOR MISC		****				445 446		0 0	140,000 17,000		0 0	
FLBK-DISPOSAL COSTS						447	110,00				0 90,000	
COMP-COMPLETION FLUIDS FITLE OPINION-DRILL SITE						448		0 0	10,000		0 0	10,00
COMP-FLOWBACK						453 465		0 7,500	50,000		0 0 57,000	7,50
COMP-LAND DRILLSITE TITLE OF	PINION					480		0 0	00,000		37,000	107,00
COMP-LAND ROW DRILLING COMP-LAND ROW COMPLETION						482 483		12,500				12,50
COMP-LAND SURVEY & DAMAGE	S					484	+	12,500			0 0	12,50 20,00
ORILL							1		_		<u>1                                    </u>	20,00
COMP-LAND SURVEY & DAMAGE	:S					485		20,000	0	(	0	20,00
COMP-REG-PERMIT FEE/ENV SURV&ASSESS						486	,	16,000	0	(	0 0	16,00
	UOM	QTY	SIZE	SIZE	GRADE	NTANGIBLE	\$2,014,500	\$88,500	\$3,318,000	\$3,000	\$196,500	\$5,620,50
URFACE CASING	00.00	-	JILL	SIZE	GRADE	RATE 102	28,000	0 0	ő		0 0	28,00
NTERMEDIATE CASING						103	120,000	0	0	(		120,00
RODUCTION CASING OMP-TUBING	<del> </del>	<del>-</del>		<del> </del>	-	104	300,000		0	(		300,00
VELLHEAD EQUIPMENT		<b></b>		ļ	<del> </del>	107	75,000	1 0	44,000 60,000			44,00 135,00
OMP-FAC-FLOW LINES						109		0	0	150,000		150,00
OMP-FAC-VALVES & FITTINGS					i	110	٥	0	0	31,000	, 0	31,00
OMP-VALVES & FITTINGS				İ		110	i a	0	2,500		10,000	12,50
OMP-PUMP QUIP/SUBSURFACE						113	0	0	7,500	C		7,500
OMP-FAC-	<del> </del> -	<del>                                     </del>		+		115	- 0	0	0	88.000		88,000
EATERS,TREATRS,SEPRS								]	ĭ	00,000	ľ	00,000
OMP-FAC-METERING QUIPMENT						118	0	0	0	24,000	0	24,000
OMP-FAC-CONSTRUCTION				<del> </del>		122	0	0	0	125,000	1	125,000
OST										120,000	ľ	
OMP-FAC-LABR/ELEC EAS/AUTOMA					1	124	0	0	0	1,000	9	1,000
OMP-FAC-				_		128	Ö	0	0	5,000	0	5,000
STRUMENT/ELECTRIC DMP-FAC-TRANSPORTATION											Li	
OMP-FAC-ENVIRONMENTAL						415 421	0	0	0	3,000		3,000
SAFETY						421	ľ	ď	0	2.500	9	2,500
DMP-FÄC-ELECTRIČAL BOR						471	0	0	0	3,000	0	3,000
NOOR				l		TANGIBLES		\$0	\$114,000	\$432,500		\$1,079,500
***************************************					1	OTAL COST	\$2,537,500	\$88,500	\$3,432,000	\$435,500	\$206,500	\$6,700,000
		ļ	Date				Ву				Date	
			JOINT OF	PERATOR	APPROV	AL						
m;		Ī	Ву				Title				Date	
		I					l					



MIDLAND	F	Printed:04/12/2018
AFE No.	CE11073	Original
Property No.	XXXXXX-000	
EOG W.I.(BCP)	(	ACP)
EOG AFE Amt:	(Drig)	\$2,537,500
	(Land)	\$88,500
	(Completion)	\$3,432,000
	(Facility)	\$435,500
	(Flowback)	\$206,500
	Total Cost	\$6,700,000

AFE Type: DEVELOPMI	ENT DRILLING	3	AFE Name	: Haracz D&C	23 Fed C	om #207H	AFE Date :	4/12/2018		Budget Yea	ar: 2018	
Reg. Lease No.: Location: Section 23-T2	4S-R31E, 220	FSL & 1,87	Prospect Na		RED H	LLS NORTH		9100 / 16000 BH/LATERAL	#1): Section 14	Begin Date	: 230 FNL & 1,875	
Formation : Leonard B								DII(CATERAL	. FI). Secuon 14	1243-R31E,	230 FML & 1,675	rcL,
Operator: EOG RESOUR			County & S		EDDY	NM	DD&A Field : Field :	UNASSIGNE	<u> </u>	Water Dept	h:	
AFE Description :	Haracz 23 COMPLET	Fed Com #: ED IN THE	207H D&C 9,100 LEONARD B FO	TVD TO	16,700' M	DISA 1,5 MI	E LATERAL TO	BE 114/23 T245	Product :	OIL		: 0/0
	R31E IN E	DDY CO., N	м.				TED IN SECTION	1 1423, 1243,				
	DESC	RIPTION	·			SUB	DRILLING	LAND	COMPLETION	FACILITY	FLOWBACK	TOTAL
ACCESS LOCATION, ROADS&SI	JRVFY					401	67,000	237	231	235	236	<u> </u>
COMP-FLBK-LOCATION AND RO					-	401	67,000				0 7,500	7
COMP-RIG MOVE RIG MOVE						402	Č		5,00		0 0	i
FOOTAGE COST						402	180,000				0 0	18
DAY WORK COST						404	382,500	0			0 0	38
BITS & BHA COMP-BITS & PHA						405 405	100,000				0 0	10
COMP - FUEL						406	- 0		10,000		0 2,500	20
FUEL						406	86,000				0 0	
WATER COMP-FLBK-CHEMICALS						407 408	18,000		450,000		0 3,000	46
MUD & CHEMICALS						408	275,000		<del></del>		0 3,000	27
CEMENTING & SERVICE						409	180,000				0 0	18
COMP- PERFORATING COMP- STIMULATION						413	0	0			0 0	22
COMP-TRANSPORTATION						415	<del>i </del>				0 4,000	1,90
TRANSPORTATION						415	36,000	0	(		0	3
COMP-Completion Overhead DRILLING OVERHEAD						416 416	5,000				0 0	
COMP-EQUIPMENT RENTAL						417	0	0	110,000		0	11
FLBK-EQUIPMENT RENT/OPERATIONS						417	135,000	0			25,000	16
COMP-COMPLETION RIG						418	- 0	0	20,000	ļ.,	0 0	2
OTHER DRILLING EXPENSE						419	10,000	0	20,000	<del>                                     </del>		
COMP-ENVIRON & SAFETY CHAI ENVIRONMENTAL & SAFETY	RGES					421	0	0				
DIRECTIONAL DRILLING	· · · · · · · · · · · · · · · · · · ·					421 422	15,000 225,000	0	0			22
COMP- SUPERVISION						424	0	0	90,000			
SUPERVISION COMP- COMMUNICATIONS						424	100,000	Ö	0			10
UBULAR INSPECTION/HANDLIN	G					431 436	15,000	0	3,500			
COMP-CASED HOLE LOGGING/T	EST					438	0	0	3,500			
SPECIALTY SERVICES COMP-WIRELINE SERVICES						441 442	75,000	0	0			7
OMP-COIL TUBING/NITROGEN						445	0	0	7,000 140,000			14
COMP-CONTRACT LABOR MISC						446	0	0	17,000	,		1
LBK-DISPOSAL COSTS COMP-COMPLETION FLUIDS						447	110,000	0	17,000			21
ITLE OPINION-DRILL SITE						448 453	0	7,500	10,000			1
OMP-FLOWBACK						465	Ö	0	50,000	- 6		10
OMP-LAND DRILLS!TE TITLE OF OMP-LAND ROW DRILLING	INION					480 482	0	0				
OMP-LAND ROW COMPLETION			·			483	0	12,500 12,500			<del>                                     </del>	
OMP-LAND SURVEY & DAMAGE	S					484	0	20,000	0	0	0	2
OMP-LAND SURVEY & DAMAGE	s					485	0	20,000				
OMP						400	١	20,000	0	٥	9	2
OMP-REG-PERMIT FEE/ENV						486	0	16,000	0	0	o	1
URV&ASSESS			<del></del>		TOTAL IS	TANGIBLES	\$2,014,500	\$88,500	\$3,318,000	\$3,000	\$196,500	****
	LOW	QTY	SIZE	SIZE	GRADE		1 02,014,000	\$00,500	\$3,310,000	\$3,000	\$190,500	\$5,62
URFACE CASING	1 00		SIZE	SIZE	GRADE	RATE 102	28,000	Ď	0	0	-	2
TERMEDIATE CASING						103	120,000	0	0	0		. 12
RODUCTION CASING OMP-TUBING	<u> </u>					104	300,000	0	0	0	0	30
ELLHEAD EQUIPMENT	<del> </del>	<del> </del>		<del> </del>	$\vdash$	106 107	75,000	0	44,000 60,000	0		13
OMP-FAC-FLOW LINES						109	0	0	00,000	150,000	0	15
OMP-FAC-VALVES & FITTINGS		1				110	Ö	0	0	31,000	0	3
OMP-VALVES & FITTINGS				<b></b> -	$\vdash$	110	0	0	2,500	0	10,000	1
OMP-PUMP QUIP/SUBSURFACE						113	Ö	0	7,500	0	0	
OMP-FAC-		<b></b>		<del></del>		115	0	0		80.000		
EATERS,TREATRS,SEPRS	L:				L_		"	٩	0	88.000	0	8
OMP-FAC-METERING QUIPMENT						118	0	0	0	24,000	0	24
DMP-FAC-CONSTRUCTION	<del> </del>		+		<del></del>	122	0	0	0	125,000	0	
OST			<u> </u>		L		°	٥	٩	120,000		125
DMP-FAC-LABR/ELEC EAS/AUTOMA						124	0	0	0	1,000	0	
DMP-FAC-			<del>   </del>			128	0	0	0	5,000	0	
STRUMENT/ELECTRIC				i					"]	5,000	<u>"</u>	
DMP-FAC-TRANSPORTATION DMP-FAC-ENVIRONMENTAL						415	Ō	0	0	3,000	0	3
MP-FAC-ENVIRONMENTAL SAFETY						421	9	0	0	2,500	0	2
MP-FAC-ELECTRICAL			<del>                                     </del>			471	0	0	0	3,000	0	- 3
BOR	L								Ī			
						TANGIBLES	\$523,000	\$0	\$114,000	\$432,500	\$10,000	\$1,079
					Т	DTAL COST	\$2,537,500	\$88,500	\$3,432,000	\$435,500	\$206,500	\$6,700
***			Date				Bu .				D-1-	
				ERATA	A DDDOG :		Ву				Date	
			JOINT OF	CKATOR	APPROV							
n :			Ву				Title				Date	



