03 2 DATE IN	2 2013	SUSPENSE	ENGINEERDB	03/25/20/3	TYPE PLC	PPRG1308456573
			ABOVE	THIS LINE FOR DIVISION USE ONLY	- ,	
			- Engineerii	NSERVATION DI ng Bureau - ive, Santa Fe, NM 82		PLU 320 BATT PLU Remuda Basin 4 24 30 USA 11
<u> </u>		ADMI	NISTRATIVE	APPLICATIO	N CHECK	LIST
ТІ	HIS CHECKL			E APPLICATIONS FOR EX		ION RULES AND REGULATIONS
Applic	[DH0	on-Standard Loc C-Downhole Cor [PC-Pool Commi [WFX-Wa [SW	nmingling] [CTB-L ingling] [OLS - Off terflood Expansion]	[PMX-Pressure Main [PMX-Pressure Main [PMX-Pressure Main [PMX-Pressure Main [PMX-Pressure Main Pressure Main Pressure Pr	[PLC-Pool/Lea OLM-Off-Lease M aintenance Expa ressure Increas	ase Commingling] Neasurement] ansion]
[1]	TYPE	[A] Locatio		Which Apply for [A] multaneous Dedicatio SD		BOPCO, LP. 30-015-40660
			nglin <u>g -</u> Storage - <u>M</u> e	easurement PLC PC	] ols 🛛 o	PLU Permuda Basín 42430 PLU Permuda Basín 42430 PLM
		· ·		re Increase - Enhance SWD [] IPI [	- <u> </u>	PPR <sup>N</sup> E
		[D] Other: S	Specify			- II: 2
[2]	NOTIF			ck Those Which Appl verriding Royalty Inte		t Apply 30-015-39731
		[B]	fset Operators, Lease	holders or Surface O	wner	Poker Lake Unit # 318H 30-015-97834
		[C]  Ap	plication is One Whi	ich Requires Publishe	ed Legal Notice	Poker Lake Unit # 319.11
		[D] No U.S.	tification and/or Con Bureau of Land Management - (	Commissioner of Public Lands, S	BLM or SLO	30-015-39810 Poker Lake Unit #320H
		[E] 🛛 For	r all of the above, Pro	oof of Notification or	Publication is A	ttached, and/or, 30-015-39835
		[F] 🗌 Wa	ivers are Attached			Poker Lake Unit #332H
[3]			AND COMPLETE		REQUIRED TO	O PROCESS THE TYPE

[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.

	Sal	(~ )Ch			
Tracie J Cherry	<u> </u>	41 CH	MV_	Sr. Regulatory Analyst	03-20-13
Print or Type Name	Signature			Title	Date

tjcherry@basspet.com e-mail Address

i

#### **GENERAL OFFICES - FORT WORTH, TEXAS**

BOPCO, L.P. P.O. Box 2760 Midland, Tx 79702 (432) 683-2277 (432) 687-0329 (fax)

RECEIVED OOD

2013 MAR 22 A 11:21

March 21, 2013

Oil Conservation Division 1220 S. St Francis Santa Fe NM 87505

Re: Poker Lake Unit, 318H Poker Lake Unit 319H Poker Lake Unit 320H Poker Lake Unit 332H PLU Remuda Basin 4 24 30 USA 1H Various Pools Eddy County, NM

Gentlemen:

BOPCO, L.P. respectfully requests permission to surface commingle and off lease measure gas production for the above referenced locations. This request is to add gas production from the PLU Remuda Basin 4 24 30 USA 1H to the system currently in place at the Poker Lake Unit 320H Battery. A list of interest owners notified via certified mail is attached.

Copies of this application and request for approval have also been sent to the Bureau of Land Management and the State Land Office.

If you have any questions or need additional information, please call me at 432/683-2277.

