State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Heather Riley, Division Director Oil Conservation Division



ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

July 24, 2018

Surface Commingling Order PLC-512

BOPCO, L.P.

Attention: Ms. Tracie Cherry

Pursuant to your application received on July 3, 2018, BOPCO, L.P. (OGRID 260737) is hereby authorized to surface commingle oil and gas production and off-lease measure from the following pools:

NASH DRAW; DELAWARE/BS (AVALON SAND) (47545) PIERCE CROSSING; BONE SPRING, EAST (96473)

and from wells, and their associated leases and pools along with Range of decline identified in Attachment No. A and made part of this order. These wells are located on federal communitization agreements and leases in Township 23 South, Range 30 East, Township 24 South, Range 29 East, and Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

It is understood that the test separator and meters are designed to accurately measure production from the wells with the highest production rate. It is also assumed that all of the oil and gas production from the wells in this application will display a hyperbolic decline, and will fit the decline parameters described in Hearing Order R-14299. Wells that are in prior to Range 1 of decline shall be tested daily. Wells that are in Range 1 of decline shall be measured with a combination of metering and well testing, and shall be tested at least three times a month. Wells that are in Range 2 of decline shall be measured with a combination of metering and well testing, and shall be tested at least twice a month. Wells in Range 3 of decline shall be measured with a combination of metering and well testing, and shall be tested at least once a month.

Further, all wells subject to this application, with the exception of the Poker Lake Unit Well No. 359H shall be measured with a combination of metering and well testing. The Poker Lake Unit Well No. 359H shall be separately metered before commingling.

The oil and gas production from these wells listed as part of this application shall be measured and sold from the Poker Lake Unit Well No. 158 Central Tank Battery (CTB), located in Unit A, Section 7, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico.

BOPCO, L.P. shall provide a Sundry Notice to the Engineering Bureau in Santa Fe when a dedicated separator is removed.

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

This approval is subject to like approval from Bureau of Land Management before commencing commingling operations.

The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.

DirectorHR/mam

cc:

Oil Conservation Division District Office - Artesia

Bureau of Land Management - Carlsbad

Attachment A

EXHIBIT A POKER UNIT WELLS

Well	API	Spacing Unit	Pool	Pool CODE	Lease	Range of Decline
Poker Lake Unit 156	30-015-31688	SW/4 SE/4 of Section 6	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 157	30-015-31689	SE/4 SE/4 of Section 6	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 158*	30-015-31690	NE/4 NE/4 of Section 7	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 159*	30-015-31691	NW/4 NE/4 of Section 7	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 176	30-015-32043	SW/4 SW/4 of Section 5	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 178	30-015-32052	NW/4 NW/4 of Section 8	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 181*	30-015-32127	SW/4 NE/4 of Section 7	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 182	30-015-32128	SW/4 NW/4 of Section 7	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
	30-015-32126	SE/4 NE/4 of Section 7	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 183*	30-015-33224	NE/4 NW/4 of Section 7	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 190*	30-015-32142	NW/4 SE/4 of Section 7	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
	30-015-34781	NE/4 SE/4 of Section 7	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 192Q*	30-015-33362	NW/4 SW/4 of Section 8	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 200	30-015-32882	NE/4 SE/4 of Section 18	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 201	30-015-32929	NE/4 SW/4 of Section 7	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 202	30-015-32934	SE/4 SE/4 of Section 7	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 203	30-015-32883	SW/4 SE/4 of Section 7	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 204	30-015-32928	SE/4 SW/4 of Section 7	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 205*	30-015-33423	NW/4 NE/4 of Section 18	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 223	30-015-33642	SW/4 SW/4 of Section 8	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 224	30-015-34108	NW/4 NW/4 of Section 17	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 281	30-015-35083	SE/4 NE/4 of Section 12, T-24S-29E	Nash Draw; Delaware/BS (Avalon Sand)	47545	PA NMNM 7101G	3
Poker Lake Unit 265H	30-015-35614	W/2 SW/ 4 of Section 5; Lot 4/Unit M, S/2 SE/4, and SE/4 SW/4 of Section 6	Pierce Crossing; Bone Spring, East	96473	NMNM 71016X	3
Poker Lake Unit 359H	1	W/2 W/2 of Section 32, Township 23 South, Range 30 East; Lot 4/ Unit D, SW/4 NW/4, and W/2 SW/4 of Section 5, and NW/4 NW/4 of Section 8	Pierce Crossing: Bone Spring, East	96473	Pending Poker Lake Unit 359H Federal communitization Agreement	Not drilled

All wells assumed to be in Township 24 South, Range 30 East, unless otherwide Stated

1