

DATE IN 6/10/2015	SUSPENSE	ENGINEER MAM	LOGGED IN 6/11/2015	TYPE PLC	APP NO. DMAH1516260153
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Tracie J Cherry
 Print or Type Name

Signature

Sr. Regulatory Analyst
 Title

Date

tjcherry@basspet.com
 e-mail Address

PLC 422
 - BUPLU, LP
 206737
 Wells
 - POKER LAKE UNIT
 CUX TUPC #84
 30-015-37025
 - POKER LAKE CUX
 TUPC #54
 30-015-37518
 Pool
 - Nash Draw Deland
 BS (Avalon SAND)
 47545
 - Pierce Crossing
 Bone Spring, East

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: BOPCO, LP

OPERATOR ADDRESS: PO Box 2760

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Nash Draw; De/BS (Av Snd) (47545)	Grav 48/BTU 1063.3				
Pierce Crossing; Bone Spring, E. (96473)	Grav 48/BTU 1052.2				

(2) Are any wells producing at top allowables? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.

(4) Measurement type: ☒ Metering ☒ Other (Specify) Tank gauging (see attached for measurement and allocation)

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☒ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Tracie J Cherry

TITLE: Sr. Regulatory Analyst

DATE: 06/09/15

TYPE OR PRINT NAME Tracie J Cherry

TELEPHONE NO.: 432/683-2277

E-MAIL ADDRESS: tjcherry@basspet.com

GENERAL OFFICES - FORT WORTH, TEXAS

BOPCO, L.P.

P.O. Box 2760
Midland, Tx 79702
(432) 683-2277
(432) 687-0329 (fax)

RECEIVED OCD

2015 JUN 10 A 11: 18

June 9, 2015

Oil Conservation Division
Engineering Bureau
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Application for Pool and Lease Commingle
Poker Lake CVX JV PC 005H
Poker Lake Unit CVX JV PC 008H
Eddy County, NM

Gentlemen:

BOPCO, L.P. respectfully requests permission Pool and Lease Commingle for the referenced wells in in Eddy County.

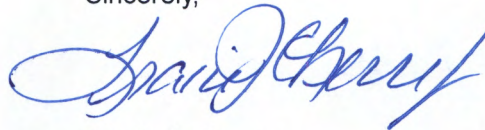
BOPCO would like to request the following documents in the application package be held as "Confidential"

- Certified Mail List (containing interest owner addresses and names)
- Economic Justification Worksheet (contains contract pricing)

Confidentiality has also been requested on these items in the application submitted to the Bureau of Land Management.

If you have any questions or need additional information, please call me at 432/683-2277.

Sincerely,



Tracie J Cherry
Sr. Regulatory Analyst

Enclosures



PLU CVX JV PC #8H

PLU CVX JV 5H

2/13/2014



Google

Google earth

Imagery Date: 2/13/2014 32°13'49.66" N 103°55'47.84" W elev 3139 ft eye alt 8472 ft

BOPCO, L. P.
6 DESTA DRIVE, SUITE 3700 (79705)
P. O. BOX 2760
MIDLAND, TEXAS 79702

(432) 683-2277

FAX (432) 687-0329

June 9, 2015

Via certified mail #7196 9008 9115 5692 7911

Elliott Industries LP
P.O. BOX 13285
Santa Fe, NM 87504

RE: Application for Surface Commingling, Off Lease Sales, Storage and Measurement
Poker Lake Unit CVX JV PC 008H
Poker Lake Unit CVX JV PC 005H
Eddy County, New Mexico

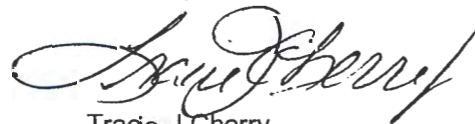
Dear Interest Owner:

This letter and attached documents are to notify you, as an interest owner, that BOPCO, L.P. is petitioning the Bureau of Land Management and New Mexico Oil Conservation Division to grant permission to commingle the production from your well (on the surface) and measure, store and sell the production, at a point outside the well's lease boundary.