Sincerely, Harry Charly Tracie J Cherry

Sr. Regulatory Analyst

Enclosures

District I 1625 N. French Drive, Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, 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-107-B Revised August 1, 2011

## **OIL CONSERVATION DIVISION** 1220 S. St Francis Drive Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

### **APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME:	BOPCO, L.P.	1	
OPERATOR ADDRESS:	P O Box 2760	Midland, TX	79707

APPLICATION TYPE:

LEASE TYPE:

X Pool Commingling XLease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

> 🗌 Fee State X Federal

Is this an Amendment to existing Order? Yes XNo If "Yes", please include the appropriate Order No. Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling Yes No

(A) POOL COMMINGLING Please attach sheets with the following information						
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	4	Calculated Value of Commingled Production	Volumes	
List attached.					······	
		-				
		<b>-</b>				
(4) Measurement type: XMeter	tified by certified mail of the pro-		Yes □No. be why commingl	ing should be approved		
			ľ			
	(B) LEAS	SE COMMINGLIN	IG			

#### Please attach sheets with the following information Pool Name and Code. (1) (2) Is all production from same source of supply? $\Box$ Yes $\Box$ No (3) Has all interest owners been notified by certified mail of the proposed commingling? □Yes □No (4) Measurement type: Metering Other (Specify)

#### (C) POOL and LEASE COMMINGLING Please attach sheets with the following information

(1)Complete Sections A and E.

#### **(D) OFF-LEASE STORAGE and MEASUREMENT** Please attached sheets with the following information

Is all production from same source of supply? Yes No (1)

Include proof of notice to all interest owners. (2)

## (E) ADDITIONAL INFORMATION (for all application types) Please attach sheets with the following information

(1)A schematic diagram of facility, including legal location.

(2)A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

bove is true and complete to the best of my knowledge and belief. I hereby certify that the information-

SIGNATUR TYPE OR PRINTNAME Tracie J Cherry

TITLE: Sr. Regulatory Analyst

DATE: 03/20/2013

TELEPHONE NO.: (432)683-2277

E-MAIL ADDRESS: tjcherry@basspet.com



# APPLICATION FOR LEASE & POOL COMMINGLING, OFF-LEASE MEASUREMENT & SALES APPROVAL

BOPCO L.P. is requesting approval for the above captioned types of commingling & measurement for hydrocarbon gas production from all leases shown:

Lease Name	Poker Lake Unit

Property Cd 30642

	Poker Lake				Pool		
Well No.	Unit API No.	Location	Proration	Pool Name	Code	MCF/D	BTU
		SHL: SENW 4-T24S-R30E		i i			
318H	30-015-39731	BHL: SENE 10-T24S-R30E	*	Poker Lake, NW (Delaware)	96046	1200	1337.8
		SHL: NESE 4-24s-30E	1				
319H	30-015-39834	BHL: NESE 10-T24S-R30E	*	Nash Draw, Delaware/BS (Av Sd)	47545	900	`1452.7
		SHL: NESW 9-T24S-R30E					
320H	30-015-39810	BHL: SWSE 10-T24S-R30E	*	Poker Lake, NW (Delaware)	96046	700	1325.8
		SHL: SWNW 3-T24S-R30E					
332H	30-015-39835	BHL: SWNW 11-T24S-R30E	*	WC Delaware	97821	1200	1369.8

Lease Nan	ne	PLU Remuda Basin 4 24 30						
Property	Cd	39432						
				<b>-</b>				
Well No.	API No.	Location SHL: NENE 4-T24S-R30E	Proration	Pool Name				
1H	30-015-40660	BHL: SESE 4-T24S-R30E	*	WC Bone-Sprin				

\*Proration unit plats attached

WC Bone Spring 97798 1000 1175.8 Wildcart G-06 S24 3026M (BS)

