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

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

Case No. 21062

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Tap Rock Resources, LLC as required by the Oil Conservation Division.

APPEARANCES

APPLICANT'S ATTORNEY

Tap Rock Resources, LLC James Bruce P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attention: Dana Arnold

<u>OPPONENT'S ATTORNEY</u>

EOG Resources, Inc.

Holland & Hart, LLP

STATEMENT OF THE CASE

APPLICANT

Tap Rock Resources, LLC seeks an order pooling all mineral interests in the Wolfcamp formation underlying a (proximity tract) horizontal spacing unit comprised of the W/2 of Section 4 and the W/2 of Section 9, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico. The unit will be dedicated to (a) the Poseidon State Com. Well Nos. 101H, 105H, 171H, 181H, and 185H, with first take points in the SW/4SW/4 of Section 9 and last take points in the NW/4NW/4 of Section 4; and (b) the Poseidon State Com. Well Nos. 102H, 107H, 172H, 175H, 182H, and 187H, with first take points in the SE/4SW/4 of Section 9 and last take points in the NE/4NW/4 of Section 4. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Tap Rock Operating, LLC as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u> <u>EST. TIME</u> <u>EXHIBITS</u>

Erica Hixson 15 min. Approx. 10

(landman)

Adam Smith/Emily Lange 10 min. Approx. 6

(geologist)

OPPONENT

<u>WITNESSES</u> <u>EST. TIME</u> <u>EXHIBITS</u>

PROCEDURAL MATTERS

If the case os unopposed tit may be submitted by affidavit.

Respectfully submitted,

James Bruce

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(505) 982-2043

Attorney for Tap Rock Resources, LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this _______ day of January, 2020 by e-mail:

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