MIDLAND	F	rinted:04/12/2018
AFE No.	CE11074	Original
Property No.	XXXXXX-000	
EOG W.I.(BCP)	(	ACP)
EOG AFE Amt:	(Drlg)	\$2,537,500
	(Land)	\$88,500
	(Completion)	\$3,432,000
	(Facility)	\$435,500
	(Flowback)	\$206,500
	Total Cost	\$6,700,000

AFE Type : DEVELOPME	ENI DRILLIN	G	AFE Name	:: Harad	z 23 Fed (	Com #209H	AFE Date :	4/12/2018		Budget Yea	ar: 2018	
Reg. Lease No. : Location : Section 23-T24	48 B31E 220	CCL P COS E	Prospect P		RED	HILLS NORTH		9100 / 1670		Begin Date	:	
	45-R31E, 220	FSL & 633 F	EL,				BHLocation	: BH(LATER)	AL #1): Section 14	T24S-R31E,	230 FNL & 865 FI	ĒL,
Formation : Leonard B Operator : EOG RESOUR	CESINC		County & S	State	EDDY	/NM	DD&A Field Field :	UNASSIGN	· · · · · · · · · · · · · · · · · · ·	Territoria de la compansión de la compan		
AFE Description :	Haracz 23	Fed Com #2	09H D&C 9,10	O' TVD TO	16,700° N	AD IS A 1.5 M	ILE LATERAL T	O BE	Product :	Water Dept OIL		: 0/0
	R31E IN E	DDY CO., NA	.EONARD B F	ORMATIC	N. THE W	ELL IS LOCA	ATED IN SECTIO	ON 14/23, T24S,				
	DESC	RIPTION				SUB	DRILLING	LAND	COMPLETION	FACILITY	FLOWBACK	
ACCESS LOCATION, ROADS&SU	IDV (EV					ACT	230	237	231	235	236	TOTAL
COMP-FLBK-LOCATION AND RO	ADS					401	67,0	00	0 5.00		0 0 0 7,500	72
COMP-RIG MOVE						402		0	0 5,00	-	0 0	5
RIG MOVE FOOTAGE COST			<u>-</u>			402 403	180,0	00	0		0 0	180,
DAY WORK COST						404	382,5	-	0 1		0 0	
BITS & BHA COMP-BITS & PHA						405	100.0		0 (	)	0 0	100
COMP - FUEL						405 406		0	0 10,000	+	0 0 2,500	10 202
FUEL WATER						406	86,0	00	0 0	)	0 0	86.
COMP-FLBK-CHEMICALS			·			407	18,0		0 450,000		0 3,000	468
MUD & CHEMICALS CEMENTING & SERVICE						408	275,0	00	0 (		0 0,000	275
COMP- PERFORATING						409 413	180,00		0 225,000	1	0	180.
COMP- STIMULATION						414			0 225,000		0 0	225 1,900
COMP-TRANSPORTATION TRANSPORTATION						415	20.00		0 20,000		4,000	24.
COMP-Completion Overhead						415 416	36,00		0 10,000			36, 10,
DRILLING OVERHEAD COMP-EQUIPMENT RENTAL						416	5,00		0 0			5,
FLBK-EQUIPMENT						417	135,00		0 110,000	3,000	1 1	110,
RENT/OPERATIONS							155,00	~		3,000	25,000	163,
COMP-COMPLETION RIG OTHER DRILLING EXPENSE						418 419	10.00		0 20,000			20,
COMP-ENVIRON & SAFETY CHAP	RGES					421	10,00		0 25,000			10,0
ENVIRONMENTAL & SAFETY DIRECTIONAL DRILLING						421	15,00		0 0		0	15,0
COMP- SUPERVISION						422 424	225,00	0	0 90,000			225,0 90,0
SUPERVISION						424	100,00	0	O Ó			100,0
COMP- COMMUNICATIONS FUBULAR INSPECTION/HANDLING	G					431 436	15,00		3,500			3,5
COMP-CASED HOLE LOGGING/TE	EST					438	10,00	0		0		15,0
SPECIALTY SERVICES COMP-WIRELINE SERVICES						441	75,00		0	C	-	75,0
COMP-COIL TUBING/NITROGEN						445		0 (		0		7,0 140,0
COMP-CONTRACT LABOR MISC LBK-DISPOSAL COSTS						446		0 0	17,000	0	0	17,0
COMP-COMPLETION FLUIDS						447	110,00	0 (	,	0		217,0
TITLE OPINION-DRILL SITE						453		7,500	.0,000	Ö		7,5
COMP-FLOWBACK COMP-LAND DRILLSITE TITLE OP	INION					465 480		0 0	,	0	57,000	107,0
OMP-LAND ROW DRILLING						482						12,5
COMP-LAND ROW COMPLETION COMP-LAND SURVEY & DAMAGE:	9					483		12,500				12,5
RILL						484	'	20,000	9	0	٥	20,0
OMP-LAND SURVEY & DAMAGES	S					485	,	20,000	0	0	0	20,0
OMP-REG-PERMIT FEE/ENV						486	<del>                                     </del>	16,000	0	0	0	16,0
URV&ASSESS					70711							
	UOM		T	Y -:==		NTANGIBLES	\$2,014,500	\$88,500	\$3,318,000	\$3,000	\$196,500	\$5,620,5
URFACE CASING	DOM	QTY	SIZE	SIZE	GRADE	RATE 102	28,000	0		0		00.0
ITERMEDIATE CASING						103	120,000			0	0	28,0 120,0
RODUCTION CASING OMP-TUBING		ļ		-	<u> </u>	104	300,000			0	0	300,0
ELLHEAD EQUIPMENT					†—	106 107	75,000		44,000 60,000	0	0	44,0 135.0
OMP-FAC-FLOW LINES OMP-FAC-VALVES & FITTINGS						109	C	0	0	150,000	0	150,0
OME-1 AC-VALVES & FITTINGS				]		110	· ·	0	0	31,000	0	31,0
OMP-VALVÉS & FITTINGS OMP-PUMP					1	110	Ö	Ó	2,500	0	10,000	12,5
QUIP/SUBSURFACE					l	113	Ö	0	7.500	0	0	7,5
OMP-FAC-					t	115	0	- 0	0	88.000	0	88,0
EATERS,TREATRS,SEPRS OMP-FAC-METERING					<u> </u>	110						
QUIPMENT					1	118	0	0	0	24,000	9	24,00
DMP-FAC-CONSTRUCTION DST						122	0	0	0	125,000	0	125,00
DMP-FAC-LABR/ELEC					<del> </del>	124	0	0	0	1,000	0	4.00
EAS/AUTOMA DMP-FAC-							Ĺ	Ů		1,000.	ľ	1,00
DMP-FAC- STRUMENT/ELECTRIC	į					128	0	0	0	5,000	0	5,00
MP-FAC-TRANSPORTATION						415	ō	O	0	3,000	0	3,00
MP-FAC-ENVIRONMENTAL SAFETY						421	0	0	0	2,500	Ö	2,50
MP-FAC-ELECTRICAL					<del>                                     </del>	471	0	0		3,000	0	
BOR					L							3,00
			·			TANGIBLES OTAL COST	\$523,000 \$2,537,500	\$0 \$88,500	\$114,000 \$3,432,000	\$432,500	\$10,000	\$1,079,50
					'		92,331,300	<b>₽00,300</b>	\$3,432,000	\$435,500	\$206,500	\$6,700,00
		ŀ	Date				Ву			[	Date	
			JOINT OF	ERATOR	APPROV	AL						
n:		Įŧ	Зу				Title			I	ate	***************************************



MIDLAND	P	rinted:04/12/2018
AFE No.	CE11075	Original
Property No.	XXXXXX-000	
EOG W.I.(BCP)	\/	ACP)
EOG AFE Amt:	(Drlg)	\$2,869,000
	(Land)	\$81,000
	(Completion)	\$3,848,327
	(Facility)	\$212,500
	(Flowback)	\$415,000
	Total Cost	\$7,425,827