Pool Code

MCF/D

BTU

DIS	TF	ICT	I				
1925	N.	Prenci	Dr.,	Bobbs,	NM	68240	
		ICT	-	in Arta		NK 882	

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

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

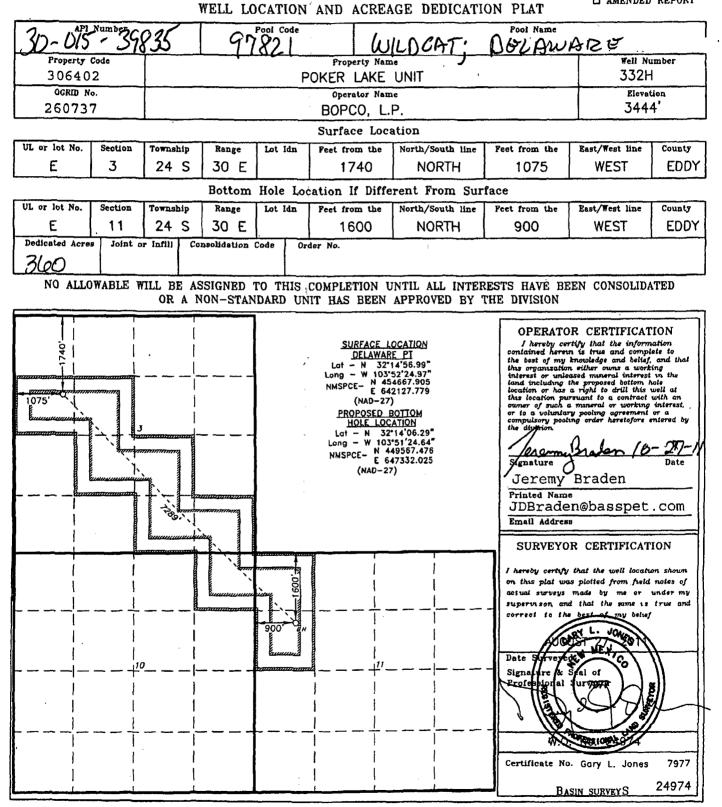
#### State of New Mexico Energy, Minerals and Natural Resources Department

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

AMENDED REPORT



30-015-3472

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240 DISTRICT II 1304 W. Grand Avenue, Artesia, NM 88210

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

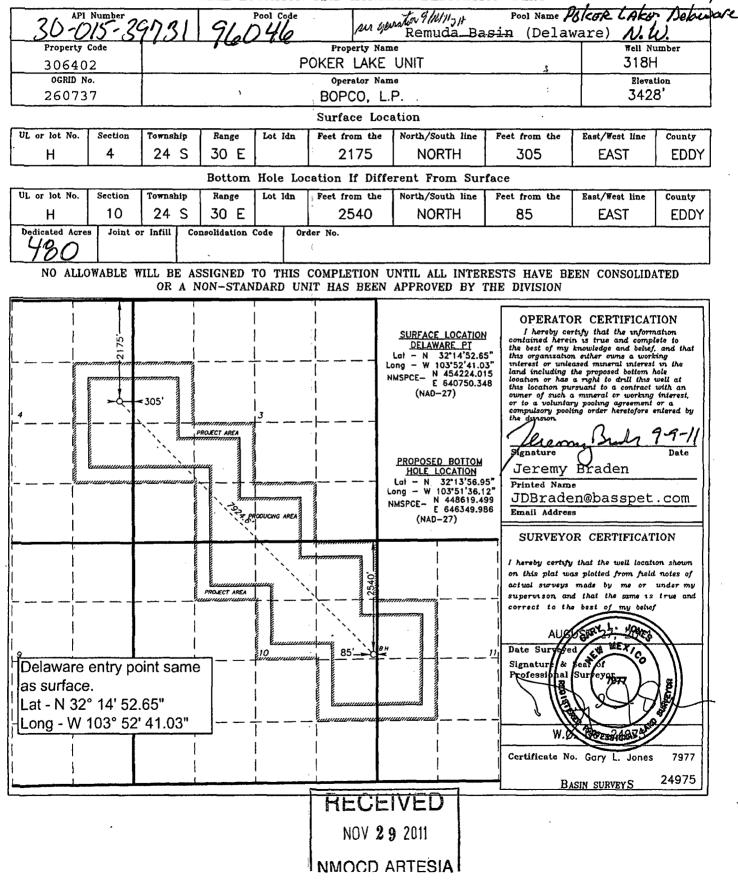
DISTRICT IV 1220 S. SL. Francis Dr., Santa Fe, NM 87505 State of New Mexico Energy, Minerals and Natural Resources Department Form C-102 Revised July 16, 2010

