NMOCD Rec'd: 9/22/2020



523 Park Point Dr, Suite 200 Golden, CO 80401

New Mexico Oil Conservation Division, District II 811 S. First Street Artesia, NM 88210

September 22, 2020

RE: NSL order pertaining to the WTG Fed Com 201H

To whom, it may concern,

Please find the attached NSL Order for the WTG Fed Com 201H well (API# 30-015-46444). Tap Rock request this NSL order be uploaded into the well file for the WTG Fed Com 201H to accompany the C-104, thus allowing this well to become active.

Please let me know if you have any questions or need further documentation. I can be reached at (720)360-4028 or bramsey@taprk.com.

Regards,

Bill Ramsey Regulatory Analyst Tap Rock Operating, LLC (720) 360-4028

bramsey@taprk.com

Enclosures:

NSL Order

State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary Adrienne E. Sandoval, Director Oil Conservation Division



August 16, 2019

Ms. Kaitlyn A. Luck kaluck@hollandhart.com

NON-STANDARD LOCATION

Administrative Order NSL-7929

Tap Rock Operating, LLC [OGRID 372043] WTG Federal Com Well No. 201H API No. 30-015-PENDING

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County_
Surface	496 FNL & 420 FWL	D	27	26S	29E	Eddy
First Take Point	330 FNL & 638 FWL	D	27	26S	29E	Eddy
Last Take Point	100 FSL & 638 FWL	9	. 34	26S	29E	Eddy
Terminus	5 FSL & 638 FWL	9	34	26S	29E	Eddy

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
W2 Section 27	457.8	Purple Sage; Wolfcamp (GAS)	98220
NW/4 Section 34			

Reference is made to your application received on August 15, 2019.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules for the Purple Sage; Wolfcamp (Gas) Pool of and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 100 feet to the southern edge of the horizontal spacing unit. The encroachment infringes toward the exterior state line boundary, which is not concerning of the correlative rights of all interested parties for this unorthodox location.

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all

Administrative Order NSL-7929 Tap Rock Operating, LLC August 16, 2019 Page 2 of 2

adjoining units towards which the proposed location encroaches. Public notice is not required as all affected parties are located exterior to the State's jurisdiction.

Division understands you seek this unorthodox location as your preferred well spacing plan for horizontal wells in this area and thereby preventing waste within the Wolfcamp formation underlying the W2 of Section 27 and the NW/4 Section 34.

Your application has been filed under Subsection 6 of Paragraph of Section (C) of 19.15.16.15 NMAC, 19.15.15.13 NMAC and Paragraph (2) of Subsection A of 19.15.4.12 NMAC.

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.

ADRIENNE E. SANDOVAL

Division Director

AES/Irl

cc: Oil Conservation Division – Artesia District Office

Bureau of Land Management - Carlsbad Field Office