Pag Large No	VI DRILLING			D&C	z 23 Fed C		AFE Date :	4/12/2018		Budget Yea	ar: 2018	
Reg. Lease No. : Location : Section 23-T245	-R31E, 280	FSL & 2,001	Prospect FWL,	Name :	RED H	ILLS NORTH		11730 / 1930 BH/LATERA	0 L #1): Section 14	Begin Date	: 220 ENL 9 2 426	Flan
							i i		L #1). Secuon 14	-1243-R31E, ,	230 FNL & 2,125	FWL,
Formation : 3rd Bone Spring Operator : EOG RESOURC			County &	State :	EDDY	/ MM	DD&A Field					
AFE Description :		Fed Com #6	02H D&C 11.	730' TVD T			Field : VILE LATERAL 1	UNASSIGNE	Product :	Water Dept		
	COMPLETE	ED IN THE 3 E IN EDDY C	RD BONE SP	RING FOR	MATION.	THE WELL I	S LOCATED IN S	SECTION 14/23,	Product :	OIL	Days	: 070
		RIPTION				SUB	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
ACCESS LOCATION, ROADS&SUR COMP-FLBK-LOCATION AND ROA	₹VEY					401	80,00		5,00		0 0	
COMP-RIG MOVE	DS					401					0 15,000	
RIG MOVE						402	110,00	<u> </u>	0,00		0 0	
OOTAGE COST						403	30,00				0 0	
DAY WORK COST						404	380,00				0 0	
BITS & BHA COMP-BITS & PHA						405	120,00				0 0	
COMP - FUEL						405		0 (	1 .0,00		0 0	
UEL						406	73,00				5,000	2
WATER						407	90,00				0	
COMP-FLBK-CHEMICALS MUD & CHEMICALS						408		0 (			3.000	
EMENTING & SERVICE						408	360,00				0	3
OMP- PERFORATING						413	185,00	0 0				1 2
OMP- STIMULATION					-	414		0 0				
OMP-TRANSPORTATION						415		0 0	20,000			
RANSPORTATION OMP-Completion Overhead						415	28,00			) (	1	
RILLING OVERHEAD						416 416	5.00	0 0	10,000			
OMP-EQUIPMENT RENTAL						417	5,00	0 0				
LBK-EQUIPMENT						417	125,000		35,500	3,000	·	1
ENT/OPERATIONS					·							, i
OMP-COMPLETION RIG THER DRILLING EXPENSE						418 419	1.500	-1	20,000			
OMP-ENVIRON & SAFETY CHARG	SES					419	1,500	0 0	25,000			
NVIRONMENTAL & SAFETY						421	6,500		25,000		.,000	
IRECTIONAL DRILLING						422	295,000		0			2:
OMP- SUPERVISION UPERVISION						424	(	0	119,600	0	0	1
OMP- COMMUNICATIONS						424 431	115,000		0	0		1
UBULAR INSPECTION/HANDLING						436	10,000	1 9	5,000	0		
OMP-CASED HOLE LOGGING/TES	ST T					438	10.000	0	5,000	- 0		
PECIALTY SERVICES						441	73,000	0	0	0		
OMP-WIRELINE SERVICES OMP-COIL TUBING/NITROGEN						442		0	7,500	0		
OMP-CONTRACT LABOR MISC						445 446	1	0	202,720	0		20
BK-DISPOSAL COSTS						447	28,000		20,000	0		29
OMP-COMPLETION FLUIDS						448	0	0	10,000	Ö		1
TLE OPINION-DRILL SITE OMP-FLOWBACK						453	10,000		0	0		- 2
DMP-LAND DRILLSITE TITLE OPIN	//ON					465	0	0	50,000	0	55,000	10
OMP-LAND ROW DRILLING						480 482	0				ļļ	
OMP-LAND ROW COMPLETION						483	0				<del> </del>	
DMP-LAND SURVEY & DAMAGES						484	0	20,000	0	0	0	2
DMP-LAND SURVEY & DAMAGES						485	0	20,000	0	0	0	2
DMP-REG-PERMIT FEE/ENV IRV&ASSESS						486	0	16,000	0	0	0	1
						TANGIBLE:	\$2,125,000	\$81,000	\$3,701,927	\$3,000	\$395,000	\$6,30
RFACE CASING	UOM	QTY	SIZE	SIZE	GRADE	RATE						
TERMEDIATE CASING	<del></del>		<del> </del>	+	<del> </del>	102 103	27,000 225,000	0	0	0	Ö	2
ODUCTION CASING				<del>†                                     </del>	<del>                                     </del>	104	460,000	0	0	0	0	22
MP-TUBING						106	0	0	58,900	0	- 0	46
LLHEAD EQUIPMENT MP-FAC-FLOW LINES						107	32,000	0	60,000	0	0	
MP-FAC-VALVES & FITTINGS				+	-	109	0	0	0	16,000	. 0	1
			1	]		110	l "l	٥	이	31,000	이	3
MP-VALVES & FITTINGS						110	0	0.	2,500		20,000	2
MP-PUMP UIP/SUBSURFACE						113	0	0	25,000	0	0	2
MP-FAC-				$\leftarrow$	$\vdash$	125	اا					
ATERS,TREATRS,SEPRS	- 1		!	1	l i	115	"	0	0	88,000	0	8
MP-FAC-METERING				1	1	118	0	0	0	24,000	- 0	24
UDMENT				<u> </u>			LI		]			
UIPMENT MP.EAC.CONSTRUCTION		i		1		122	0	0	0	36,000	0	36
MP-FAC-CONSTRUCTION				<del> </del>	<del>                                     </del>	124	0	- 0	0	1.000		
MP-FAC-CONSTRUCTION ST MP-FAC-LABR/ELEC				i	l i	.47	"	7	٩	1,000	٥	1
MP-FAC-CONSTRUCTION ST MP-FAC-LABR/ELEC AS/AUTOMA				<u> </u>			0	0	0	5,000	Ö	5
MP-FAC-CONSTRUCTION ST MP-FAC-LABR/ELEC AS/AUTOMA MP-FAC-				<u> </u>		128	, °i					
MP-FAC-CONSTRUCTION ST MP-FAC-LABR/ELEC AS/AUTOMA MP-FAC- TRUMENT/ELECTRIC												
MP-FAC-CONSTRUCTION ST MP-FAC-LABR/ELEC AS/AUTOMA MP-FAC-						415	0	0	0	3,000	0	
MP-FAC-CONSTRUCTION ST MP-FAC-LABR/ELEC ASIAUTOMA MP-FAC- TRUMENT/ELECTRIC MP-FAC-TRANSPORTATION MP-FAC-ENVIRONMENTAL AFETY										3,000 2,500	0	
MP-FAC-CONSTRUCTION ST MP-FAC-LABR/ELEC AS/AUTOMA MP-FAC-TRANSPORTATION MP-FAC-TRANSPORTATION MP-FAC-ENV/RONMENTAL AFETY MP-FAC-ELECTRICAL						415	0	0	0	2,500		2
MP-FAC-CONSTRUCTION ST MP-FAC-LABR/ELEC ASIAUTOMA MP-FAC- TRUMENT/ELECTRIC MP-FAC-TRANSPORTATION MP-FAC-ENVIRONMENTAL AFETY						415 421 471	0	0	0	2,500 3,000	0	2
MP-FAC-CONSTRUCTION ST MP-FAC-LABR/ELEC AS/AUTOMA MP-FAC-TRANSPORTATION MP-FAC-TRANSPORTATION MP-FAC-ENV/RONMENTAL AFETY MP-FAC-ELECTRICAL						415 421	0	0.	0	2,500	0	3 \$1,119
MP-FAC-CONSTRUCTION ST MP-FAC-LABR/ELEC AS/AUTOMA MP-FAC-TRANSPORTATION MP-FAC-TRANSPORTATION MP-FAC-ENV/RONMENTAL AFETY MP-FAC-ELECTRICAL			Data			415 421 471 TANGIBLES	0 0 0 \$744,000 \$2,869,000	0 0	0 0 0 0 \$146,400	2,500 3,000 \$209,500 \$212,500	\$20,000 \$415,000	3 \$1,119
MP-FAC-CONSTRUCTION ST MP-FAC-LABR/ELEC AS/AUTOMA MP-FAC-TRANSPORTATION MP-FAC-TRANSPORTATION MP-FAC-ENV/RONMENTAL AFETY MP-FAC-ELECTRICAL		Į.	Date			415 421 471 TANGIBLES DTAL COST	0 0 0 \$744,000	0 0	0 0 0 0 \$146,400	2,500 3,000 \$209,500 \$212,500	0 0 \$20,000	3
MP-FAC-CONSTRUCTION ST MP-FAC-LABR/ELEC AS/AUTOMA MP-FAC-TRANSPORTATION MP-FAC-TRANSPORTATION MP-FAC-ENV/RONMENTAL AFETY MP-FAC-ELECTRICAL		L		PERATOR		415 421 471 TANGIBLES DTAL COST	0 0 0 \$744,000 \$2,869,000	0 0	0 0 0 0 \$146,400	2,500 3,000 \$209,500 \$212,500	\$20,000 \$415,000	\$1,115



MIDLAND	Pri	nted:04/12/2018
AFE No.	CE11076	Original
Property No.	XXXXXX-000	
EOG W.I.(BCP)	(AC	(P)
EOG AFE Amt:	(Drlg)	\$2,869,000
	(Land)	\$81,000
	(Completion)	\$3,848,327
	(Facility)	\$212,500
	(Flowback)	\$415,000
	Total Cost	\$7,425,827