The complete application contains several pages; included with this notice is information to identify the wells, their location and the location of the facility. If you would like a complete copy of the application or have any questions please feel free to contact me.

Any objections or requests for a hearing must be filed with the Oil Conservation Division, 1220 South St Frances Dr., Santa Fe, New Mexico 87505m within 20 days of this letter's date.

Sincerely,



Trade J. Cherry
Sr Regulatory Analyst

rjt
Attachments

CERTIFIED MAILING LIST
BOPCO, LP
PIERCE CANYON 12 FED BATTERY

CONFIDENTIAL

Via certified mail

#7196 9008 9115 5692 7911

Elliott Industries LP
P.O. BOX 13285
Santa Fe, NM 87504

Via certified mail

#7196 9008 9115 5692 7928

Elliott-Hall
P.O. BOX 1231
Ogedn, UT 84402

Via certified mail

#7196 90018 9115 5692

Trigg Oil LLC
4 Maize Trail
Placitas, NM 87043

Via certified mail

#7196 9008 9115 5692 7942

Trigg-Conrow LLC
800 N. Silver Spur Road
Park City, UT 84098

Via certified mail

#7196 9008 9115 5692 7959

Bar JM Inc
2135 Plazuela Vista
Santa Fe, NM 87505

Via certified mail

#7196 9008 9115 5692 7966

Mary Kathryn Manwaring
171 Appaloosa St
Brawley, CA 92227

Via certified mail

#7196 9008 9115 5692 7973

Chevron USA Inc
P.O. BOX 730436
Dallas, TX 75373

Via certified mail

#7196 9008 9115 5692 7980

Irma Davis
P.O. BOX 6675
Lubbock, TX 79493

Via certified mail

#7196 9008 9115 5692 8376

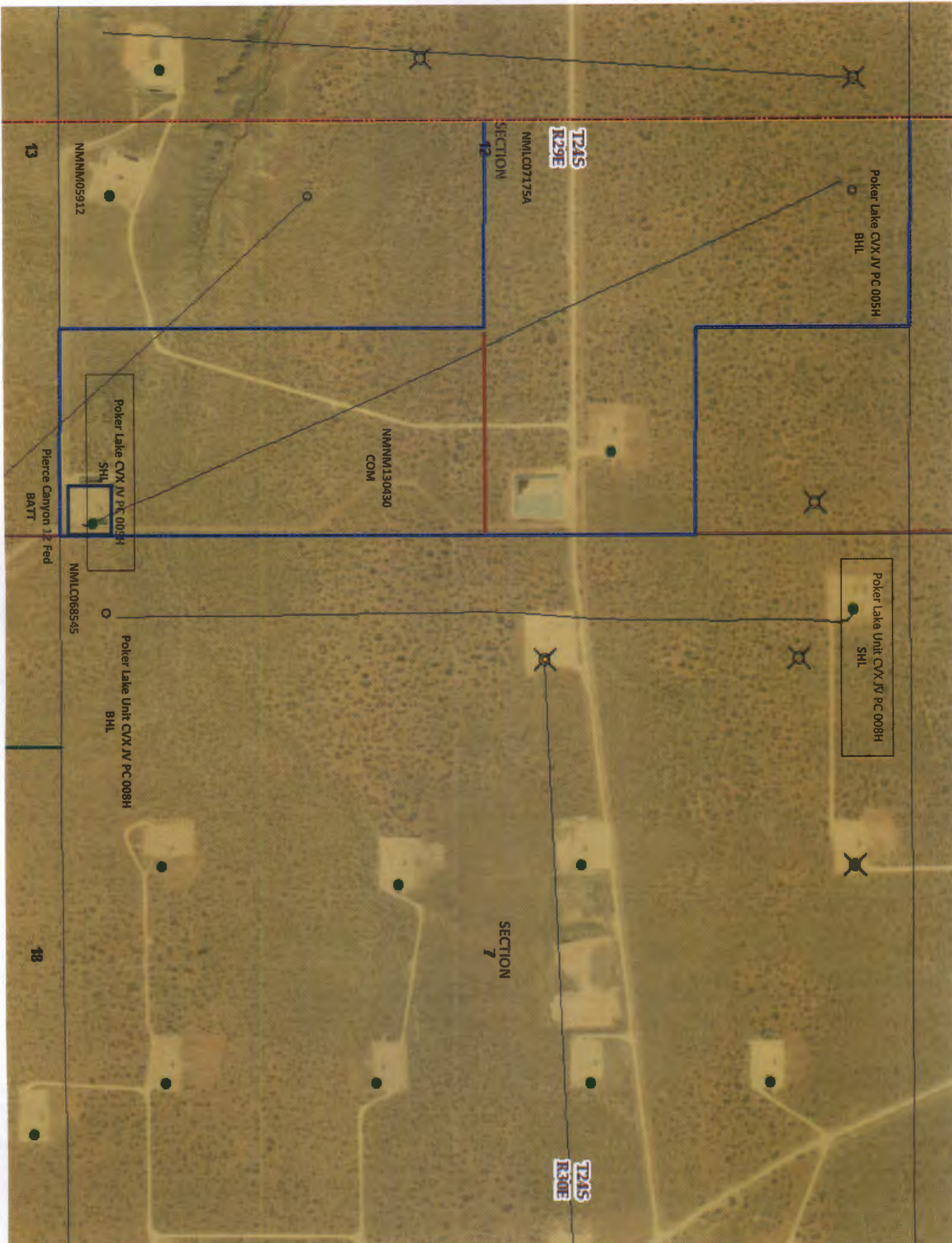
Vergil Hopp
P.O. BOX 1641
Arlington, TX 76004

