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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

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

Case Nos. 21613 and 21614

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Tap Rock Resources, LLC

APPLICANT'S ATTORNEY

James Bruce P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

jamesbruc@aol.com

OPPONENT

EOG Resources, Inc.

OPPONENT'S ATTORNEY

Holland & Hart LLP

STATEMENT OF THE CASE

APPLICANT

Case 21613: Tap Rock Resources, LLC seeks an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2 of Section 8 and the W/2 of Section 17, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to the following wells:

(a) the OE Fed. Com. Well No. 202H, with a first take point in the NE/4NW/4 of Section 8 and the last take point in the SE/4SW/4 of Section 17; and

(b) the OE Fed. Com. Well No. 211H, with a first take point in the NW/4NW/4 of Section 8 and the last take point in the SW/4SW/4 of Section 17.

Case 21614: Tap Rock Resources, LLC seeks an order pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2 of Section 8 and the E/2 of Section 17, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico. The unit will be dedicated to the following wells:

- (a) the OE Fed. Com. Well No. 204H, with a first take point in the NE/4NE/4 of Section 8 and the last take point in the SE/4SE/4 of Section 17; and
- (b) the OE Fed. Com. Well No. 213H, with a first take point in the NW/4NE/4 of Section 8 and the last take point in the SW/4SE/4 of Section 17.

Also to be considered will be the cost of drilling, completing, and equipping 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, completing, and equipping the wells. The well unit is located approximately 4-1/2 miles southeast of Whites City, New Mexico.

OPPONENT

PROPOSED EVIDENCE

<u>APPLICANT</u>

WITNESSES	EST. TIME	EXHIBITS
Taylor Ford (landman)	15 min.	Approx. 8
Emily Lange (geologist)	20 min.	Approx. 6

OPPONENT

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

PROCEDURAL MATTERS

The cases will be submitted by affidavit if unopposed.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(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 June, 2021 by e-mail:

Michael Feldewert mfeldewert@hollandhart.com

Adam Rankin agrankin@hollandhart.com

Julia Broggi jbroggi@hollandhart.com

Kaitlyn Luck <u>kaluck@hollandhart.com</u>

James Bruce