

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

APPLICATION OF WPX ENERGY PERMIAN, LLC TO RESCIND DIVISION
APPROVAL OF APPLICATIONS FOR PERMITS TO DRILL FILED BY TAP ROCK
RESOURCES, LLC, EDDY COUNTY, NEW MEXICO

CASE NO. 21376

AFFIDAVIT OF MATTHEW PHILLIPS

Matthew Phillips, of lawful age and being first duly sworn, declares as follows:

1. My name is Matthew Phillips. I work as a Senior Landman for Tap Rock Operating, LLC ("Tap Rock"). I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
2. I am familiar with the application filed by WPX in this case, and I am familiar with the status of the lands in the subject area.
3. It is my understanding and belief that the following timeline has occurred:
 - 6/18/18: Welcome to Golden 244H Well Proposal sent (otherwise known as the WTG Fed Com 244H or the Original Initial Well for the E/2 Unit)

TAP ROCK
EXHIBIT

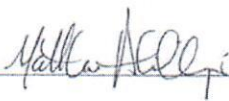
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- 8/6/18: Tap Rock submitted its Notice of Staking (“NOS”) for the following wells to the Bureau of Land Management (“BLM”), to be henceforth known as (the “E/2 WTG Wells”)

- i. WTG Fed Com 203H
- ii. WTG Fed Com 204H
- iii. WTG Fed Com 206H
- iv. WTG Fed Com 208H
- v. WTG Fed Com 213H
- vi. WTG Fed Com 214H
- vii. WTG Fed Com 216H
- viii. WTG Fed Com 218H
- ix. WTG Fed Com 234H
- x. WTG Fed Com 244H (the original Initial Well)

- 8/23/18: BLM Onsite for the E/2 WTG Wells
- 10/4/18: Pooling hearing for the following Original Initial Well
- 2/11/19: Pooling order R-20388 (the “Order”) received for Case No. 16433 pooling all uncommitted interests in a 441.71-acre (more or less) horizontal gas spacing unit for oil and gas production from the Wolfcamp formation, Purple Sage; Wolfcamp (Gas) Pool (Pool Code 98220), comprising the E/2 of Section 27, and Lots 5, 6, 11 and 12 (NE/4 equivalent) of Section 34, all in Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico (the “E/2 Unit”)
- 4/19/19 archeology report received to certify no archaeological issues
- 7/19/19 Wells C-102 plats certified for the E/2 WTG Wells
- **8/19/19-8/22/19 Federal APDs for the E/2 WTG Wells filed with the BLM**
- 2/29/20 Pooling Order expires
- 3/2/20 Federal APDs for the E/2 WTG Wells approved
- 4/14/20 Federal APDs for the E/2 WTG Wells approved by NMOCD and issued API Numbers

- 6/19/20 Tap Rock sent WPX new proposals for E/2 Unit
4. Tap Rock agents properly certified the plats for the E/2 WTG Wells on the date that they were certified as at such point the Pooling Order was effective.
 5. NMAC 19.15.16.15.A states
 - “An operator shall not file an application for permit to drill nor commence the drilling of a horizontal oil or gas well until the operator has...
 - (b) obtained a compulsory pooling order from the division for an appropriate horizontal spacing unit”
 6. As set forth in the timeline above, at the time that Tap Rock filed its APDs for the E/2 WTG Wells it was in full compliance with NMAC (b) above. In fact, because Tap Rock complied with the rules and waiting until it had obtained the Pooling Order for the E/2 Unit to submit its federal APDS for the E/2 WTG Wells that the Pooling Order expired before the Federal APDs were received.
 7. Tap Rock has not and will not commence the drilling of any of the E/2 WTG Wells and has re-filed the E/2 WTG pooling application for the September 10, 2020 hearing date.
- FURTHER AFFIANT SAYETH NOT



MATTHEW PHILLIPS

STATE OF COLORADO

COUNTY OF JEFFERSON

SUBSCRIBED AND SWORN to before me on this the 12th day of August 2020 by

Matthew Phillips, Senior Landman for Tap Rock Operating, LLC.

RACHELLE REESE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20124064461
MY COMMISSION EXPIRES 09/28/2020

Rachelle Reese

NOTARY PUBLIC

My Commission Expires:

9/28/2020