State of New Mexico

Energy, Minerals and Natural Resources Department

Susana Martinez Governor

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David Martin Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey, Division Director Oil Conservation Division



Administrative Order DHC-4726 Order Date: December 26, 2014 Application Reference Number: pMAM1433658556

BOPCO, L.P. PO Box 2760 Midland, Texas 79707

Attention: Ms. Tracie Cherry

New State Branch

James Ranch Unit Well No. 195H API No. 30-015-42324 Unit P, Section 36, Township 22 South, Range 30 East, NMPM Eddy County, New Mexico

Pool	LOS MEDANOS;BONE SPRING				Oil	40295
Names:	LOS MEDANOS; WOLFCAMP, SOUTH	•	••	•.	Oil	96336

Reference is made to your recent application for an exception to 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of 19.15.12.11A. NMAC, and since reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division. Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allocation of production from the well shall be based on chemical tracers from each frac stage.

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Assignment of allowable and allocation of production from the well shall be as follows:

LOS MEDANOS;BONE SPRING	Pct. Oil:5.4	Pct. Gas: 5.4
LOS MEDANOS; WOLFCAMP, SOUTH	Pct. Oil: 94.6	Pct. Gas: 94.6

REMARKS: The operator shall notify the Division's District II office upon implementation of commingling operations.

This Order is subject to like approval from the Bureau of Land Management, and New Mexico State Land Office.

Pursuant to 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

JAMI BA

Director

JB/mam

·cc:

New Mexico Oil Conservation Division – Artesia Bureau of Land Management - Carlsbad State Land Office – Oil, Gas, and Minerals Division