

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
---------	----------	----------	-----------	------	---------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

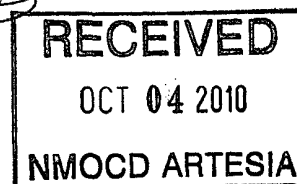
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

2010 OCT - 1 P 3:20
RECEIVED OOD

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached



[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Ocean Munds Dry Ocean Munds Dry a Horney 10-1-10
 Print or Type Name Signature Title Date
omundsdry@hollandhart.com
 e-mail Address



October 1, 2010

HAND-DELIVERED

Mark E. Fesmire, P.E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of BOPCO, L.P. for administrative approval of an unorthodox well location for its Poker Lake Unit Well No. 303H to be drilled from a surface location and penetration point 1264 feet from the South line and 2310 feet from the West line of Section 4 and a bottomhole location 660 feet from the North line and 2310 feet from the West line of Section 5, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico.

Dear Mr. Fesmire:

BOPCO, L.P. ("BOPCO") hereby seeks administrative approval pursuant to the provisions of Division Rules 19.15.15.13 and 19.15.16.14 for an unorthodox well location for its Poker Lake Unit Well No. 303H. This well will be located in Sections 4 and 5, Township 25 South, Range 31 East, N.M.P.M., Eddy County, New Mexico and is to be drilled in the Delaware formation, South Poker Lake Delaware Pool at a surface location and a penetration point 1264 feet from the South line and 2310 feet from the West line of Section 4 and a bottomhole location 660 feet from the North line and 2310 feet from the West line of Section 5, Eddy County, New Mexico. A 360-acre project area has been dedicated to this horizontal well comprised of the SE/4 SW/4, N/2 SW/4 and SW/4 NW/4 of Section 4 and the NE/4 SE/4, S/2 NE/4, NW/4 NE/4 and the NE/4 NW/4 of Section 5.

This location is unorthodox because the Delaware formation under this acreage is governed by the Division's statewide rules which provide for wells on 40-acre spacing units to be located no closer than 330 feet to the outer boundary of the spacing unit. The proposed well is unorthodox because portions of the Producing Interval, as defined by Division Rule 19.15.16.7, fall outside of the Producing Area dedicated to the well.