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



DISTRICT I 1825 N. French Dr., J DISTRICT II 1301 W. Grand Avenue DISTRICT III 1000 Rio Brazos R DISTRICT IV 1220 S. St. Francis D	e, Artesia, NN id., Aztec, Ni	68210 M 87410	OIL	CON 122 San	SERVATI 20 South St. ta Fe, New M		D ARTESIA	Revised July mlt one copy to a Dist	rilled "
API	Number		-	Pool Code			Pool Name		
30-0 Property 30640		9834	475		Property Nan POKER LAKE		laware/B	S( <u>Aua.</u> S <sup>₩ell Nu</sup> 319H	
OGRID NO	0.				Operator Nam BOPCO, L.			Elevat 342	
	<u> </u>				Surface Loc	· · · · · · · · · · · · · · · · · · ·	•	1 012	
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	4	24 S	30 E		2200	SOUTH	1220	EAST	EDDY
UL or lot No.	Section	Township	Bottom Range	Hole Lo Lot Idn	Feet from the	erent From Sur North/South line	face Feet from the	East/West line	County
1	10	24 S	30 E	<u>.</u>	1462	SOUTH	552	EAST	EDDY
Dedicated Acres	9 Joint o	r Infill	Consolidation (	Code Or	rder No.	· · · · · · · · · · · · · · · · · · ·		- aksini ing sana	
360 NO ALLO	WABLE W	ILL BE	ASSIGNED	TO THIS	COMPLETION I	UNTIL ALL INTER	ESTS HAVE BE	EN CONSOLIDA	ATED
·						APPROVED BY			
SURFACE         Long           DELAWARE	PT 4'43.54" [	4		B HOLE Lat - N Long - W NMSPCE-	PROJECT AREA PROJECT AREA PROJECT AREA PROJECT AREA PROJECT AREA PROJECT AREA PROJECT AREA PROJECT AREA PROJECT AREA 10 00110M 1.022113'44.35" E 645889.85 DD-27)		I hereby cert contained herein the best of my hits organisation interest or unlead land including it location or has of this location or has of the division Signature Signature Signature Signature Signature SURVEYOI I hereby certify on this plat was actual surveys supervision and correct to the Date Shrvefee Signature & Professional Certificate No	R CERTIFICAT that the well locate s plotted from field made by me or t that the same is best of my belies that the same is best of my belies that the same is best of my belies	vation lete to iand that import in the value with an interest, or or or or or or or or or or

.

DISTRICT I 1625 N. French Dr., Hobbs, NM 68240 DISTRICT II

1301 W. Grand Avenue, Artesia, NM 68210 DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

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

# WELL LOCATION AND ACREAGE DEDICATION PLAT

□ AMENDED REPORT

			WELL LU		IN AIND A	AUREA	GE DEDICATI	UN PLAI		
· API	Number			Pool Code			-	Pool Name		
30-015-			4754	5			<u>sh Draw; De</u>			
Property (	Code				-	erty Nam			Well Nu	
306402				<u></u>	POKER			•	3201	
OGRID N	0.				-	ator Nam			Elevat 336	
260737					BOPC	:0, L.	۲. 			+
					Surfac	e Loca	ation			
UL or lot No.	Section	Township	Range	Lot Idn	Feet fro	m the	North/South line	Feet from the	East/West line	County
K	4	24 S	30 E		25	90	SOUTH	1670	WEST	EDDY
· ·	I	,	Bottom	Hole L	ocation I	f Diffe	rent From Sur	face	<b></b>	
UL or lot No.	Section	Township	Range	Lot Idn	Feet fro	m the	North/South line	Feet from the	East/West line	County
0	10	24 S	30 E		11	48	SOUTH	2277	EAST	EDDY
Dedicated Acres	s Joint of	r Infill Co	nsolidation (	Code	Order No.		I		L	
600						·.				
			OLONED I				NTIL ALL INTER			
NO ALLU	WADLE W						APPROVED BY		SEN CONSOLIDA	TED
	1	, I	•		ľ		1	OPERATO	R CERTIFICAT	ION
SURFACE_LOC		1			L.	, i	, I	I hereby ce contained herei	rtify that the inform n is true and comp	ation ete to
· DELAWARE	PI	1		•	, 1 <sup>°</sup> .	i		this organization	knowledge and belief n either owns a work	ing
. Lat — N 32°14 Long — W 103°5	3'20.35"				·'	- + -	i	land including	ased mineral interest the proposed bottom /	lole
NMSPCE- N 453	679.556 I 376.514 I	1			l I	1		this location pu	a right to drill this rsuant to a contract 1 mineral or working	well at with an
(NAD-27)		1			1	1		or to a volunta	ry pooling agreement ing order heretofore	ora 1
	·   4	۱ ۱ ۱			1	3	······	the division	ing order nerecojore	miered by
1670'					· ·			/ la	Brah 12-	19-12
					1	1	] ]	Signature		Date
		~			1 ·	1		Jum.	Sister.	
	unununui.	ᢤ᠊᠆ᢩᡰ᠆ᢤ			·' ·	- + -		- Printed Nam	e . 01	
	060				1		1	Email Addres	m ( bry	pet, car
1 · · ·						1	1	Email Addres	s 	
2676.4		2677.6					· · · ·	SURVEYO	R CERTIFICAT	ION
						1	BOTTOM		that the well locati Is plotted from field	
			uui ``			1	<u>HOLE LOCATION</u> .at - N 32*13'41.13	n 1	made by me or	-
╠ !		munimit.		È` <u>←</u> —		Lo.	ng - W·103°52'01.61		d that the same is best in the same is	true and
				Ì.	PROJECT ARI	24 J NN 73 J	ASPCE- N 447011.85 E 644167.01		TOURY L. JOHES	
	I			. ``			(NAD-27)	M M	YOT ZOT S	
	9			uuu i		10		Date Surveye	/*/ \0	
	+	۴		PROD	UCING AREA			- Signature &	Seal of Surveyo7977	
. ·	l					?			K 667X	<u>}</u>
1	1	1				$\sim$			that h	Not the
				PROJĘCT ARE	A	_ 1				4
						1	2277'	- W.O		
1	.	l				148		Certificate No	» Gary L. Jones	7977
	ł	1			li linnun				·	
/W (	1	·		L	- English	mundum		BA BA	SIN SURVEYS	26661

