



Ray Powell, M.S., D.V.M.
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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COMMISSIONER'S OFFICE

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February 5, 2013

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

Attention: Mr. Andy Morrison

Re: PLU Pierce Canyon 12 Well No. 1H (30-015-37518)
Non-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 above referenced well.

The Bureau of Land Management, by their letter of January 23, 2013, advised this office that they concur with your determination that the PLU Pierce Canyon 12 Well No. 1H is not capable of producing unitized substances in paying quantities from the Bone Spring formation and is to be produced on a lease basis.

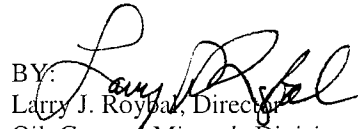
Please be advised that the Commissioner of Public Lands concurs with yours and the Bureau of Land Management's determinations that the PLU Pierce Canyon 12 Well No. 1H is a non-commercial Bone Spring well and should be produced on a lease or communitization basis.

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

BY:


Larry J. Roybal, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/LR/jm

cc: Reader File,

OCD-Attention: Mr. Ed Martin

TRD-Santa Fe, Attention: Ms. Joan Ishimoto

BLM Carlsbad, Attention: Mr. Wesley Ingram