	ENT DRILLIN	G		D&C	z 23 Fed Co		AFE Date :	4/12/2018		Budget Yea	r: 2018	
Reg. Lease No. : Location : Section 23-T2	4S-R31E, 280	FSL & 2.001	Prospect I		RED HI	LLS NORTH		11730 / 19300		Begin Date	:	
									_#1): Section 14-	T24S-R31E, 2	230 FNL & 2,125 F	WL,
Formation : 3rd Bone Spr Operator : EOG RESOU	RCES INC		County & S	State :	EDDY /	NM	DD&A Field : Field :	UNASSIGNE	,	Water Dept		
AFE Description :	Haracz 23	Fed Com #6	03H D&C 11,7	30' TVD TO	O 19,300' M	D IS A 1.5 A	ILE LATERAL T	O RF	Product :	OIL	Days:	0/0
	T24S, R31	E IN EDDY C	O., NM.	ning FOR	mATION. 1	nt WELL IS	S LOCATED IN S	ECTION 14/23,				
	DESC	RIPTION				SUB	DRILLING	LAND	COMPLETION	FACILITY	FLOWBACK	TOTAL
ACCESS LOCATION, ROADS&S	URVEY					ACT	230	237	231	235	236	
COMP-FLBK-LOCATION AND R	DADS					401	80,000		-,		0 15,000	85 15
COMP-RIG MOVE RIG MOVE						402		0	5,000		0 10,000	5
FOOTAGE COST						402	110,000				0	110
DAY WORK COST						404	380,000				0 0	380
BITS & BHA COMP-BITS & PHA						405	120,000					120
COMP - FUEL						405 406						15 240
FUEL						406	73,000	0				73
WATER COMP-FLBK-CHEMICALS						407 408	90,000					596
MUD & CHEMICALS						408	360,000	0			*,000	360
CEMENTING & SERVICE COMP- PERFORATING						409	185,000	0	0	,		185
COMP- STIMULATION						413 414	+					262
COMP-TRANSPORTATION						415	0					2,074
TRANSPORTATION  COMP-Completion Overhead						415	28,000					28
DRILLING OVERHEAD						416 416	5,000	0				10
COMP-EQUIPMENT RENTAL						417	0	0	80,000			80
FLBK-EQUIPMENT RENT/OPERATIONS				· ·		417	125,000	Ö	0	3,000		193
COMP-COMPLETION RIG	•				*	418	-		20,000		0	20
OTHER DRILLING EXPENSE COMP-ENVIRON & SAFETY CHA	DCEC					419	1,500	0	0	0	0	1
NVIRONMENTAL & SAFETY CHA	NGES				-	421 421	6.500	0	25,000	0		26
DIRECTIONAL DRILLING						422	295,000	0	0	0		295
COMP- SUPERVISION SUPERVISION						424	0	0	119,600	0		119
COMP- COMMUNICATIONS						424 431	115,000	0	5 000	0	4,500	119
UBULAR INSPECTION/HANDLIN						436	10,000	0	5,000	0	0	5 10
OMP-CASED HOLE LOGGING/I	EST					438	0	0	5,000	0		5
OMP-WIRELINE SERVICES						441 442	73,000	0	0	0		73
OMP-COIL TUBING/NITROGEN						445	- 0	. 0	7,500 202,720	0		7 202,
OMP-CONTRACT LABOR MISC LBK-DISPOSAL COSTS						446	0	0	20,000	0	500	20.
OMP-COMPLETION FLUIDS						447 448	28,000	0	20,000 10,000	0		293
ITLE OPINION-DRILL SITE						453	10,000	10,000	10,000	0	0	10,
OMP-FLOWBACK OMP-LAND DRILLSITE TITLE OF	NAME OF THE PERSON OF THE PERS					465	0	0	50,000	. 0	55,000	105,
OMP-LAND ROW DRILLING	INION					480 482	- 0	7,500				
OMP-LAND ROW COMPLETION						483	ő	7,500				7.
OMP-LAND SURVEY & DAMAGE RILL	S					484	0	20,000	0	0	0	20,
OMP-LAND SURVEY & DAMAGE	s					485	0	20,000		0	0	20.
OMP						400		20,000	ή	ď	ď	20.
OMP-REG-PERMIT FEE/ENV URV&ASSESS						486	0	16,000	0	0	0	16,
					TOTAL IN	TANGIBLES	\$2,125,000	\$81,000	\$3,701,927	\$3,000	\$395,000	\$6,305,
	UOM	QTY	SIZE	SIZE	GRADE	RATE		70.1000	V0,101,021	\$5,000	\$555,000	\$0,303,
JRFACE CASING			- OILL	UILL	GIVADE	102	27,000	0	- 0			27,
TERMEDIATE CASING RODUCTION CASING	+					103	225,000	0	0	0	0	225,
OMP-TUBING	<del>                                     </del>			<del> </del>	$\vdash$	104	460,000	0	0	0	0	460,
ELLHEAD EQUIPMENT						107	32,000	0	58,900 60,000	0	0	58, 92,
OMP-FAC-FLOW LINES	<del> </del>					109	0	0	0	16,000	0	16,
DMP-FAC-VALVES & FITTINGS				1		110	0	0	0	31,000	0	31,
MP-VALVES & FITTINGS						110	Ö	0	2,500	0	20,000	22,
DMP-PUMP QUIP/SUBSURFACE					] [	113	0	0	25,000	0	0	25,0
MP-FAC-				$\vdash$	<del></del>	115	0	_	-	88,000	0	88.
ATERS,TREATRS,SEPRS	<b> </b>				L						ĭ	
DMP-FAC-METERING JUIPMENT	[ [					118	0	0	o	24,000	0	24,0
MP-FAC-CONSTRUCTION					-	122	0	0	0	36,000	0	36,0
MP-FAC-LABR/ELEC	<b></b>			$\vdash$	<b>└</b>							30,0
AS/AUTOMA		- 1				124	٩	0	0	1.000	0	1,0
MP-FAC-					<del>                                     </del>	128	0	0	0	5,000	0	5,0
TRUMENT/ELECTRIC MP-FAC-TRANSPORTATION						115						
MP-FAC-ENVIRONMENTAL	<del>                                     </del>	<del></del>		<del>                                     </del>	<del></del>	415 421	0	0	0	3,000	0	3,0
AFETY								1	٩	2.500	٥	2,5
MP-FAC-ELECTRICAL BOR						471	0	0	0	3,000	0	3,0
				LJ	TOTAL T	ANGIBLES	\$744,000	60	\$4.40 ADC	£200 -00	£20 555	
						TAL COST	\$744,000 \$2,869,000	\$0 \$81,000	\$146,400 \$3,848,327	\$209,500 \$212,500	\$20,000 \$415,000	\$1,119,9 \$7,425,8
						'[					2.10,000	#1,+£0,0
		ļc	Date				Ву			D	ate	
			IOINT OF	PERATOR	ADDROVA							
			001111 07	LINATUR.	AFFRUYA	<u> </u>						



MIDLAND		Printed:04/12/2018
AFE No.	CE11077	Original
Property No.	XXXXXX-000	
EOG W.I.(BCP)		(ACP)
EOG AFÉ Amt:	(Drlg)	\$2,869,000
	(Land)	\$81,000
	(Completion)	\$3,848,327
	(Facility)	\$212,500
	(Flowback)	\$415,000
	Total Cost	\$7,425,827

