

# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

Joanna Prukop  
Cabinet Secretary

Mark Fesmire  
Division Director  
Oil Conservation Division



September 30, 2009

Mr. James Bruce  
P.O. Box 1056  
Santa Fe, NM 87504

**Administrative Order NSL-6092**

**Re: BOPCO, L.P.**  
**James Ranch Unit Well No. 106H**  
**API No. 30-015-37063**  
**Unit L, Section 36-22S-30E**  
**Eddy County**

Dear Mr. Bruce:

Reference is made to the following:

(a) your application (**administrative application reference No. pUNK09-26655965**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico, on behalf of BOPCO, L.P. [OGRID 260737] (BOPCO), on September 23, 2009, and

(b) the Division's records pertinent to this request.

BOPCO has requested to drill the above-referenced well as a horizontal well in the Delaware formation, at a location that will be unorthodox under Division Rule 16.14.B(2). The proposed surface location, point of penetration and terminus of the well are as follows:

Surface Location: 1595 feet from the South line and 1096 feet from the West line  
(Unit L) of Section 36, Township 22S, Range 30E, NMPM  
Eddy County, New Mexico

Point of Penetration: 1643 feet from the South line and 573 feet from the West line  
(Unit L) of said Section 36

Terminus 2160 feet from the South line and 330 feet from the West line  
(Unit L) of Section 35, Township 22S, Range 30E, NMPM



The N/2 S/2 of Section 35 and the NW/4 SW/4 of Section 36 will be dedicated to the proposed well to form a project area comprising five standard 40-acre, more or less, spacing units in the undesignated Southeast Quahada Ridge-Delaware Pool (50443). This pool is governed by statewide Rule 15.9.A, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. This location is unorthodox because a portion of the producing interval will be less than 330 feet from the southern boundary of the project area, and therefore outside the producing area.

Your application has been duly filed under the provisions of Division Rules 15.13 and 4.12.A(2).

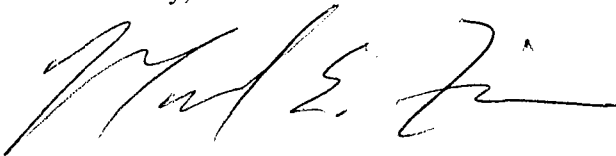
It is our understanding that you are seeking this location because of surface use considerations. It is further understood notice of this application to offsetting operators or owners is not required due to common ownership.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', with a stylized flourish at the end.

Mark E. Fesmire, P.E.  
Director

MEF/db

cc: New Mexico Oil Conservation Division - Artesia  
New Mexico State Land Office - Santa Fe  
United States Bureau of Land Management - Carlsbad