Via certified mail

#7196 9008 9115 5692 8000

Hugh & Carolyn Kiddy
7366 S. Platte Canyon Dr
Littleton, CO 80128

CONFIDENTIAL



Poker Lake CVX JV PC 005H
BHL

Poker Lake Unit CVX JV PC 008H
SHL

T24S
R29E

T24S
R30E

NMLC07175A

SECTION
12

SECTION
7

NMNM130430
COM

NMNM05912

Poker Lake CVX JV PC 003H
SHL

NMLC08545

Poker Lake Unit CVX JV PC 008H
BHL

13

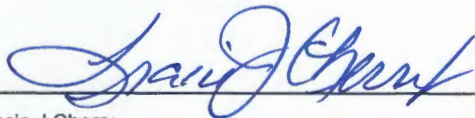
18

Pierce Canyon 12 Fed
BAAT

Well Name	BOPD	Oil Gravity @60 deg.	BOPD X gravity	Value /BBL		MCFPD	Dry BTU	MCFPD X BTU	Value/mcf
005H	22	48	1056	62.02		413	1052.2	434558.6	2.971
008H	19	48	912	62.02		298	1063.3	316863.4	2.971
			0			0	0	0	
			0			0	0	0	
			0			0	0	0	
			0			0	0	0	
Composite	41	48	1968	53.718		711	1056.85	751422	2.934

Crude oil sold in New Mexico that is not high sulphur content (sour) is sold as "deemed 40 degrees". This designation indicates all crude oil, regardless of gravity, will be estimated to be 40 degrees and payment will be made based on that estimation.

