

DATE IN 9.28.11	SUSPENSE	ENGINEER DB	LOGGED IN 9.30.11	TYPE NSL	APP NO 1127347965
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



BOPCO

Paper Lake Unit #343H

30-05-38667

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 _____

[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 Attorney 9-28-11
Print or Type Name Signature Title Date
omundsdry@hollandhart.com
e-mail Address

RECEIVED OOD
20 SEP 28 P 3:02

HOLLAND & HART LLP



Ocean Munds-Dry
omundsdry@hollandhart.com
RECEIVED 000

2011 SEP 28 P 3:04

September 28, 2011

HAND-DELIVERED

Jami Bailey, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Amended Application of BOPCO, L.P. for administrative approval of an unorthodox well location for its Poker Lake Unit Well No. 343H to be drilled from a surface location and penetration point 550 feet from the South line and 365 feet from the East line of Section 22 and a bottomhole location 240 feet from the South line and 100 feet from the East line of Section 26, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico.

30-015-38667

Dear Ms. Bailey:

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. 343H. This well will be located in Sections 26, 23 and 22, Township 24 South, Range 30 East, N.M.P.M., Eddy County, New Mexico and is to be drilled in the Delaware formation, Poker Lake Southwest Delaware Pool at a surface location and a penetration point 550 feet from the South line and 365 feet from the East line of Section 22 and a bottomhole location 240 feet from the South line and 100 feet from the East line of Section 26, Eddy County, New Mexico. A 560-acre project area has been dedicated to this horizontal well comprised of the SW/4 SW/4 of Section 25, SE/4, NE/4 SW/4, SW/4 NE/4, NW/4 of Section 26, NE/4 NE/4 of Section 27, SE/4 SE/4 of Section 22 and SW/4 SW/4 of Section 23.

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 the bottomhole location is 240 feet to the

North
South

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. ☻

HOLLAND & HART^{L.P.}



Exhibit A is a plat showing the location of the well. This location is within the Poker Lake Unit which is operated by BOPCO. BOPCO is the 100% working interest owner and the offset operator of the NE/4 NE/4 of Section 35 and the SW/4 SW/4 of Section 25. ExxonMobil is the lessee in the NW/4 NW/4 of Section 36. The wellbore will be cased and not perforated until it reaches the producing area. A copy of this application with all attachments was mailed to ExxonMobil and they were advised that if they have an objection to this application it must be filed in writing with the Division's Santa Fe office within twenty days from the date notice was sent. They were also advised that if no objections were received by the Division within twenty days, the Division Director could approve the application.

Exhibit B is the C-102 for this well.

Exhibit C is the notice list.

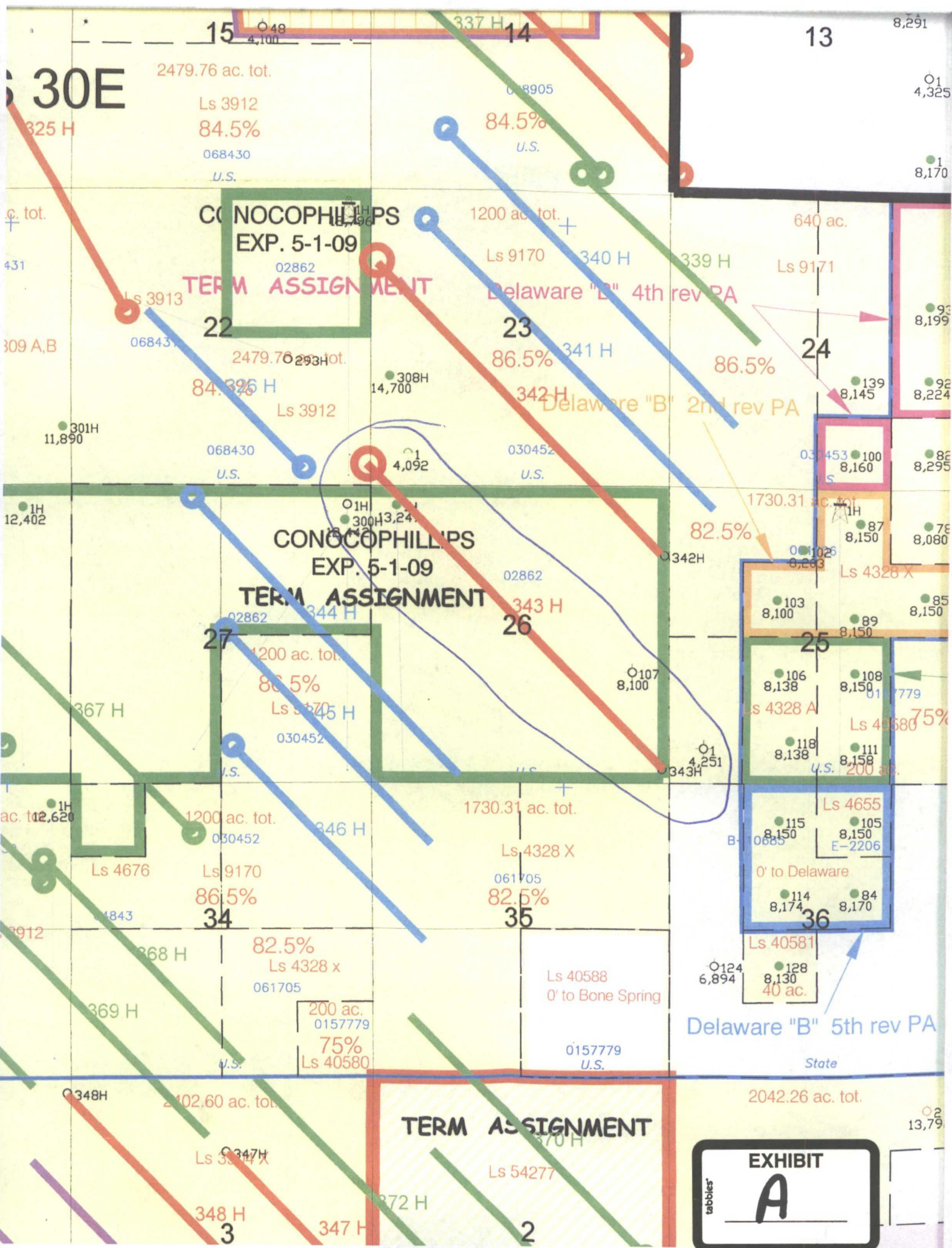
Your attention to this application is appreciated.