r											Total Cost	\$7,425,82
AFE Type : DEVELOPMENT D	RILLIN	iG	AFE Name	Harac D&C	z 23 Fed 0	om #611H	AFE Date :	4/12/2018		Budget Ye	ar: 2018	
Reg. Lease No. : Location : Section 23-T24S-R3	46 ne-	D ERI A 70-	Prospect I		REDI	ILLS NORTH		11,250 / 19,0		Begin Date	);	
	1E, 280	0 FSL & 726	FWL,				BHLocation	: BH(LATERA	L #1): Section 14	T24S-R31E.	230 FNL & 615 FV	VL,
Formation : 3rd Bone Spring Operator : EOG RESOURCES I	NC		County 9 :	Ptata .	EDDY		DD&A Field					
AFE Description: Ha	racz 23	3 Fed Com #	County & : 611H D&C 11,2	50' TVD T	EDDY O 19,000°	MD IS A 1.5 M	Field:	UNASSIGNE TO BE	Product :	Water Dep		0/0
l cc	OMPLE.	TED IN THE : 1E IN EDDY (	3RD BONE SPI	RING FOR	MATION.	THE WELL IS	LOCATED IN	SECTION 14/23,		J.L	Lays.	0,0
	_	CRIPTION	OO., 1411.			7 200	T 550 1005		<u> </u>			
		CKIFTION				SUB	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
ACCESS LOCATION, ROADS&SURVEY COMP-FLBK-LOCATION AND ROADS	Y					401 401	80,00	00 0	5,00	0	0 0	85.00
COMP-RIG MOVE						402		0 0			0 15,000	15,00 5,00
RIG MOVE FOOTAGE COST						402	110,00	ю (		0	0 0	110,00
DAY WORK COST						403 404	30,00				0 0	30,00 380,00
BITS & BHA COMP-BITS & PHA						405	120,00	0 (			0 0	120,00
COMP - FUEL			***			405 406		0 0			0 0 5,000	15,00
FUEL WATER						406	73,00	0 0			0 3,000	240,83 73,00
COMP-FLBK-CHEMICALS						407 408	90,00	0 0			0 0 0 3,000	598,84
MUD & CHEMICALS						408	360,00	<u>-,                                     </u>			0 3,000	3,00 360,00
CEMENTING & SERVICE COMP- PERFORATING						409	185,00				0 0	185,00
COMP- STIMULATION						414		0 0			0 0	262,50 2,074,92
COMP-TRANSPORTATION TRANSPORTATION						415		0 0	20,000		500	20,50
COMP-Completion Overhead						416	28,00	0 0			-	28,00 10,00
DRILLING OVERHEAD COMP-EQUIPMENT RENTAL					_	416	5.00	0			0 0	5.00
LBK-EQUIPMENT						417	125,000	0 0		3,00	-1 -1	80,00
RENT/OPERATIONS COMP-COMPLETION RIG							120,000			3,00	00,000	193,00
THER DRILLING EXPENSE						418 419	1,500	0 0	20,000		1	20,00
COMP-ENVIRON & SAFETY CHARGES						421		0				1,50 26,50
ENVIRONMENTAL & SAFETY DIRECTIONAL DRILLING						421 422	6,500 295,000		0		0	6,50
COMP- SUPERVISION						424	295,000	0	119,600			295,000 119,600
SUPERVISION COMP- COMMUNICATIONS						424	115,000		0	(	4,500	119,500
UBULAR INSPECTION/HANDLING						431 436	10,000	0	5,000	(		5,000 10,000
COMP-CASED HOLE LOGGING/TEST SPECIALTY SERVICES						438		0	5,000			5,000
OMP-WIRELINE SERVICES						441 442	73,000		7,500	0		73,000
OMP-COIL TUBING/NITROGEN						445	- 0		202,720			7,500 202,720
OMP-CONTRACT LABOR MISC LBK-DISPOSAL COSTS						446 447	28,000		20,000	C		20,500
OMP-COMPLETION FLUIDS						448	20.000	0	20,000	0		293,000
ITLE OPINION-DRILL SITE OMP-FLOWBACK						453	10,000		0	0	0	20,000
OMP-LAND DRILLSITE TITLE OPINION						465 480	0		50,000	0	55,000	105,000
OMP-LAND ROW DRILLING OMP-LAND ROW COMPLETION						482	0	7,500				7,500
OMP-LAND SURVEY & DAMAGES						483 484	0	7,500 20,000	0	0		7,500 20,000
RILL OMP-LAND SURVEY & DAMAGES						<u> </u>			ŭ,			20,000
OMP						485	0	20,000	Ö	Ó	0	20,000
OMP-REG-PERMIT FEE/ENV URV&ASSESS						486	0	16,000	ő	0	0	16,000
3.1.1.0.0.C.0.0			<del></del>		TOTAL I	TANGIBLES	\$2,125,000	\$81,000	\$3,701,927	\$3,000	\$395,000	
- U	ЮМ	QTY	SIZE	SIZE	GRADE	RATE		401,000		\$3,000	\$385,000	\$6,305,927
JRFACE CASING TERMEDIATE CASING						102	27,000	0	0	ō	0	27,000
RODUCTION CASING				-	<del> </del>	103 104	225,000 460,000	0	0	0	0	225,000
OMP-TUBING					<u> </u>	106	460,000	0	58,900	0	0	460,000 58,900
ELLHEAD EQUIPMENT DMP-FAC-FLOW LINES	_		<u> </u>	<u> </u>		107	32,000	0	60,000	0	0	92,000
DMP-FAC-VALVES & FITTINGS					<del> </del> -	109 110	0	0	0	16,000 31,000	0	16,000 31,000
DMP-VALVES & FITTINGS			<del> </del>	<u> </u>		110						
DMP-PUMP		<del> </del>		<del>                                     </del>		110	0	0	2,500 25,000	0	20,000	22,500 25,000
DUIP/SUBSURFACE DMP-FAC-		<del> </del>	ļ	<u> </u>	<b>—</b>							
		<u> </u>	L			115	٥	٥	0	88,000	0	88,000
ATERS,TREATRS,SEPRS						118	0	0	0	24,000	0	24,000
MP-FAC-METERING		i	1				i			26.000		
DMP-FAC-METERING DUIPMENT DMP-FAC-CONSTRUCTION						122	ñ	nl.	- Al		Δ!	36,000
DMP-FAC-METERING DUIPMENT DMP-FAC-CONSTRUCTION DST						122	Ö	0	0	36,000	0	
DMP-FAC-METERING JUIPMENT DMP-FAC-CONSTRUCTION IST JMP-FAC-LABR/ELEC AS/AUTOMA						122	0	0	0	1,000	0	1,000
DMP-FAC-METERING UILIPMENT MMP-FAC-CONSTRUCTION UST MMP-FAC-LABR/ELEC AS/AUTOMA MMP-FAC-												
DMP-FAC-METERING JUIPMENT DMP-FAC-CONSTRUCTION IST JMP-FAC-LABR/ELEC AS/AUTOMA						124	0	0	0	1,000 5,000	0	1,000 5,000
MP-FAC-METERING UIPMENT MP-FAC-CONSTRUCTION IST MP-FAC-LABR/ELEC ASS/AUTOMA A IMP-FAC- STRUMENT/ELECTRIC MP-FAC-ENVIRONMENTAL						124	0	0	0	1,000 5,000 3,000	0	1,000 5,000 3,000
IMP-FAC-METERING IUIPMENT IMP-FAC-CONSTRUCTION IST IMP-FAC-LABR/ELEC -AS/AUTOMA IMP-FAC ISTRUMENT/ELECTRIC IMP-FAC-TRANSPORTATION IMP-FAC-ENVIRONMENTAL AFETY						124 128 415 421	0	0	0	1,000 5,000 3,000 2,500	0	1,000 5,000
IMP-FAC-METERING  IUIPMENT  MP-FAC-CONSTRUCTION  ST  MP-FAC-LABR/ELEC  AS/AUTOMA  MP-FAC-STRUMENT/ELECTRIC  MP-FAC-TRANSPORTATION  MP-FAC-ENVIRONMENTAL  AFETY  MP-FAC-ENVIRONMENTAL						124 128 415	0	0	0	1,000 5,000 3,000	0	1,000 5,000 3,000
IMP-FAC-METERING  IUIPMENT  MP-FAC-CONSTRUCTION  ST  MP-FAC-LABR/ELEC  AS/AUTOMA  MP-FAC-STRUMENT/ELECTRIC  MP-FAC-TRANSPORTATION  MP-FAC-ENVIRONMENTAL  AFETY  MP-FAC-ENVIRONMENTAL						124 128 415 421 471 TANGIBLES	0	0	0	1,000 5,000 3,000 2,500	0 0 0	1,000 5,000 3,000 2,500 3,000
IMP-FAC-METERING IUIPMENT IMP-FAC-CONSTRUCTION IST IMP-FAC-LABR/ELEC AS/AUTOMA IMP-FAC- STRUMENT/ELECTRIC IMP-FAC-TRANSPORTATION IMP-FAC-ENVIRONMENTAL AFETY IMP-FAC-ENVIRONMENTAL IMP-FAC-ENVIRONMENTAL IMP-FAC-ENVIRONMENTAL						124 128 415 421 471	0 0	0	0 0 0	1,000 5,000 3,000 2,500 3,000	0	1,000 5,000 3,000 2,500
MP-FAC-METERING UIPMENT MP-FAC-CONSTRUCTION IST MP-FAC-LABR/ELEC ASS/AUTOMA A IMP-FAC- STRUMENT/ELECTRIC MP-FAC-ENVIRONMENTAL			Date			124 128 415 421 471 TANGIBLES DTAL COST	0 0 0 0 0 \$744,000 \$2,869,000	0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	1,000 5,000 3,000 2,500 3,000 \$209,500 \$212,500	0 0 0 0 520,000 \$415,000	1,000 5,000 3,000 2,500 3,000 \$1,119,900
IMP-FAC-METERING IUIPMENT IMP-FAC-CONSTRUCTION IST IMP-FAC-LABR/ELEC AS/AUTOMA IMP-FAC- STRUMENT/ELECTRIC IMP-FAC-TRANSPORTATION IMP-FAC-ENVIRONMENTAL AFETY IMP-FAC-ENVIRONMENTAL IMP-FAC-ENVIRONMENTAL IMP-FAC-ENVIRONMENTAL			Date	TEG AVAC	т	124 128 415 421 471 TANGIBLES DTAL COST	0 0 0 0 0 \$744,000	0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	1,000 5,000 3,000 2,500 3,000 \$209,500 \$212,500	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	1,000 5,000 3,000 2,500 3,000 \$1,119,900
IMP-FAC-METERING IUIPMENT IMP-FAC-CONSTRUCTION IST IMP-FAC-LABR/ELEC AS/AUTOMA IMP-FAC- STRUMENT/ELECTRIC IMP-FAC-TRANSPORTATION IMP-FAC-ENVIRONMENTAL AFETY IMP-FAC-ENVIRONMENTAL IMP-FAC-ENVIRONMENTAL IMP-FAC-ENVIRONMENTAL			Date JOINT OF	PERATOR	т	124 128 415 421 471 TANGIBLES DTAL COST	0 0 0 0 0 \$744,000 \$2,869,000	0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	1,000 5,000 3,000 2,500 3,000 \$209,500 \$212,500	0 0 0 0 520,000 \$415,000	1,000 5,000 3,000 2,500 3,000 \$1,119,900



MIDLAND	Pr	inted:04/12/2018
AFE No.	CE11078	Original
Property No.	XXXXXX-000	
EOG W.I.(BCP)	(A	CP)
EOG AFE Amt:	(Drlg)	\$2,869,000
	(Land)	\$81,000
	(Completion)	\$3,848,327
	(Facility)	\$212,500
	(Flowback)	\$415,000
	Total Cost	\$7,425,827