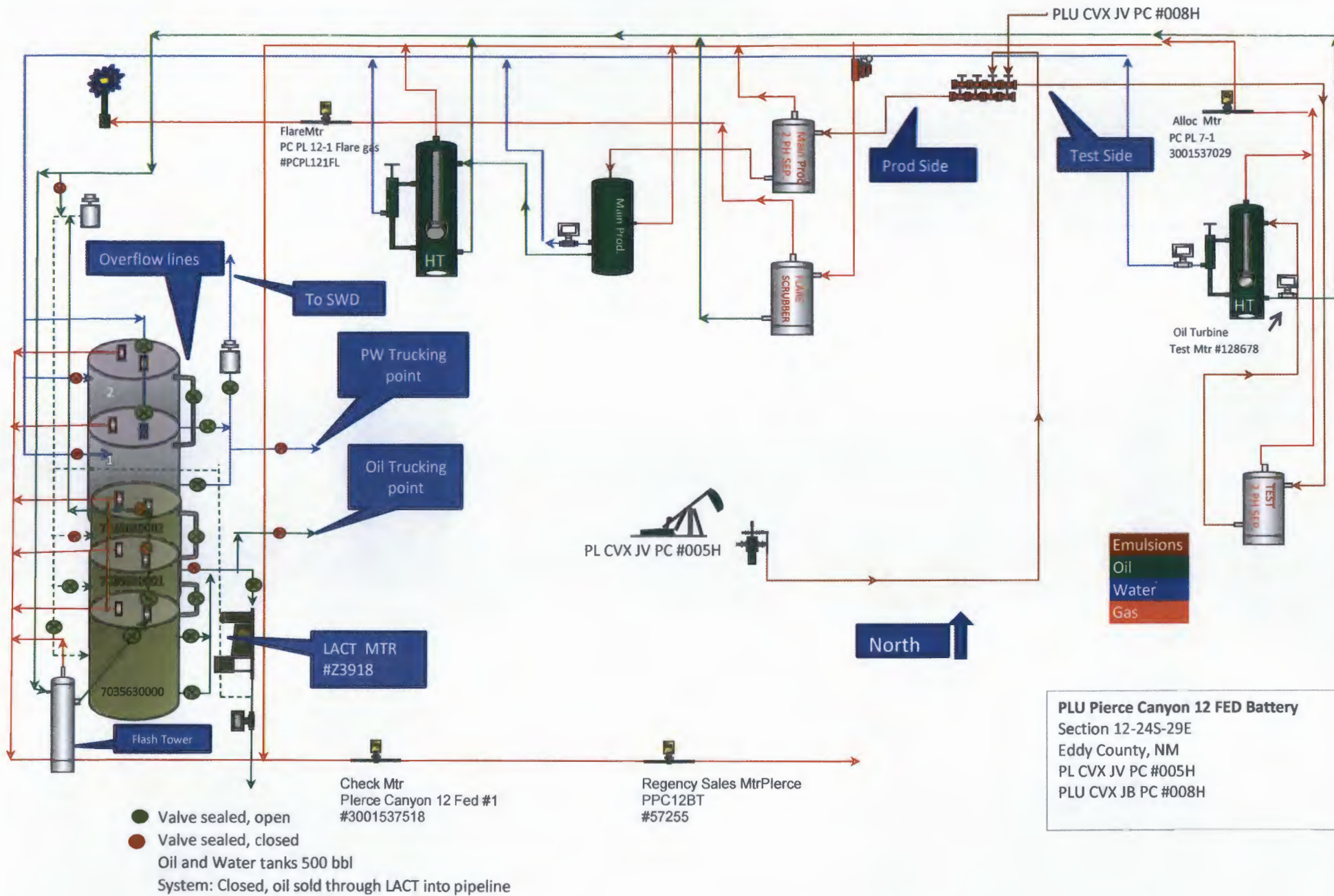
Gas sold at Enterprise sales meter is based on the Index price of either Gas Daily Midpoint or IFERC FOM for Permian basin-El Paso. Price for MMBTU is the combined BTU value at the sales meter. There are no deductions based on quality or sulfur content.