Form C-102

Revised July 16, 2010

OIL CONSERVATION DIVISION 22 2013 de copy to appropriate 1220 South St. Francis D

State of New Mexico RECEIVED

Santa Fe, New Mexico 87505NMOCD ARTESIA

DISTRICT J 1625 N. French Dr., Hobbs, NM 88240 Phone (575) 393-8161 Pax: (575) 393-0720 DISTRICT II 1 S. First St., Artesia, NM 88210 • (575) 748-1283 Fan (575) 748-9720

JTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone (505) 334-5178 Pag: (505) 334-6170 DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 67505 Phone (505) 476-3460 Pax: (505) 476-3462

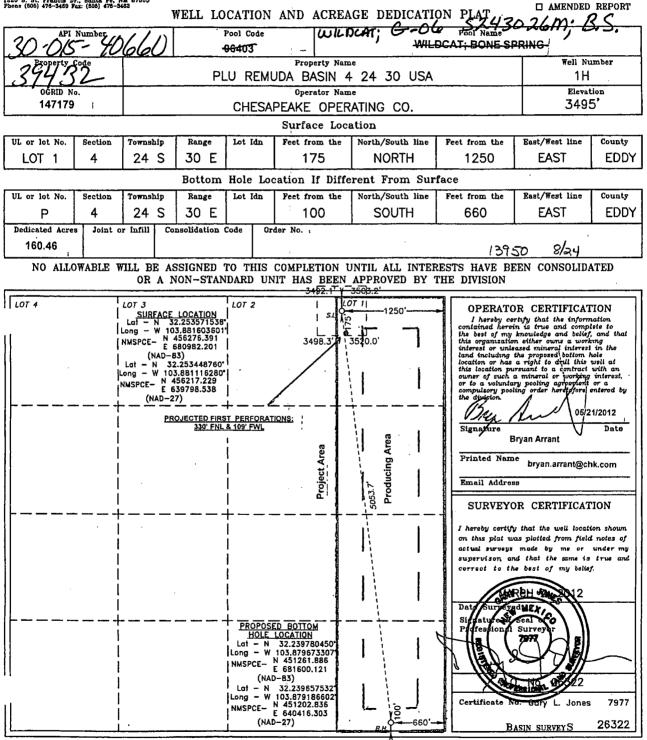
1

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised August 1, 2011

Submit one copy to appropriate District Office

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



## Individuals Notified of Application to Surface Commingle and Offlease Measure Poker Lake Unit Wells 3218H 319H, 320H 332H and PLU Remuda Basin 4 24 30 USA 1H

Patricia C Macpherson Patricia C Macpherson Trustee 2716 Ocean Park BlvdSte 3080 Santa Monica CA 90405

Irma Leota Hopp Davis P.O. Box 6675 Lubbock TX7 9493-6675

Vergil Wesley Hopp P.O. Box 1641 Arlington TX 76004-1641

Hugh D & Carolyn A Kiddy 7366 South Platte Canyon Drive Littleton CO 80128-6450

Colleen C Webster Mars Webster & Patrick Webster Attorney in Fact 11856 Mississippi Ave Los Angeles CA 90025

