

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Adrienne Sandoval, Director**  
Oil Conservation Division



March 24, 2021

Tap Rock Operating, LLC (OGRID 372043)  
c/o Mr. James Bruce, Attorney  
[jamesbruc@aol.com](mailto:jamesbruc@aol.com)

**RE: Hearing Order No. R-21445 (Case No. 21367):**

Seinfeld Unit: Approval of Change of Initial Well in Exploratory Unit  
Change: Gipple Federal Com Well No. 214H to the Gipple Federal Com #114H  
Order Date: September 9, 2020

Dear Mr. Bruce,

Through counsel, Tap Rock Resources, LLC (“Tap Rock”) has requested an amendment to the Order No. R-21445 wherein the Oil Conservation Division (OCD) approved the Seinfeld Unit in Lea County, New Mexico. Order R-21445 was approved on September 19, 2020. Tap Rock requests to amend Findings Paragraph 4(c) of Order No. R-21445 for the initial well for the following reason.

Findings Paragraph 4(c) stated *“The Unit obligation well is the Gipple Federal Com Well No. 214H (API No. 30-025-46671) (the “214H Well”) in Unit P, Section 33, Township 24 South, Range 35 East, N.M.P.M. This well will develop the WC-025-G-09-S24S3532M; Wolfbone Pool (Pool Code 98098) which is an oil pool.”*

Tap Rock’s Exhibit 1 contains an e-mail from the Bureau of Land Management (BLM) stating a unit must receive official approval and be effective before the unit obligation well produces, otherwise the well cannot be considered the unit obligation well.

Tap Rock initially produced the 214H Well on August 28, 2020. Given certain delays in the BLM processing of approval paperwork, and the initial production for the 214H Well on August 28, 2020, the Unit had not received final approval from the BLM.

Therefore, the 214H Well cannot be considered the unit obligation well. Tap Rock plans to add the 214H Well to the Unit after the Substitute Obligation Well, as hereinafter defined, receives its paying well determination.

Exhibit 1 contains approval by the BLM to change the initial obligation well from the Gipple Federal Com #214H to the Gipple Federal Com #114H, the “Substitute Obligation Well”.

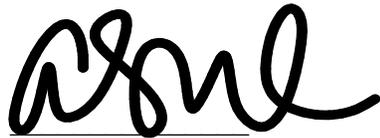
The Exhibit also contains the Form C-102 for the substitute Obligation Well, which shows the location of the proposed surface hole, bottom hole, and first take point for said well.

The OCD finds that for reasons you have stated, the granting of this request requires no additional notice, and to amend this hearing order is in the interest of conservation, will prevent waste, and will protect the environment.

Therefore, Tap Rock requests to amend the order by replacing Findings Paragraph 4(c) in its entirety and replacing it with the following:

*“The Unit obligation well is the Gipple Federal Com Well No. 114H (API No. 30-025-46668) in Unit P, Section 33, Township 24 South, Range 35 East, N.M.P.M. This well will develop the WC-025 G-07 S243517D; MIDDLE BONE SP (Pool Code 98294), which is an oil pool.”*

The requested change in the initial well in the Seinfeld Unit is hereby granted along with the replacement of Findings Paragraph 4(c) as presented in the prior paragraph. All requirements of the above referenced order and agreements in the order remain in full force and effect.



ADRIENNE SANDOVAL  
Director

AS/KAM

Attachments: Exhibit 1

cc: Oil Conservation Division – Hobbs Office  
Bureau of Land Management – Carlsbad Field Office  
Case No. 21367