



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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www.nmstatelands.org

December 29, 2011

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

Attention: Mr. Andy Morrison

Re: Poker Lake Unit  
Initial Bone Spring Participating Area "F"  
Eddy County, New Mexico

Dear Mr. Morrison:

We are in receipt of your application of November 3, 2011 requesting approval of the Initial Bone Spring Participating Area "F" for the Poker Lake Unit, Eddy County, New Mexico.

By their letters of November 25, 2011 and December 22, 2011, the Bureau of Land Management has advised this office of their approval to the above-mentioned participating area.

The Commissioner of Public Lands concurs with the Bureau of Land Management and has this date approved the above-mentioned participating area effective as follows:

INITIAL BONE SPRING PARTICIPATING AREA "F"

Effective October 26, 2010

WELL	DESCRIPTION	ACRES
PLU Ross Ranch 19 Federal #1H	T-25S-30E Sec. 19: E/2E/2	160.00

Our approval is subject to like approval by all other appropriate agencies.

BOPCO  
December 29, 2011  
Page 2

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/pm  
cc: Reader File,  
OCD-Attention: Mr. Ed Martin  
BLM-Attention: Mr. Wesley Ingram  
TRD-Attention: Mr. Valdean Severson



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District

Carlsbad Field Office

620 E. Greene

Carlsbad, New Mexico 88220-6292

www.blm.gov/nm



NMNM71016N  
3180 (P0220)

RECEIVED OOD

2011 DEC 28 A 9:28

Your Reference:  
Application for Initial Bone Spring Participating Area "F"  
Poker Lake Unit  
Eddy County, New Mexico

DEC 22 2011

CERTIFIED—RETURN RECEIPT REQUESTED

7008 3230 0002 0987 6063

BOPCO, L.P.  
201 Main St.  
Fort Worth, Texas 76102-3131

Gentlemen:

The following is an amendment to the previous letter dated November 25, 2011, to correct location descriptions of Exhibits A and B. Your application dated November 3, 2011, with Exhibits "A" and "B", requesting approval for the Initial Bone Spring Participating Area "F", Poker Lake Unit, is hereby approved and is effective October 26, 2010, pursuant to Section 11 of the Poker Lake Unit Agreement, Eddy County, New Mexico.

The boundary included in the Initial Bone Spring Participating Area "F", contains 160.00 acres and is described as follows:

Township 25 South, Range 30 East, Eddy County, New Mexico  
Section 19: E/2 E/2

The Initial Bone Spring Participating Area "F", contains 160.00 acres and is based upon the completion of the PLU Ross Ranch 19 Federal #1H Unit well, located in the E/2 E/2 of sec. 19, T. 25 S., R. 30 E., as a discovery well capable of producing unitized substances in paying quantities.

This Initial Bone Spring Participating Area "F" has been assigned number NMNM71016N for production and accounting reporting purposes. If you have any questions regarding this letter, please contact Edward G. Fernandez, Petroleum Engineer at the Division of Lands and Minerals at (575) 234-2220.

Copies of this approval letter are being distributed to the appropriate Federal agencies and one copy is returned herewith. Please advise all interested parties of the Initial Bone Spring Participating Area "F", NMNM71016N (AFS-891000303-M), Poker Lake Unit, and the effective date of October 26, 2010.

Since there is a well currently producing, this approval requires the submission of a Payor Information Form MMS-4025 to the Office of Natural Resource Revenue (ONRR) within 30 days (30 CFR 210.51). Please notify the designated payor or payors as soon as possible regarding this requirement. Any producing royalties that are due must be reported and paid within 90 days of the Bureau of Land Management's approval date or the payors will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (See 30 CFR 218.54). If you need assistance or clarification, please contact the Office of Natural Resource Revenue at 1-800-525-9167 or 303-231-3504.