AFE Type : DEVELOPME	NT DRILLING	,	AFE Name	: Haracz D&C	23 Fed Co	m #615H	AFE Date :	4/12/2018		Budget Yea	ar: 2018	
Reg. Lease No. :	0.05:-		Prospect N		RED HI	LLS NORTH		11,300 / 19,00		Begin Date		
Location : Section 23-T24	is-R31E, 220	FSL & 376 FE	L,				BHLocation	BH(LATERAL	#1): Section 14-		230 FNL & 615 FE	L,
Formation: 3rd Bone Sprin Operator: EOG RESOURG			ICount 6 *	tate :	ENEO:	NM	DD&A Field :			1		
AFE Description :	Haracz 23	Fed Com #61	County & S 5H D&C 11,30	00' TVD TC	EDDY / 0 19,000' M	D IS A 1.5 M	Field : LE LATERAL T	UNASSIGNES O BE	Product :	Water Dept	h: Days:	0/0
	COMPLET	ED IN THE 3F	RD BONE SPE	RING FORM	MATION, I	HE WELL IS	LOCATED IN S	ECTION 14/23,		V.L	Days:	V, U
		E IN EDDY CO	J., NM.						<u> </u>			<u></u>
	DESC	RIPTION				SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
ACCESS LOCATION, ROADS&SU						401	80,00				0 0	8
COMP-FLBK-LOCATION AND RO. COMP-RIG MOVE	ADS					401		0 0			0 15,000	1
RIG MOVE						402 402	110,00	0 0			0 0	11
OOTAGE COST						403	30,00				0 0	3
DAY WORK COST BITS & BHA						404	380,00		·		0 0	38
COMP-BITS & PHA						405 405	120,00	0 0		1	0 0	12
OMP - FUEL			**			406					5,000	24
VATER						406 407	73,000				0 0	7
OMP-FLBK-CHEMICALS						408	90,000				0 0	59
MUD & CHEMICALS						408	360,000	0			0 0	36
CEMENTING & SERVICE COMP- PERFORATING						409 413	185,000				0 0	18
OMP- STIMULATION						414					0 0	26: 2,07-
COMP-TRANSPORTATION						415		0	20,000		500	21
RANSPORTATION OMP-Completion Overhead						415 416	28,000	0 0	10.000		0 0	
RILLING OVERHEAD						416	5,000	1 -	10,000		0 0	1
OMP-EQUIPMENT RENTAL						417	(	0	80,000		0	8
LBK-EQUIPMENT RENT/OPERATIONS						417	125,000	0	Ċ	3,000	65,000	19
OMP-COMPLETION RIG						418	1 7	0	20,000	<del> </del>	1	2
OTHER DRILLING EXPENSE	1050					419	1,500	0	0	,	0	
OMP-ENVIRON & SAFETY CHAR INVIRONMENTAL & SAFETY	(UES					421 421	6,500	0	25,000		1,500	2
PIRECTIONAL DRILLING						422	295,000		- 0		<u> </u>	29
OMP- SUPERVISION						424	0	0	119,600	(		119
OMP- COMMUNICATIONS						424 431	115,000	0	5,000	(		119
UBULAR INSPECTION/HANDLING						436	10,000		5,000	(		10
OMP-CASED HOLE LOGGING/TE	EST					438	0	Ö	5,000		0	
PECIALTY SERVICES OMP-WIRELINE SERVICES						441 442	73,000	0	7,500	0		73
OMP-COIL TUBING/NITROGEN						445	0		202,720			202
OMP-CONTRACT LABOR MISC						446	0		20,000		1 000	20
LBK-DISPOSAL COSTS OMP-COMPLETION FLUIDS						447	28,000	0	20,000		2.0,000	293
ITLE OPINION-DRILL SITE					-	453	10,000	10,000	10,000			10
OMP-FLOWBACK						465	0	0	50,000	C	55,000	105
OMP-LAND DRILLSITE TITLE OP OMP-LAND ROW DRILLING	INION				-	480 482	0					7
OMP-LAND ROW COMPLETION						483	0	1,000			<del>                                     </del>	7
OMP-LAND SURVEY & DAMAGE: RILL	S			-		484	0	20,000	0	0	0	20
OMP-LAND SURVEY & DAMAGES	s					485	0	20,000		0	0	20
OMP											1 1	20
OMP-REG-PERMIT FEE/ENV JRV&ASSESS						486	0	16,000	0	0	0	16
					TOTAL IN	TANGIBLES	\$2,125,000	\$81,000	\$3,701,927	\$3,000	\$395,000	\$6,305
<del></del>	UOM	QTY	SIZE	SIZE	GRADE	RATE					1	
JRFACE CASING						102	27,000	0	0	0	0	27
TERMEDIATE CASING RODUCTION CASING						103	225,000	0	0	0	0	225
OMP-TUBING	<del></del>	<del></del>	L	<del>                                     </del>	-	104	460,000	0	58,900	0		460
ELLHEAD EQUIPMENT						107	32,000	0	60,000	0		58 92
DMP-FAC-FLOW LINES DMP-FAC-VALVES & FITTINGS						109	0	0	0	16,000	0	16
AU-MAC-VALVES & FIT HNGS		j j				110	0	0	0	31,000	0	31
MP-VALVES & FITTINGS						110		0	2,500	0	20,000	22
MP-PUMP UIP/SUBSURFACE		I				113	0	0	25,000	0	O.	25
MP-FAC-		<del>  </del>		<del>                                     </del>		115	0	- 0	0	88.000	0	88.
ATERS,TREATRS,SEPRS				L							ĭ	
MP-FAC-METERING UIPMENT						118	0	0	0	24,000	0	24
MP-FAC-CONSTRUCTION				<del>  </del>	$\vdash$	122	0	0		36,000	Ö	36.
ST MP-FAC-LABR/ELEC				igsquare								
MP-FAC-LABR/ELEC AS/AUTOMA		, [		] [	ļ Ī	124	0	0	0	1,000	0	1,
MP-FAC-		-		<del>                                     </del>	-	128	0	0	0	5,000	ó	5.
TRUMENT/ELECTRIC MP-FAC-TRANSPORTATION				$ldsymbol{\sqcup}$								
				<del>                                     </del>	$\vdash$	415 421	0	0	0	3,000	0	3,
	i					441	o	이	9	2,500	0	2,
MP-FAC-ENVIRONMENTAL AFETY						471	0	0	0	3,000	0	3.
MP-FAC-ENVIRONMENTAL SAFETY MP-FAC-ELECTRICAL				i 1								
MP-FAC-ENVIRONMENTAL AFETY					707	ANGIC: TO	A					
MP-FAC-ENVIRONMENTAL AFETY MP-FAC-ELECTRICAL				L		TANGIBLES	\$744,000 \$2,869,000	\$81,000	\$146,400 \$3,848,327	\$209,500 \$212,500	\$20,000 \$415,000	
MP-FAC-ENVIRONMENTAL AFETY MP-FAC-ELECTRICAL						TANGIBLES DTAL COST	\$744,000 \$2,869,000	\$0 \$81,000	\$146,400 \$3,848,327	\$209,500 \$212,500	\$20,000 \$415,000	
MP-FAC-ENVIRONMENTAL AFETY MP-FAC-ELECTRICAL			Date			OTAL COST				\$212,500		\$1,119, \$7,425,
MP-FAC-ENVIRONMENTAL AFETY MP-FAC-ELECTRICAL		[		PERATOR	тс	OTAL COST	\$2,869,000			\$212,500	\$415,000	



MIDLAND	F	rinted:04/12/2018
AFE No.	CE11080	Original
Property No.	XXXXXX-000	· · · · · · · · · · · · · · · · · · ·
EOG W.I.(BCP)	- (	ACP)
OG AFE Amt:	(Drlg)	\$2,869,000
	(Land)	\$81,000
	(Completion)	\$3,848,327
	(Facility)	\$212,500
	(Flowback)	\$415,000
	Total Cost	\$7,425,827

AFE Type : DEVELOPM Reg. Lease No. :	ENT DRILLIN	_	AFE Name	D&C			AFÉ Date :	4/12/2018		Budget Ye		
Location : Section 23-72	4S-R31E, 280	0 FSL & 693 F	Prospect N WL,	lame :	RED H	ILLS NORT		12000 / 1960		Begin Date	1:	
									_#1): Section 14	124S-R31E,	230 FNL & 610 F	<b>N</b> L,
Formation : WOLFCAMP Operator : EOG RESOU	RCES INC		County & S	State	EDDY	NM	DD&A Field			F		
AFE Description :	Haracz 2	3 Fed Com #7	11H D&C 12 0	OO' TVD TO	19 600' 4	AD IS A 1 E	Field: MILE LATERAL 1	UNASSIGNE O BE	Product :	Water Dept		: 0/0
	R31E IN E	EDDY CO., N	NOLFCAMP FO	ORMATIO	N. THE WE	LL IS LOC	ATED IN SECTIO	N 14/23, T24S,			Days	. 0.0
	DESC	CRIPTION				SUB	DRILLING 230	LAND 237	COMPLETION			TOTAL
ACCESS LOCATION, ROADS&S	URVEY					401	230 80,00	0 237	231	235	0 236	<u> </u>
COMP-FLBK-LOCATION AND RI COMP-RIG MOVE	DADS	-				401		0 (			0 15,000	
RIG MOVE						402 402		0 (			0 0	
FOOTAGE COST						402	110,00				0 0	
DAY WORK COST BITS & BHA						404	380,00				0 0	3
COMP-BITS & PHA						405	120,00	<del></del>			0 0	1;
COMP - FUEL						405 406			15,000 235,832		0 0 0 5.000	-
FUEL						406	73,00		233,632		0 5,000	2
WATER COMP-FLBK-CHEMICALS						407	90,00				0 0	5:
MUD & CHEMICALS						408	360,00				0 3,000	
CEMENTING & SERVICE						409	185,000				0 0	34
COMP- PERFORATING COMP- STIMULATION						413		0	262,500		0 0	20
COMP-TRANSPORTATION						414 415		0			0	2.0
TRANSPORTATION						415	28,000	0	20,000		500	- 2
COMP-Completion Overhead DRILLING OVERHEAD						416		ō			0	
COMP-EQUIPMENT RENTAL	·					416	5,000	0	0		0	
LBK-EQUIPMENT				_		417 417	125,000	0	80,000		0 0	
RENT/OPERATIONS							123,000	]	0	3,000	65,000	19
COMP-COMPLETION RIG OTHER DRILLING EXPENSE						418		0	20,000	- (	0	2
COMP-ENVIRON & SAFETY CHA	RGES					419 421	1,500	0	0		1 "	
NVIRONMENTAL & SAFETY						421	6,500	0	25,000 0	(		2
DIRECTIONAL DRILLING COMP- SUPERVISION						422	295,000	0,	0			29
SUPERVISION						424	0	0	119,600			11
OMP- COMMUNICATIONS						424 431	115,000	0	5,000			11
UBULAR INSPECTION/HANDLIN	G					436	10,000	0	9,000	0		1
OMP-CASED HOLE LOGGING/T PECIALTY SERVICES	EST					438	0	0	5,000	0	. 0	
OMP-WIRELINE SERVICES						441 442	73,000	0	0	0		7
OMP-COIL TUBING/NITROGEN						445	0	0	7,500 202,720	0		20
OMP-CONTRACT LABOR MISC						446	0	0	20,000	0		20.
LBK-DISPOSAL COSTS OMP-COMPLETION FLUIDS						447 448	28,000	. 0	20,000	. 0	245,000	29
ITLE OPINION-DRILL SITE			·			448 453	10,000	10,000	10,000	0	0	1
OMP-FLOWBACK						465	10,000	10,000	50,000	0	55,000	10
OMP-LAND DRILLSITE TITLE OF OMP-LAND ROW DRILLING	NOIN					480	0	0			- 7,555	
OMP-LAND ROW COMPLETION						482 483	0	7,500				
OMP-LAND SURVEY & DAMAGE	s					484	0	7,500 20,000	0	0	0	20
RILL OMP-LAND SURVEY & DAMAGE	9											
OMP	5					485	0	20,000	0	0	Ó	20
OMP-REG-PERMIT FEE/ENV						486	- 0	16,000	0			
JRV&ASSESS					TOTAL "	TANGIBLE	1 7				0	te
	UOM	T 07~	6:25	0.75			\$2,125,000	\$81,000	\$3,701,927	\$3,000	\$395,000	\$6,30
JRFACE CASING	UOM	QTY	SIZE	SIZE	GRADE	RATE	27.000					
TERMEDIATE CASING		<u> </u>		<del>                                     </del>	$\vdash$	102	27,000 225,000	0	0	. 0	0	27
RODUCTION CASING						104	460,000	0	0	0	0	225 460
OMP-TUBING ELLHEAD EQUIPMENT	<del> </del>					106	0	0	58,900	0	0	58
DMP-FAC-FLOW LINES	<del> </del>					107	32,000	0	60,000	0	0	92
MP-FAC-VALVES & FITTINGS					<del></del>	110	0	0	0	16,000 31,000	0	16
OMP-VALVES & FITTINGS					$\Box$			]		0.,000	<u> </u>	31
MP-PUMP				$\vdash$	<b>└</b>	113	0	0	2,500	0	20,000	22
UIP/SUBSURFACE		<u> </u>			ı	113	"	٥	25,000	0	0	25
MP-FAC- ATERS,TREATRS,SEPRS						115	0	0	0	88,000	0	88
MP-FAC-METERING	<b>-</b>				-	1/0	$\vdash$					
UIPMENT					- !	118	0	٥	0	24,000	0	24
MP-FAC-CONSTRUCTION						122	0	- 0	0	36,000	- 0	36
ST MP-FAC-LABR/ELEC												30
AS/AUTOMA				i	1	124	이	0	0	1,000	0	1,
MP-FAC-				- +		128	0	0	0	5,000	0	5,
TRUMENT/ELECTRIC MP-FAC-TRANSPORTATION							لــــــــــــــــــــــــــــــــــــــ		1	5,000		
MP-FAC-ENVIRONMENTAL				<del></del>		415	0	0	0	3,000	0	3,
AFETY	1	!			- 1	421	0	이	0	2,500	0	2.
MP-FAC-ELECTRICAL						471	0	0	0	3,000	0	3,
BOR	1											
						ANGIBLES	\$744,000 \$2,869,000	\$0	\$146,400	\$209,500	\$20,000	\$1,119,
					,,,	-AL 0031	32,003,000	\$81,000	\$3,848,327	\$212,500	\$415,000	\$7,425,
		I	Date				Ву					
	·		JOINT OP	FRATOR	ADDDOW		.,				ate	
1:		т		-naiok/	SEFRUVA					<del></del> ,		
			Зу				Title			D		