Signed: 
Tracie J Cherry

Title: Sr. Regulatory Analyst

Date: 10/09/15

CONFIDENTIAL



PLU Pierce Canyon 12 FED Battery
 Section 12-24S-29E
 Eddy County, NM
 PL CVX JV PC #005H
 PLU CVX JB PC #008H

Oil & Gas metering and Allocation:

The Pierce Canyon Fed Battery has three (3), 500 bbl oil tanks on the location. Two (2) wells utilize this location as a common tank battery. Gas from both wells also flows to this battery, through a gas "allocation meter" then to either a (metered) flare or a common gas sales meter Regency Sales Meter #57255 located on the tank battery location, SESE Sec 12 24S-29E. The Pierce Canyon Fed Battery sits on the well location for Poker Lake CVX JV PC #005H

Oil production from wells Poker Lake Unit CVX JV PC #008H & Poker Lake CVX JV PC #005H flow from their respective locations to a header located on the North side of the location. This header is configured so that one well is in production phase and one well is in test phase at all times. Oil production is allocated back to each well using the subtraction method based on the test meter readings from turbine test meter #128678 off the heater treater and daily tank gauging. Oil is then sold through a LACT meter (#Z3918) into the pipeline. The LACT meter is proven quarterly.

Gas production will be allocated on a daily basis using the subtraction method; volume is calculated using readings from allocation meter (Mtr ID: PC PL 7-1, Mtr #3001537029) and Regency sales meter (Mtr ID: PPC12BT, Mtr #57255). All EFM gas meters are calibrated quarterly and conform to Onshore Order 5 and API standards. The Regency gas meter is also calibrated quarterly.

Process and Flow Descriptions and Allocation Method:

The flow of production is shown in detail on enclosed facility diagram. A map is included with this application outlining lease boundaries, location of wells, facility, and gas sales meter. All wells are located inside the Poker Lake Unit boundaries.

The shared tank battery is located on the West side of the well pad for the Poker Lake CVX JV PC 005H located in the SESE Sec. 12, 24S-29E on Federal lease NMNM05912. The production from both wells will come to a common production header with isolation lines to route each well's production. This header is located on the north side of the facility. From this point one well will be on test and its production routed through the test equipment. The other well will go through the production side process equipment.

□ The well which is on test flows to a Test Two-Phase separator, where gas is discharged into a gas line and the water/oil stream goes to heater treater. Gas from the treater combines with gas from the Two-Phase separator and is routed to a common gas line then through Electronic Flow Meter (EFM) gas test meter (Mtr ID: PC PL7-1, Meter #3001537029). At this point, gas will go to either the EFM metered flare stack (Meter ID: PCPL12-1FL) on the North side of the location or on through the EFM check meter (Mtr ID: Pierce Canyon 12 Fed Check Meter, Meter #3001537518) and Regency Sales meter (Mtr ID: PPC12BT, Meter #57255) on the south side of the location. Custody transfer occurs and royalty payment is made at the Regency sales meter. The allocation factors are determined from the test meter (#3001537029) reading for the well in test and the volume recorded on the check meter (#3001537518). Each well is placed in test phase at least once a month for 48 hours.

After separation, the test well's produced oil and water stream go through the heater treater. Oil is metered off the treater using a turbine test meter (#128678). The oil then flows into an oil production line where it is combined with the other wells' oil and flows through the flash tower and then into one of the 500 bbl. oil tanks. Oil from the tanks is sold through a LACT meter (#Z3918) directly into the BOPCO PLU pipeline. The water combines with the well on test and flows to one of two 500 bbl. produced water tanks. Water flows from the tanks to a water disposal system.

The daily oil production at the battery is determined by tank gauge method and the volume recorded at the LACT unit. Production is allocated back to each well based on the allocation factors determined from the turbine test meter (#128678) reading for the well in test phase. Custody transfer occurs and royalty payment is made on the volume recorded at the LACT unit meter.

