



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Wyoming State Office Reservoir Management Group
2987 Prospector Drive
Casper, Wyoming 82604-2968



In Reply Refer To:
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(3186.1)
Poker Lake Unit
NMNM71016X

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R-153

Mr. Law Armstrong
BOPCO, L.P.
810 Houston Street
Fort Worth, Texas 76102-6203

Re: Paying Well Determination
Poker Lake Unit CVX JV PB No. 8H
SHL: SE $\frac{1}{4}$ NE $\frac{1}{4}$, Sec. 32, T.25S., R.31E. (State Lease)
BHL: SE $\frac{1}{4}$ SE $\frac{1}{4}$, Sec. 5, T.26S., R.31E. (Lease No. NMNM02790)
Poker Lake Unit
Eddy County, New Mexico

Dear Mr. Armstrong:

We have determined that under existing conditions the Poker Lake Unit CVX JV PB No. 8H well is **not** capable of producing unitized substances from the Second Bone Spring Sand (a member of the Bone Spring Formation) in unit paying quantities. The well was completed in the Second Bone Spring Sand on January 11, 2015. Since the well was determined to be a nonpaying unit well, a drilling and spacing unit must be established for the well so that a communitization agreement can be approved by the Carlsbad Field Office.

If you have any questions, please call the undersigned at (307) 261-7685.

Sincerely,

/s/ J. David Chase

J. David Chase
Chief, Reservoir Management Group

cc: NMSO, James Glover
CFO, Chris Walls
ONRR, Glen Reese
New Mexico State Land Office, Anchor Holm
New Mexico Oil Conservation Division, William Jones