Sincerely,



for Don Peterson  
Assistant Field Manager,  
Lands and Minerals

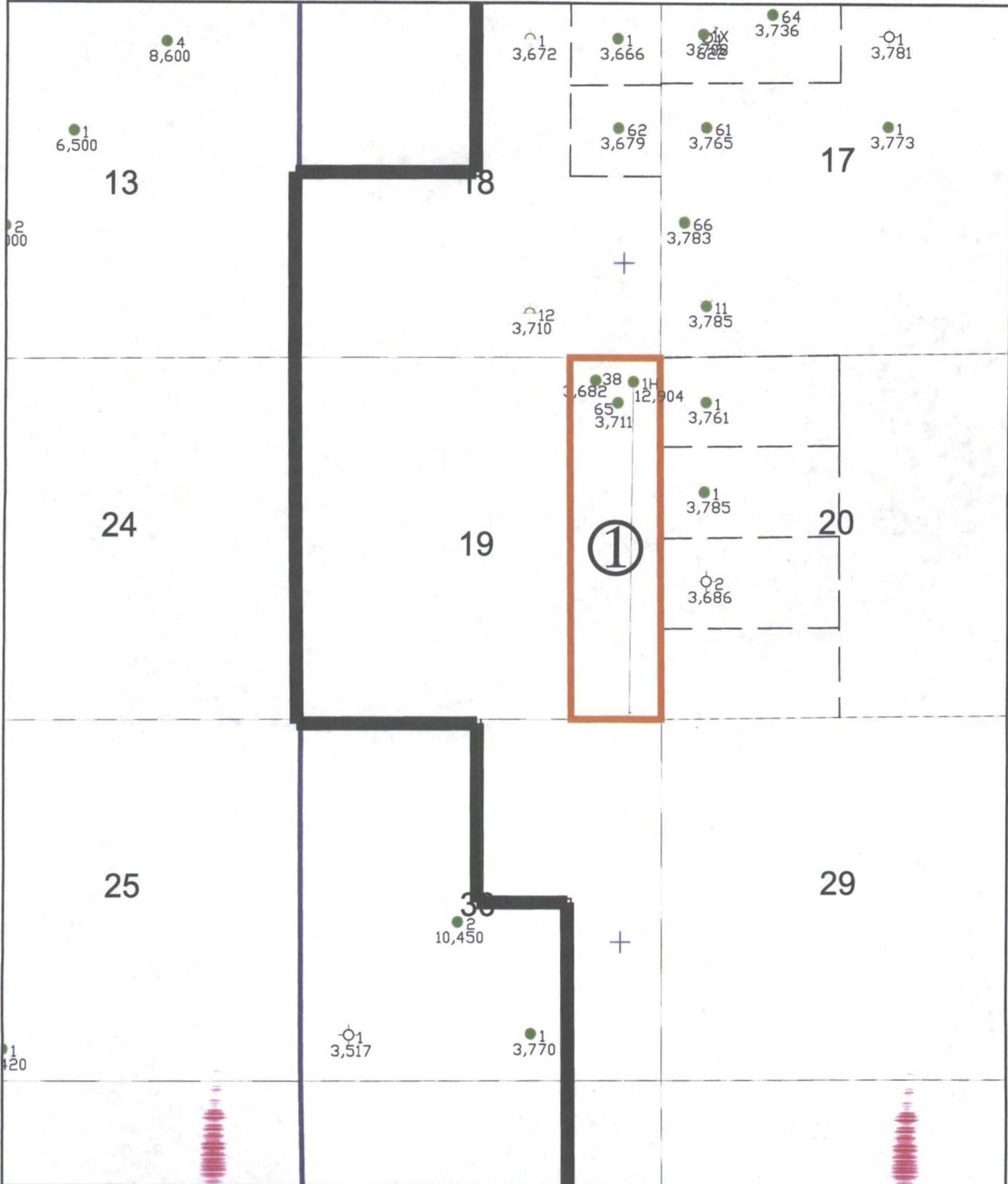
1 Enclosure

cc: ONRR, Denver (MS357B-1)  
Commissioner of Public Lands  
New Mexico Taxation & Revenue Dept.  
Revenue Processing Division  
NMOCD  
NM9210  
NMP0220, (CFO I&E)



Initial Bone Spring Participating Area "F"  
(10-26-10) 160 Acre Area

**BEPCO, L.P.**  
**EXHIBIT "A"**  
Eddy County, New Mexico



# EXHIBIT "B"

## Initial Bone Springs Participating Area "F" Poker Lake Unit Eddy County, New Mexico

<u>Tract No.</u>	<u>Lease No.</u>	<u>Description</u>	<u>Participating Acres</u>	<u>Percentage of Participation</u>	<u>Working Interest Owners</u>
1	NMLC-070341	Section 19 T25S-R30E: E/2 E/2	160.00	100.0000%	50.00% BMT O&G NM, L.L.C. SRBI O&G NM, L.L.C. LMBI O&G NM, L.L.C. KEYSTONE O&G NM, L.L.C. THRU LINE O&G NM, L.L.C.  Chesapeake Energy - 50.00%