

Ray Powell, M.S., D.V.M. COMMISSIONER RECEIVED OCD State of New Mexico Commissioner of Public Lands ^{1: 25}

COMMISSIONER'S OFFICE Phone (505) 827-5760 Fax (505) 827-5766

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February 12, 2013

BOPCO, L.P. 201 Main Street, Suite 2900 Fort Worth, Texas 76102-3131

Attention: Mr. Andy Morrison

Re: Poker Lake Unit Well No. 265H (30-015-35614) Commercial Well Determinations Bone Spring Formation Eddy County, New Mexico

Dear Mr. Morrison:

We are in receipt of your letter of September 12, 2012 together with the commercial determination data for the Poker Lake Unit Well No. 265H located in Lot 4 of Section 06-24S-30E.

The Bureau of Land Management, by their letter of January 23, 2013, advised this office that the Poker Lake Unit Well No. 265H was determined to be capable of producing in paying quantities from the Bone Spring formation

Please be advised that the Commissioner of Public Lands concurs with the Bureau of Land Management's determinations that the Poker Lake Unit Well No. 265H is a commercial well in the Bone Spring formation and is entitled to participate in the Bone Springs Participating Area

Please submit an application for the appropriate expansion of the Bone Springs Participating Area to this office for approval.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M. COMMISSIONER OF PUBLIC LANDS

B١ Lany J. Roy

Oil, Gas and Minerals Division (505) 827-5744 RP/LR/jm cc: Reader File, OCD-Attention: Mr. Ed Martin BLM Carlsbad, Attention: Mr. Wesley Ingram TRD-Santa Fe, Attention: Ms. Joan Ishimoto