MIDLAND	Pri	inted:04/12/2018
AFE No.	CE11081	Original
Property No.	XXXXXX-000	
EOG W.I.(BCP)	(A	CP)
EOG AFE Amt:	(Drlg)	\$2,869,000
	(Land)	\$81,000
	(Completion)	\$3,848,327
	(Facility)	\$212,500
	(Flowback)	\$415,000
	Total Cost	\$7,425,827

FE Type:	DEVELOPMENT DRILLING	AFE Name: Haracz 2:	3 Fed Com #715H	AFE Date :	4/12/2018	Budget Year :	2018
		D&C					
eg. Lease No. :		Prospect Name :	RED HILLS NORTH	TVD / MD :	12050 / 19700	Begin Date :	
ocation :	Section 23-T24S-R31E, 220 FSL & 343 FEL	•		BHLocation :	BH(LATERAL #1): Section 14-1	T24S-R31E, 230 FNL &	610 FEL,
ormation :	WOLFCAMP			DD&A Field:			
perator :	EOG RESOURCES INC	County & State :	EDDY / NM	Field:	UNASSIGNED	Water Depth :	
FE Description :	Haracz 23 Fed Com #715 COMPLETED IN THE WO R31E IN EDDY CO., NM.					OIL	Days: 0/0

COMP. PLACE COST AND FORCES  401 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0		COMPLETED IN THE WOLFCAMP FORMATION. THE WEL R31E IN EDDY CO., NM.											
SCESS LIGATION ROADSESPREY  60		DESC	RIPTION			·							TOTAL
COMP. PER CONTROL AND POLATION  COMP. PER CONTROL  COMP.	ACCESS LOCATION, ROADS&SU	RVEY							0			0	85,000
SIGN NOW    402   119.000   0   0   0   3   119.000   0   0   3   3   3   3   3   3   3							401	O	0	0		15,000	15,000
COTABLE COST													5,000
DAY MORNE COST													
日常主教所													
COMP FIRST & PINK													
COMP   FUEL   400								0					15,000
WATER 407 9X 000 0 9 988 40 0 9 988 44 10 0 988 48 10 0 988 48 10 0 988 48 10 0 988 48 10 0 9 10 0 10 0 300 300 0 1 0 0 300 300 0 1 0 0 300 0 1 0 0 300 0 1 0 0 300 0 1 0 0 1 10 0 0 1								0					240,832
COMPT RECOVERED.   488	FUEL						406	73,000	0	0	C	0	73,000
MIGH SCHWINGER   498   360,000   0   0   0   360,000							407	90,000	0	508,846	C	-	598,846
CEMENTING & SERVICE								0					3,000
COMP. PERPORATING													
COMP TRANSPORTATION											-		
COMP. TRANSPORTATION													
TRANSPORTATION													
COMP-Completion Confined										20,000			
DRILLING OVERHEAD								20,000					
COMP EQUIPMENT REVITAL  417								5 000			_		
FLIPS CELEVIPMENT   417					•		417	0				0	80,000
RENTOPERATIONS ( 418 0 0 2000 0 0 0 2000 0 0 0 2000 0 0 0 2000 0 0 0 2000 0 0 0 0 2000 0 0 0 0 1 300 0 2000 0 0 0 1 300 0 2000 0 0 0 1 300 0 2000 0 0 1 300 0 2000 0 0 1 300 0 2000 0 0 1 300 0 2000 0 0 1 300 0 2000 0 0 1 300 0 2000 0 0 1 300 0 2000 0 1 300 0 2000 0 1 300 0 2000 0 1 300 0 2000 0 1 300 0 2000 0 1 300 0 2000 0 1 300 0 2000 0 1 300 0 2000 0 1 300 0 2 3000 0 1 300 0 0 0 0 2 3000 0 1 300 0 0 0 0 2 3000 0 1 300 0 0 0 0 2 3000 0 1 300 0 0 0 0 2 3000 0 3 3000 0 3 300								125,000	0	0	3,000	65,000	193,000
OTHER DRILLING EXPENSE  411 0 1 500 0 0 0 0 1 500  ENDRICHMENTAL & SAPETY  421 0 0 0 2000 0 1 500  ENDRICHMENTAL & SAPETY  421 0 0 0 2000 0 1 500  ENDRICHMENTAL & SAPETY  422 0 50500 0 0 0 0 0 0 0 500  ENDRICHMENTAL & SAPETY  423 0 500 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0							L	L		·		1	
COMP-ENVIRON & SAFETY CHARGES  421										20,000			20,000
ENVIRONMENTAL & SAFETY								1,500	_				1,500
DIRECTONAL DRILLING		RGES						0					
COMPS SUPERVISION													6,500
SUPERVISION (AMD COMPA-C								295,000					
COMPLEXIONAL CATIONS								0				-	
TUBLIAN RISPÉCTIONHANDLING  MARCHES DEL GOGINGTEST  438 0 0 0 500 0 0 50								115,000					
COMP-CASED HOLE LOGGINOTEST   438		-						10.000		3,000			
SPECIALTY SERVICES								10,000		5 000			
COMP-VIRELINE SERVICES								73,000		0.000			73,000
COMP-COL TUBINGNITROGEN										7,500	0	0	7,500
COMP-CONTRACT LABOR MISC							445	0	0	202,720	0	0	202,720
COMP-COMPLETION FILIDS							446	0	0	20,000	0	500	20,500
TITLE OPINION-DRILL SITE   453   10,000   10,000   0   0   0   20,000   2	FLBK-DISPOSAL COSTS							28,000	0		0	245,000	293,000
COMP-FLOWBACK								0					10,000
COMP-LAND DRILLSITE TITLE OPINION								10,000					
COMP-LAND ROW COMPLETION								0		50,000	0	55,000	105,000
COMP-LAND ROW COMPLETION								U	Ū				7.500
ABA   0   20,000   0   0   0   20,000								0					
DRILL		e .						9		0			
COMP-LAND SURVEY & DAMAGES							1 707	l "I	20,000	J	ľ	ľ	20,000
A86		S					485	0	20,000	0	0	Ó	20,000
TOTAL INTANGIBLES   \$2,125,000   \$3,701,927   \$3,000   \$395,000   \$6,305,927	COMP-REG-PERMIT FEE/ENV						486	0	16,000	0	0	0	16,000
SURFACE CASING  102 27,000 0 0 0 0 27,000  INTERMEDIATE CASING  103 2225,000 0 0 0 0 0 0 225,000  PRODUCTION CASING  104 480,000 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0						TOTAL IN	TANGIBLES	\$2,125,000	\$81,000	\$3,701,927	\$3,000	\$395,000	\$6,305,927
SURFACE CASING  102 27,000 0 0 0 0 27,000  INTERMEDIATE CASING  103 2225,000 0 0 0 0 0 0 225,000  PRODUCTION CASING  104 480,000 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0		UOM	QTY	SIZE	SIZE	GRADE	RATE					r	
INTERNEDIATE CASING   103   225,000   0   0   0   0   225,000   0   0   0   0   225,000   0   0   0   0   0   225,000   0   0   0   0   0   0   0   0   0	SURFACE CASING	T	<b> </b>	<del></del>	1	<del>                                     </del>		27,000	0	0	0	0	27,000
COMP-TUBING	INTERMEDIATE CASING				Ī							0	225,000
WELLIFEAD EQUIPMENT	PRODUCTION CASING	<u> </u>		I	I	I	104		0	0			460,000
COMP-FAC-FLOWLINES	COMP-TUBING							0					58,900
110   0   0   0   31,000   0   31,000   0   31,000   0   31,000   0   31,000   0   31,000   0   31,000   0   31,000   0   31,000   0   31,000   0   31,000   0   31,000   0   22,500   0   0   22,500   0   0   22,500   0   0   22,500   0   0   25,000   0   0   25,000   0   0   25,000   0   0   25,000   0   0   25,000   0   0   25,000   0   0   25,000   0   0   25,000   0   0   25,000   0   0   25,000   0   0   25,000   0   0   25,000   0   26,000   26,0	WELLHEAD EQUIPMENT							32,000					92,000
COMP-PALVES 8 FITTINGS  110  0 0 2.500  0 20.000  22.500  0 0 20.000  25.000  0 0 25.000  0 0 25.000  0 0 25.000  0 0 25.000  0 0 25.000  0 0 25.000  0 0 25.000  0 0 25.000  0 0 25.000  0 0 0 25.000  0 0 0 88.000  0 88.000  0 88.000  0 0 24.000  0 0 24.000  0 0 24.000  0 0 24.000  0 0 0 24.000  0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	COMP-FAC-FLOW LINES	L	L		L	L		0		0			16,000
COMP-PUMP		İ					110	0	0	0	31.000		
EQUIPSUBSURFACE	COMP-VALVES & FITTINGS										0	20,000	22,500
COMP-FAC.  115 0 0 0 88,000 0 88,000  REATERS, TREATRS, SEPRS  COMP-FAC, METERING  EQUIPMENT  COMP-FAC-COMPACTORY  COMP-FAC-LABRIVELEC  MEASIAUTOMA  COMP-FAC-LABRIVELEC  MEASIAUTOMA  COMP-FAC-COMPACTORY  128 0 0 0 5,000 0 1,000  MEASIAUTOMA  COMP-FAC-TRANSPORTATION  128 0 0 0 5,000 0 5,000  METERINGENTICECTRIC  COMP-FAC-TRANSPORTATION  415 0 0 0 3,000 0 3,000  COMP-FAC-ENVIRONMENTAL  8, SAFETY  421 0 0 0 2,500 0 2,500  COMP-FAC-ENVIRONMENTAL  421 0 0 0 3,000 0 3,000  AS OFF FAC-ENVIRONMENTAL  421 0 0 0 3,000 0 3,000  COMP-FAC-ELECTRICAL  ABOR	COMP-PUMP						113	0	0	25,000	0	0	25,000
HEATERS_TREATRS_SEPRS			<u> </u>		<b>↓</b>	ļ							
EQUIPMENT	HEATERS, TREATRS, SEPRS				<u> </u>		115	0	0	0	88.000	0	88,000
122   0   0   36,000   0   36	COMP-FAC-METERING						118	0	0	0	24,000	0	24,000
124   0   0   0   1,000   0	COMP-FAC-CONSTRUCTION						122	0	0	0	36,000	0	36,000
COMP-FAC- INSTRUMENT/ELECTRIC         128         0         0         5,000         0         5,000           COMP-FAC-TRANSPORTATION         415         0         0         0         3,000         0         3,000           COMP-FAC-ENVIRONMENTAL 8 SAFETY         421         0         0         0         2,500         0         2,500           COMP-FAC-ELECTRICAL LABOR         471         0         0         0         3,000         0         3,000	COMP-FAC-LABR/ELEC						124	0	0	0	1,000	0	1,000
INSTRUMENTALECTRIC	MEAS/AUTOMA COMP-FAC-					<b></b>	128	n	0	n	5 000	n	5,000
COMP-FAC-TRANSPORTATION         415         0         0         3,000         0         3,000           COMP-FAC-ENVIRONMENTAL         421         0         0         0         2,500         0         2,500           SAFETY         0         0         0         3,000         0         3,000           COMP-FAC-ELECTRICAL         471         0         0         0         3,000         0         3,000           ABOR         0         <	INSTRUMENT/ELECTRIC						""	Ĭ	ľ	Ĭ	5,500	Ĭ	3,000
COMP-FAC-ENVIRONMENTAL 421 0 0 0 2,500 0 2,500	COMP-FAC-TRANSPORTATION	<u> </u>					415	0	0	0	3,000	0	3,000
COMP-FAC-ELECTRICAL 471 0 0 0 3.000 0 3.000 LABOR	COMP-FAC-ENVIRONMENTAL & SAFETY							0		0-		Ö	2,500
	COMP-FAC-ELECTRICAL						471	0	0	0	3,000	0	3,000
	O DOIN	L			L	TOTAL	TANGIBLES	\$744,000	\$0	\$146,400	\$209,500	\$20,000	\$1,119,900

