



United States Department of the Interior



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

JUN 29 2018 2:04:05

In Reply Refer To
3186
(3186.1)
Poker Lake Unit
NMNM71016X

30-015-33095

BEPCO, L.P.
Attn: Blake Hueske
Land Dept. Loc. 115
22777 Springwoods Village Pkwy
Spring, TX 77389-1425

Re: Consolidated Bone Spring Formation Participating Area "AM"
Poker Lake Unit
Eddy County, New Mexico

Gentlemen:

The Consolidated Bone Spring Formation Participating Area "AM" is hereby approved effective as of December 1, 2014, pursuant to Section 11 of the Poker Lake Unit Agreement, Eddy County, New Mexico. This participating area has been designated NMNM71016W.

The Consolidated Bone Spring Formation Participating Area "AM" consolidates the existing Bone Spring Formation Participating Area "A" and the Bone Spring Formation Participating Area "M".

The application establishes a Consolidated Bone Spring Formation Participating Area "AM" of 640.00 acres and is based upon the completion of unit well CVX JV RR 10H, located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ (SHL) of Section 17, T.25S., R.30E., unit tract No. 37, Lease No. NMLC064894A and in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ (BHL) of Section 29, T.25S., R.30E., unit tract No. 38, Lease No. NMLC064894, with an initial potential of 880 BOPD and 1,570 MCFPD on December 9, 2014, from the Bone Spring Formation.

Copies of the approved request are being distributed to the appropriate agencies and one copy of Exhibits "A" and "B" are returned herewith. Please advise all interested parties of the approval of the Consolidated Bone Spring Formation Participating Area "AM" effective as of December 1, 2014.

Any production royalties that are due must be reported and paid within 30 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 (30 CFR 218.54). If you need assistance or clarification, please contact the Office of Natural Resources Revenue (ONRR) at 1-800-525-9167 or 303-231-3856.

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

Sincerely,

J. David Chase
Chief, Reservoir Management Group

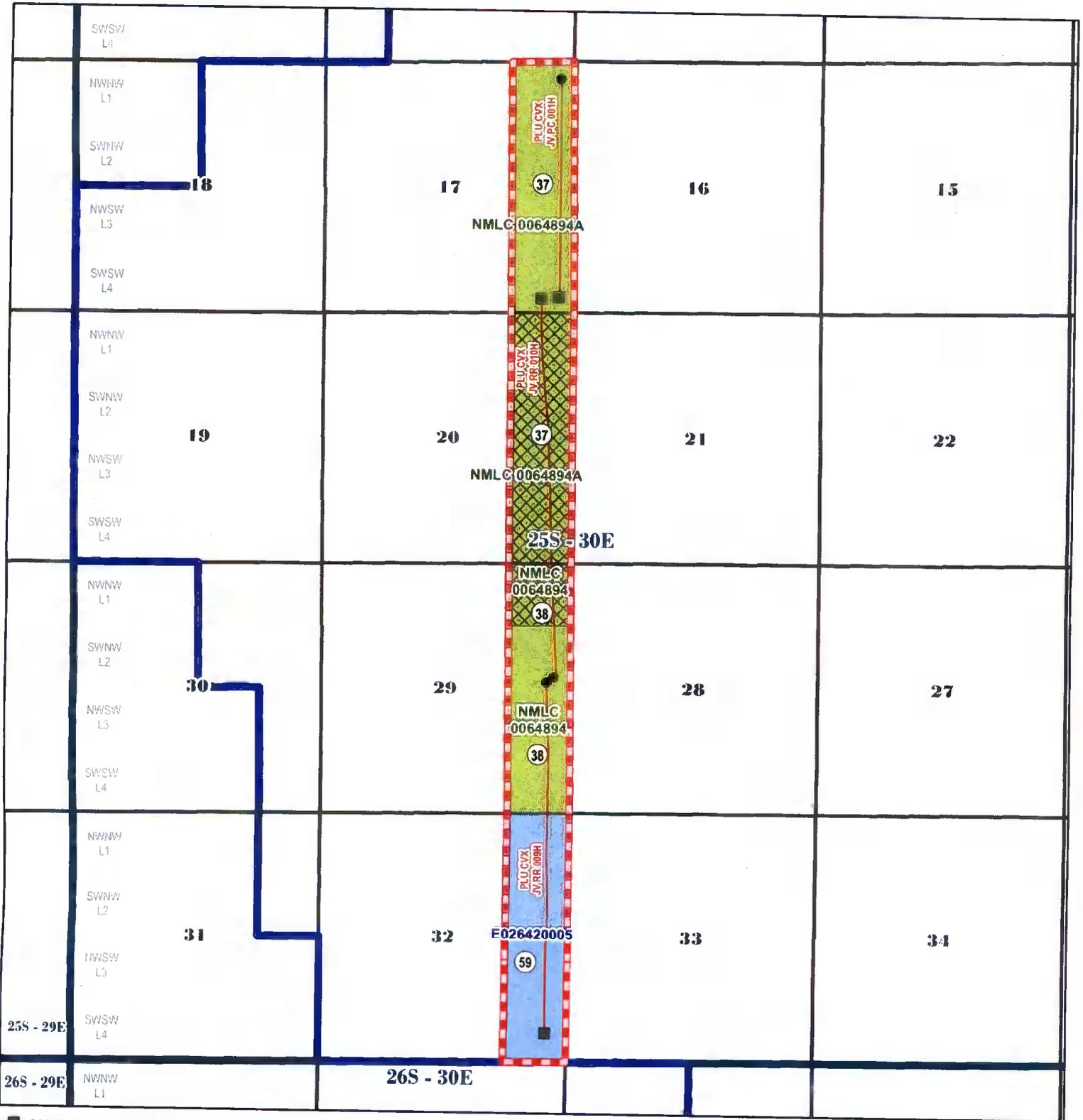
1 Enclosure

Encl. 1 - Exhibits "A" and "B"

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



Exhibit "A"
Consolidated Bone Spring Participating Area "AM"
Poker Lake Unit
Eddy County, New Mexico
Effective December 1, 2014



- CAPABLE WELL (SHL)
- CAPABLE WELL (BHL)
- ~ CAPABLE WELLBORE
- ▬ POKER LAKE UNIT OUTLINE
- ▭ PROPOSED CONSOLIDATED BONE SPRING PA "AM"
- ▭ FEDERAL ACREAGE WITHIN PA "AM" ONLY
- ▭ STATE ACREAGE WITHIN PA "AM" ONLY
- ▭ REVISED ACREAGE



EXHIBIT "B"
 SCHEDULE OF LANDS AND TRACT PARTICIPATION
 CONSOLIDATED BONE SPRING FORMATION PARTICIPATING AREA "AM"
 POKER LAKE UNIT
 EDDY COUNTY, NEW MEXICO
 EFFECTIVE DECEMBER 1, 2014

Tract No.	Lease No.	Description	Acres	Participation
37	NMLC064894A Federal	T25S-R30E, 23rd P.M. Section 17: E/2E/2 Section 20: E/2E/2	320.00	50.0000%
38	NMLC064894 Federal	T25S-R30E, 23rd P.M. Section 29: E/2E/2	160.00	25.0000%
59	E026420005 State	T25S-R30E, 23rd P.M. Section 32: E/2E/2	160.00	25.0000%
Totals			640.00	100.0000%

TYPE OF LAND	COMMITTED ACRES	NON-COMMITTED ACRES	PERCENT
FEDERAL	480.00	0.00	75.0000%
STATE	160.00	0.00	25.0000%
PATENTED	0.00	0.00	0.0000%
TOTAL	640.00	0.00	100.0000%

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