Sincerely,

Ocean Munds-Dry
ATTORNEY FOR BOPCO, L.P.

Enclosures

cc: OCD District Office - Artesia
Andy Morrison



tabbles
EXHIBIT
A

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos 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 July 16, 2010

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 30-015-38667	Pool Code 96047	Pool Name Poker Lake SW (Delaware)
Property Code 306402	Property Name POKER LAKE UNIT	Well Number 343H
OGRID No. 260737	Operator Name BOPCO, L.P.	Elevation 3393'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	22	24 S	30 E		550	SOUTH	365	EAST	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
P	26	24 S	30 E		240	SOUTH	100	EAST	EDDY

Dedicated Acres 560	Joint or Infill	Consolidation Code	Order No.
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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

<p>SURFACE LOCATION Lat - N 32°11'51.05" Long - W 103°51'39.56" NMSPC - N 435896.698 E 646110.118 (NAD-27)</p> <p>DELAWARE PENETRATION PT. Lat - N 32°11'51.05" Long - W 103°51'39.56" NMSPC - N 435896.698 E 646110.118 (NAD-27)</p> <p>LO BRUSHY CANYON "U" SAND PENETRATION PT. Lat - N 32°11'50.46" Long - W 103°51'38.86" NMSPC - N 435836.79 E 646170.94 (NAD-27)</p> <p>END OF CURVE Lat - N 32°11'47.75" Long - W 103°51'35.65" NMSPC - N 435563.87 E 646448.03 (NAD-27)</p> <p>PROPOSED BOTTOM HOLE LOCATION Lat - N 32°10'55.78" Long - W 103°50'34.16" NMSPC - N 430336.615 E 651755.121 (NAD-27)</p>	<p>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 unleased 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 to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____ Jeremy Braden Printed Name JDBraden@basspet.com Email Address</p> <p>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.</p> <p>DECEMBER 15 2010 Date Surveyed Signature & Seal of Professional Surveyor Certificate No. Gary L. Jones 7977 BASIN SURVEYS 23828</p>
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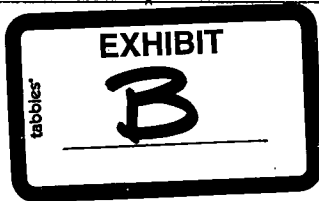
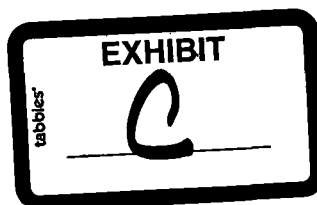


EXHIBIT C

Amended Application of BOPCO, LP
Administrative Approval of an Unorthodox Well Location
For its PLU Well 343H
Section 26, Township 24 South, Range 30 East, NMPM,
Eddy County, New Mexico

NOTICE LIST

ExxonMobil
Post Office Box 4610
Houston, Texas 77210-4610





September 28, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED**TO AFFECTED PARTIES**

Re: **Amended Application of BOPCO, L.P. for administrative approval of an unorthodox well location for its Poker Lake Unit Well No. 343H to be drilled from a surface location and penetration point 550 feet from the South line and 365 feet from the East line of Section 22 and a bottomhole location 240 feet from the South line and 100 feet from the East line of Section 26, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico.**

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date by BOPCO, L.P. for administrative approval of an unorthodox well location for its PLU Well No. 343H. This well is located in Section 26, 23 and 22, Township 24 South, Range 30 East, N.M.P.M., to be drilled to the Delaware formation, Poker Lake Southwest Delaware Pool, from a surface location and penetration point 550 feet from the South line and 365 feet from the East line of Section 22 to a bottomhole location 240 feet from the South line and 100 feet from the East line of Section 26, Eddy County, New Mexico.

As an owner of an interest that may be affected by the proposed well, you may object to this application. Objections must be filed in writing within twenty days from this date at the Division's Santa Fe office that is located at 1220 South Saint Francis Drive, Santa Fe, New Mexico. 87505. If no objection is received within this twenty-day period, this application for an unorthodox well location may be approved.

Sincerely,

Ocean Munds-Dry
Attorney for BOPCO, L.P.

Enclosures