G Peck & Co Colorado State Bank & Trust P.O. Box 5945 Attn: P Nemmers Denver CO 80217-9977

Hiroko T Parker 931 Stiles Court Vista CA 92083

Scott J Parker 145 Matisse Circle Aliso Viejo CA 92656 Gary L Parker 1801 Park Street Huntington Beach CA 92648

Lynn E Parker 5186 Tellier Road Newark NY 14513

McBride Oil & Gas Corporation P.O. Box 1515 Roswell NM 88202

Ginsberg Properties LLC P.O. Box 1473 Roswell NM 88201

Toby B Graves 11440 East Desert Troon Lane Scottsdale AZ 85255

Leo C & Margaret B Graves Rev Living Trust Mary M Graves First Succ Trustee 7820 S Redland Road Coyle OK 73027

1

Hampton Oil & Gas linc 1422 NW Logan Lawton OK 73507

Chesapeake P.O. Box 960161 Oklahoma City OK 73196-0161

#### BOPCO, L. P. 6 DESTA DRIVE, SUITE 3700 (79705) P. O. BOX 2760 MIDLAND, TEXAS 79702

(432) 683-2277

FAX (432) 687-0329

March 21, 2013

RE: Application for Surface Commingling and Off Lease Sales Measurements Poker Lake Unit 318H Poker Lake Unit 319H Poker Lake Unit 320H Poker Lake Unit 322H PLU Remuda Basin 4 24 30 USA 1H Eddy County, New Mexico

Patricia C Macpherson Patricia C Macpherson Trustee 2716 Ocean Park Blvd Ste 3080 Santa Monica, CA 90405

Gentlemen:

This letter and attached copy of our surface commingling application is to notify you, as interest owner, that BOPCO, L.P. is petitioning the Bureau of Land Management and New Mexico Oil Conservation Division to grant permission to surface commingle and measure off lease sales for the subject wellbores.

If you should have any questions or require additional information please feel free to contact me. Any objections or requests for hearing must be filed with the Oil Conservation Division, 1220 South St Frances Dr., Santa Fe, New Mexico 87505m within 20 days of this letter's date.