The well which is not in test is routed to the production side of the facility. The produced fluid stream enters a Two-Phase separator where gas is discharged into the gas line and the oil/water stream flows to the main production Free Water Knockout. After separation, water is discharged into the water line to travel to the water tanks and oil is routed to the heater treater then through the flash tower and finally to the oil storage tanks.

Summary:

The commingling of production is in the interest of conservation and minimizing waste. BOPCO, L.P. believes this will result in the most effective and economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce the surface facility footprint and overall emissions.

BOPCO, L.P. understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Working, royalty, and overriding interest owners have been notified of this proposal via certified mail (see attached).

The BLM and NMOCD will be notified of any future changes in the facilities.

APPLICATION FOR COMMINGLING OIL AND GAS AT A TANK BATTERY

BOPCO, LP (260737) is requesting approval for surface commingling, off-lease storage, off-lease measurement and off-lease sales of oil and gas from the following formation(s) and well(s):

Lease Number: NMLC0068545*
 NMOCD Property Code: 313369

Well Name	API	Loc ¼, ¼ Sec. Twp. Rng.	Pool	Lease	Royalty Rate	Oil BOPD	Oil Grav	MCFPD	BTU
Poker Lake Unit CVX JV PC 008H	30-015-37029	SHL: NWNW 07 24S 30E BHL: SWSW 07 24S 30E	Nash Draw; Del/BS (Av Snd) (47545)	NNMLC0068545 (160 ac)	12.5%	19		413	1063.3

**Commercial Determination recently submitted. Well will be classified non-commercial and will report on lease basis.*

Federal Agreement
 Number: NMNM130430
 NMOCD Property Code: 313403

Well Name	API	Loc ¼, ¼ Sec. Twp. Rng.	Pool	Lease	Royalty Rate	Oil BOPD	Oil Grav	MCFPD	BTU
Poker Lake Unit CVX JV PC 005H	30-015-37518	SHL: SESE 12 24S 29E BHL: NWNE 12 24S 29E	Pierce Crossing; Bone Spring, E (96473)	NMLC070175A (120 ac) NMNM05912 (80 ac)	12.5% 12.5%	22		298	1052.2

Signed: 
 Tracie J Cherry

Title: Sr. Regulatory Analyst

Date: 06/09/15

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-37029	² Pool Code 47545	³ Pool Name Nash Draw; Del/BS (Avalon Sand)
⁴ Property Code 313369	⁵ Property Name Poker Lake Unit CVX JV PC	⁶ Well Number 8H
⁷ OGRID No. 260737	⁸ Operator Name BOPCO, LP	⁹ Elevation 3158

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	7	24S	30E		330	North	350	West	Eddy

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	7	24S	30E		376	South	386	West	Eddy

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Tracie J Cherry</i> Date: <i>06/04/14</i></p> <p>Tracie J Cherry Printed Name</p> <p>tjcherry@basspet.com E-mail Address</p>		
	<p>¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p>		
	<p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>		
	<p>Certificate Number</p>		

District I
1623 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office.

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-37518		² Pool Code 96473	³ Pool Name Pierce Crossing; Bone Spring; East
⁴ Property Code 313403	⁵ Property Name Poker Lake CVX JV PC		⁶ Well Number 5H
⁷ OGRID No. 260737	⁸ Operator Name BOPCO, LP		⁹ Elevation 3116

" Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	12	24S	29E		250	South	217	East	Eddy

" Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	12	24S	29E		334	North	2321	East	Eddy

¹² Dedicated Acres 200	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NSL-6136
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

NM OIL CONSERVATION ARTESIA DISTRICT JUN 26 2014 RECEIVED			" OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division. Signature: <i>Tracie J. Cherry</i> Date: 06-25-14 Printed Name: Tracie J. Cherry E-mail Address: jicherry@bgsapet.com
			"SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey: Signature and Seal of Professional Surveyor:
			Certificate Number

Application to Surface Commingle
BOPCO, LP
Poker Lake Unit 261 Battery
Eddy County, NM

[illegible]