Holland & Hart LLP

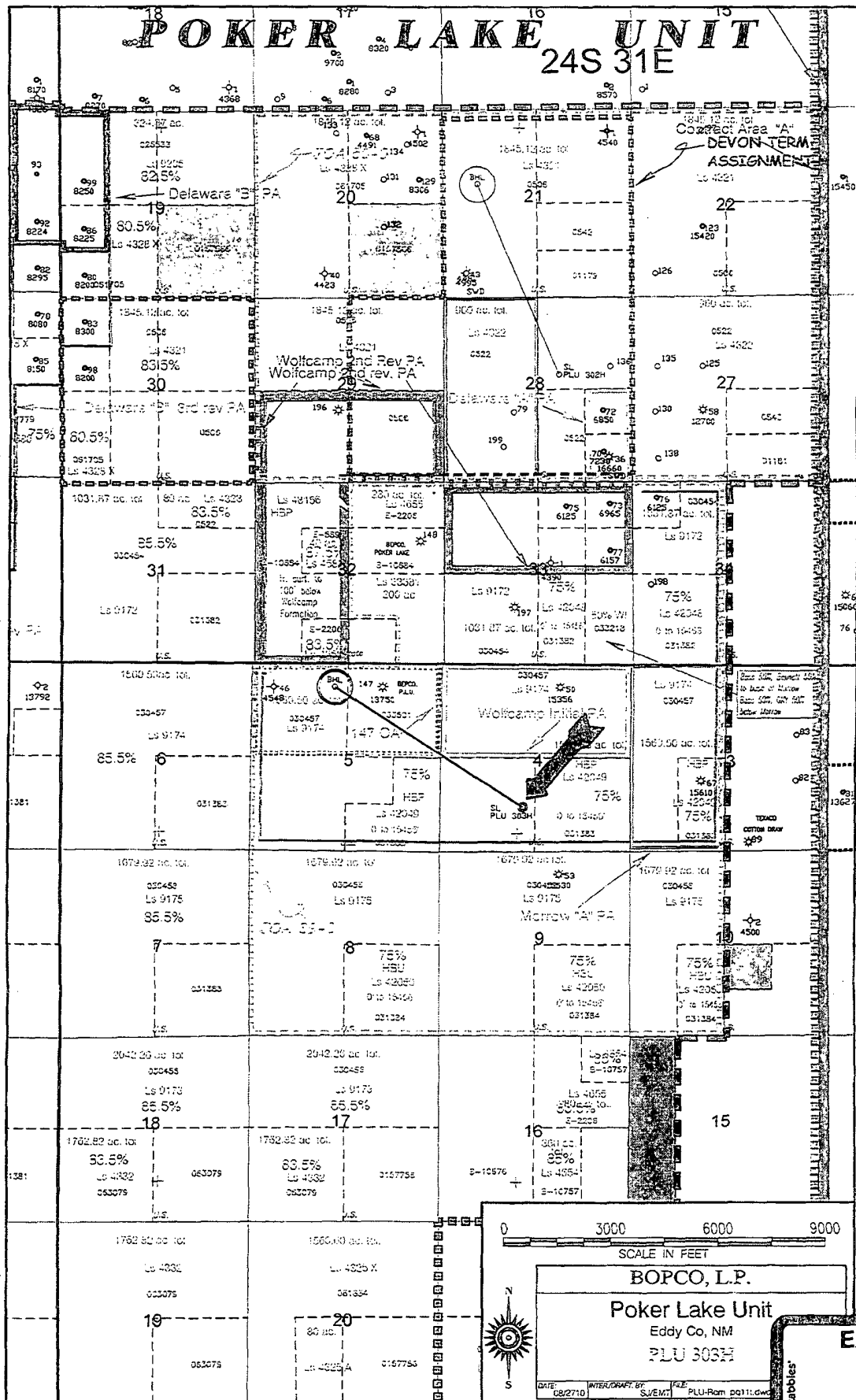
Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. ☻

POKER LAKE UNIT

24S 31E



EXHIBIT

A

DISTRICT I
7625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1521 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Hondo Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 15, 2002

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-37646	Pool Code 98757 50386	Pool Name Poker Lake
Property Code 306402	Property Name POKER LAKE UNIT	Well Number 303H
GRID No. 260737	Operator Name BOPCO, L.P.	Elevation 3411'

Surface Location									
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	4	25 S	31 E		1264	SOUTH	2310	WEST	EDDY

Bottom Hole Location If Different From Surface									
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	5	25 S	31 E		660	NORTH	2310	WEST	EDDY
Dedicated Acres 260	Joint or Infill N	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or is a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *Gary E. Gerhard* Date: *1/21/10*

Printed Name: **Gary E. Gerhard**

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date Surveyed: *JAN 15 2010*

Signature: *[Surveyor Signature]* Professional Surveyor

Certificate No. *Gary E. Jones 7977*

BASIN SURVEYS

PROPOSED BOTTOM HOLE LOCATION

Let - N 32°09'54.08" Long - W 103°48'02.21"

NMSPCE - N 424184.241 E 564544.538 (NAD-27)

BURSHY CANYON ENTRY POINT

Let - N 32°09'22.00" Long - W 103°47'03.92"

NMSPCE - N 420949.13 E 565871.38 (NAD-27)

DELAWARE ENTRY POINT

Let - N 32°09'20.51" Long - W 103°47'00.86"

NMSPCE - N 420778.451 E 670135.483 (NAD-27)

SURFACE LOCATION

Let - N 32°09'20.51" Long - W 103°47'00.86"

NMSPCE - N 420778.451 E 670135.483 (NAD-27)

EXHIBIT
B