Sincerely,

Tracie J Cherry Sr Regulatory Analyst

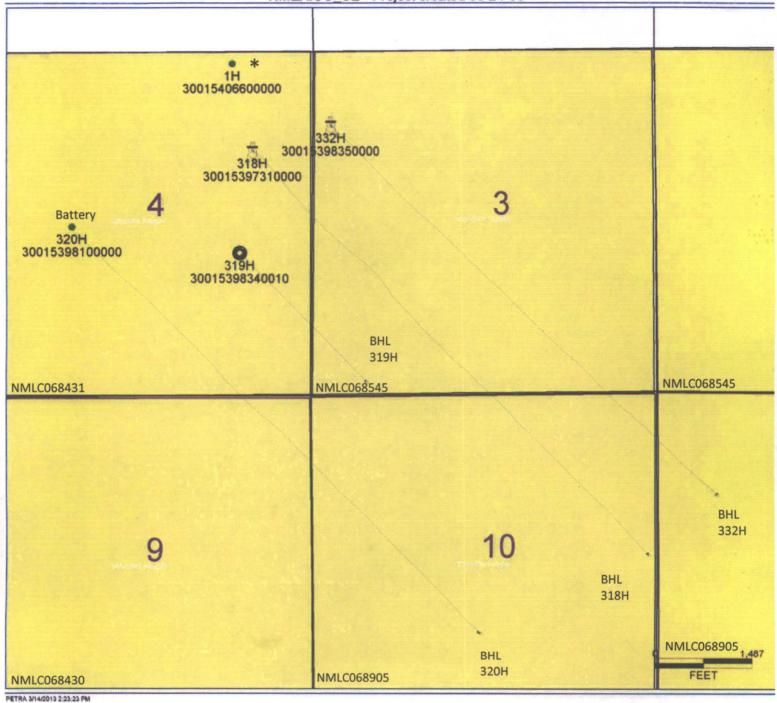
GERTIFIED MAIL

rjt Attachments

> BOPCO, L. P. P. O. Box 2760 Midland, Texas 79702

> > 7160 3901 9846 4645 0157 RETURN RECEIPT REQUESTED

NMEXICO\_SE - Project created 06-24-08

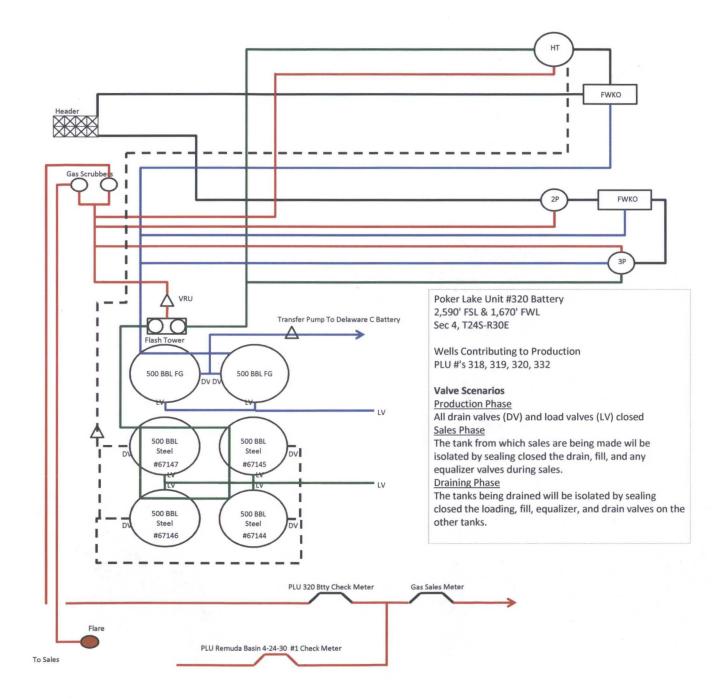


\* PLU Remuda Basin 4 24 30 recently drilled, BHL not shown on this map. BHL in SESE section 4, lease NMLC 068431

BOPCO, LP Application for Surface Commingle & Off Lease Measurement T24S-R30E

-

13



From:	Brooks, David K., EMNRD
Sent:	Friday, April 19, 2013 3:03 PM
То:	'tjcherry@basspet.com'
Subject:	Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA #1H - Surface Commingle Application

Dear Ms. Cherry

I have some questions concerning the referenced application.

First, at the top of your Form C-107-B, where it asks, "Is this an amendment to existing Order?" you have checked "No." However, your letter says "This request is to add gas production from the PLU Remuda Basin 4 24 30 USA 1H to the system currently in place at the Poker Lake Unit 320H Battery. Please explain. If there is an existing order we are being asked to amend, it would be helpful if you can supply the order number.

Second, in Item (A)(4) of the form C-107-B, we have checked "Measurement type: Metering." Does this mean that the production from each well is metered prior to commingling? If not, how do you propose to allocate production for purposes of proceed payment and production reporting/

Thanks in advance for your assistance.

Sincerely

David K. Brooks Legal Examiner

From:	Cherry, Tracie J. <tjcherry@basspet.com></tjcherry@basspet.com>
Sent:	Monday, April 22, 2013 1:59 PM
То:	Brooks, David K., EMNRD
Subject:	RE: Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA #1H - Surface Commingle Application

Mr Brooks:

In gathering he well information to answer your questions, I have learned something about this application after the fact.

This is not an existing order; it will be a new order. I have discovered the wells on the Poker Lake Unit do not have an existing commingle approval in this battery. I was working under the mistaken assumption that, this was taken care of by the "unit" and the only reason commingle approval was needed was to bring the PLU Remuda Basin 4 24 30 gas into the mix. The four existing wells going into the PLU 320 tank battery produce from 3 different pools.

The second question concerning the metering is also incorrect. The Poker Lake Unit wells are combined at the tank battery and flow through a common check meter and then through a common sales meter. The production is allocated back to each well based on well tests. The PLU Remuda Basin 4 24 30 has its own tank battery for oil. Gas goes through a check meter for that well then through the same sales meter with the PLU wells. Gas is also allocated back to this well based on well tests.

I realize there are probably some corrections that need to be made. Please advise as to what they will be and I will handle them as quickly as possible.

Thank you...Tracie Cherry

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Friday, April 19, 2013 4:03 PM
To: Cherry, Tracie J.
Subject: Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA #1H - Surface Commingle Application

Dear Ms. Cherry

I have some questions concerning the referenced application.