		TOTAL TANGIBLES	\$744,000	\$0	\$146,400	\$209,500	\$20,000	\$1,119,900
		TOTAL COST	\$2,869,000	\$81,000	\$3,848,327	\$212,500	\$415,000	\$7,425,827
		<del>-</del>						
Ву	Date		Ву				Oate	
	JOINT OPE	RATOR APPROVAL						
Firm ·	Ву		Title				Date	

Clayton Sporich

Vice President – Land & Legal Cell: (214) 707-7073 csporich@taprk.com

Begin forwarded message:

From: Clayton Sporich < <a href="mailto:csporich@taprk.com">csporich@taprk.com</a> Date: February 19, 2018 at 10:56:31 AM MST

To: "Cooper, Christopher C" < ChrisCooper@chevron.com > Cc: Ryan Springmeyer < rspringmeyer@taprk.com > Subject: RE: Chevron Acreage - Sec 14 T24S R31E

Chris,

Thank you for your response. Our Farmout Agreement with Douglas McLeod is unrecorded (covers 10,000' and below), but we will receive title once the wells are drilled according to the terms of the Farmout Agreement.

As mentioned before, we have a must spud date of 6/1/18, which is why the proposals were sent out to CVX. We have filed our Notice of Staking (approved), and have filed our APDs for the Double Diamond 24S31E1414 #238H and #158H. Since CVX has not begun permitting, we don't see a way to meet our spud date deadline.

We would like CVX to join in these wells, but if we cannot come to a resolution soon, we will have to file for compulsory pooling. If you have any suggestions, we are open. Please let me know if you have any questions.

Thank you,

Clayton Sporich Vice President - Land & Legal Direct: (720) 772-5093 Cell: (214) 707-7073

1

csporich@taprk.com



From: Cooper, Christopher C [mailto:ChrisCooper@chevron.com]

Sent: Tuesday, February 13, 2018 6:54 AM
To: Clayton Sporich <<u>csporich@taprk.com</u>>
Cc: Ryan Springmeyer <<u>rspringmeyer@taprk.com</u>>
Subject: Chevron Acreage - Sec 14 T24S R31E

Clayton,

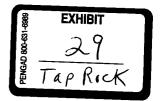
It was good to meet you and Ryan last week at NAPE. I'm glad that we got to meet face-to-face and get a high-level overview of Tap Rock and your proposals.

Based on your October 30, 2017 well proposals, you intend to drill four 5,000' Wolfcamp B wells on this section. As stated in our meeting, Chevron is also preparing drilling plans for this acreage and expects to begin drilling later this year or early next year. Chevron has received title on this section, and owns 100% WI in the N/2 of Section 14. Our records indicate that the S/2 of Section 14 surface to 10,000' is owned 25% by Douglas McLeod and below 10,000' is owned 100% by Douglas McLeod. I assume your referenced Farmout Agreement is unrecorded, and thus does not show up on our title.

Please be aware that Chevron intends to move forward with developing Section 14 along with our acreage in Section 11 to the north and will shortly begin the permitting process.

Chris Cooper Land Representative

Chevron U.S.A. Inc. 1400 Smith Street Houston, Texas 77002 Office: 713.372.6778 Email: ChrisCooper@chevron.com



From:

Erica Hixson

To:

usa0463@fedex.com

Subject: Date: Fwd: FW: Double Diamond 238 & 158 Friday, May 18, 2018 10:52:59 AM

----- Forwarded message -----

From: Erica Hixson <ehixson@taprk.comgt;

Date: May 18, 2018 10:18 A Subject: Fwd: FW: Double Diamond 238 & 158

To: Clayton Sporich <csporich@taprk.comgt;

Cc:

----- Forwarded message -----

From: Erica Hixson <ehixson@taprk.comgt;

Date: Apr From: Erica Hixson

Sent: Wednesday, March 14, 2018 5:00 P To: Clayton Sporich (csporich@taprk.com

<csporich@taprk.comgt;</pre>

Subject: FW: Double Diamond 238 & 158

Do you want me to also send a copy to MLeod?

EΗ

From: Erica Hixson

**Sent:** Wednesday, March 14, 2018 4:58 P **To:** 'Hunter, Kristen' < <u>Kristen.Hunter@chevron.</u> Cc: Clayton Sporich <a href="mailto:csporich@taprk.SAWilliams@chevron.LewisSumrall@chevron.">csporich@taprk.SAWilliams@chevron.LewisSumrall@chevron.</a>

Subject: RE: Double Diamond 238 & 158

Hi Kristen,

I've left you and Stephanie a few messages regarding the Double Diamond wells we plan to drill in a few months. Let me know if you are receiving them and if you need anything else from us. Attached is the JOA covering these wells as well as the Communitization Agreements. I will send hard copies to your attention tomorrow.

Thank you!

Best regards,

Erica Hixson

Erica Hixson

EXHIBIT

30

Tap Rock

Landn
Office: 720-460-3316
ehixson@taprk,
-
-
- · · · · · · · · · · · · · · · · · · ·
From: Erica Hixson Sent: Friday, March 9, 2018 1:33 P To: 'Hunter, Kristen' <
Kristen Hunter@chevron Cc: Clayton Sporich

<u>@chevron. Cc: Clayton Sporich</u>

(csporich@taprk.csporich@taprk.SAWilliams@chevron.LewisSumrall@chevron.Subject:

RE: Double Diamond 238 & 158

Here are the plats.

Erica

From: Erica Hixson

Sent: Friday, March 9, 2018 1:24 P To: 'Hunter, Kristen' <

Kristen.Hunter@chevron. Cc: Clayton Sporich

(csporich@taprk.csporich@taprk.SAWilliams@chevron.LewisSumrall@chevron. Subject:

Double Diamond 238 & 158

Hey Kristen,

I just left you a voicemail, but will follow up here with an Email. If you haven't already, you should be receiving a proposal for the Double Diamond #158 (also attached). You already have the proposal for the Double Diamond #238. Our geoprogs for both are attached for your technical folks, as well as plats. As I mentioned in my voicemail, we are on a bit of a time crunch for these. Our spud dates on these will be late May 2018.

Previously I know you said your title din't show us in these lands. That is because our interest

is derived from a Participation Agreement with Doug MLeod. The terms of that PA stipulate that a well must be drilled by June 1, 2018. We are diligently working with Mr. MLeod to obtain an extension on this date, but in the meantime we are fully preparing to have a rig on site by end of May at the latest.

We have submitted BLM permits. Here's what is still pending:

- 1. Onsite for Facilities scheduling for later this month. The onsite has been comleted for the pad location itself.
- 2. Executed Proposals from Chevron
- 3. Joint Operating Agreements (forthcomng)
- 4. Communitization Agreement (forthcomng)
- 5. Potential hearing for nonstandard spacing/pooling we are hopeful the pooling will be unnecessary pending your return of items 2-4 above).

I will have the JOAs & CAs douments to you by next Tuesday. Please let me know if you have questions or need any additional information.

Thanks!

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