First, at the top of your Form C-107-B, where it asks, "Is this an amendment to existing Order?" you have checked "No." However, your letter says "This request is to add gas production from the PLU Remuda Basin 4 24 30 USA 1H to the system currently in place at the Poker Lake Unit 320H Battery. Please explain. If there is an existing order we are being asked to amend, it would be helpful if you can supply the order number.

Second, in Item (A)(4) of the form C-107-B, we have checked "Measurement type: Metering." Does this mean that the production from each well is metered prior to commingling? If not, how do you propose to allocate production for purposes of proceed payment and production reporting/

Thanks in advance for your assistance.

# Sincerely

# David K. Brooks Legal Examiner

· · · ·

.

.

.

From:	Brooks, David K., EMNRD
Sent:	Tuesday, April 23, 2013 9:01 AM
То:	'Cherry, Tracie J.'
Subject:	RE: Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA #1H - Surface Commingle Application

Good morning, Ms. Cherry

Thanks for your response to my previous questions. Now I have two more.

First, the attachment referenced in the form C-107-B, though it states BTU for gas for each of the wells, does not stat specific gravity for oil, a datum which the C-107-B calls for. If, as I understand, oil from different pools is to be commingled, we will need this information.

Second, the last sentence of your email states that gas from the Remuda Basin well will "go through a check meter for that well" and be allocated back to the well based on tests. I am wondering why allocation based on tests is necessary if the well has its own gas check meter.

Sincerely

David K. Brooks

From: Cherry, Tracie J. [mailto:TJCherry@BassPet.Com]
Sent: Monday, April 22, 2013 1:59 PM
To: Brooks, David K., EMNRD
Subject: RE: Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA #1H - Surface Commingle Application

Mr Brooks:

In gathering he well information to answer your questions, I have learned something about this application after the fact.

This is not an existing order; it will be a new order. I have discovered the wells on the Poker Lake Unit do not have an existing commingle approval in this battery. I was working under the mistaken assumption that, this was taken care of by the "unit" and the only reason commingle approval was needed was to bring the PLU Remuda Basin 4 24 30 gas into the mix. The four existing wells going into the PLU 320 tank battery produce from 3 different pools.

The second question concerning the metering is also incorrect. The Poker Lake Unit wells are combined at the tank battery and flow through a common check meter and then through a common sales meter. The production is allocated back to each well based on well tests. The PLU Remuda Basin 4 24 30 has its own tank battery for oil. Gas goes through a check meter for that well then through the same sales meter with the PLU wells. Gas is also allocated back to this well based on well tests.

I realize there are probably some corrections that need to be made. Please advise as to what they will be and I will handle them as quickly as possible.

Thank you...Tracie Cherry

1

From: Brooks, David K., EMNRD [<u>mailto:david.brooks@state.nm.us</u>] Sent: Friday, April 19, 2013 4:03 PM To: Cherry, Tracie J. Subject: Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA #1H - Surface Commingle Application

Dear Ms. Cherry

I have some questions concerning the referenced application.

First, at the top of your Form C-107-B, where it asks, "Is this an amendment to existing Order?" you have checked "No." However, your letter says "This request is to add gas production from the PLU Remuda Basin 4 24 30 USA 1H to the system currently in place at the Poker Lake Unit 320H Battery. Please explain. If there is an existing order we are being asked to amend, it would be helpful if you can supply the order number.

Second, in Item (A)(4) of the form C-107-B, we have checked "Measurement type: Metering." Does this mean that the production from each well is metered prior to commingling? If not, how do you propose to allocate production for purposes of proceed payment and production reporting/

Thanks in advance for your assistance.

Sincerely

David K. Brooks Legal Examiner From: Cherry, Tracie J. [mailto:TJCherry@BassPet.Com]
Sent: Monday, April 22, 2013 1:59 PM
To: Brooks, David K., EMNRD
Subject: RE: Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA #1H - Surface Commingle Application

Mr Brooks:

In gathering he well information to answer your questions, I have learned something about this application after the fact.

This is not an existing order; it will be a new order. I have discovered the wells on the Poker Lake Unit do not have an existing commingle approval in this battery. I was working under the mistaken assumption that, this was taken care of by the "unit" and the only reason commingle approval was needed was to bring the PLU Remuda Basin 4 24 30 gas into the mix. The four existing wells going into the PLU 320 tank battery produce from 3 different pools.

The second question concerning the metering is also incorrect. The Poker Lake Unit wells are combined at the tank battery and flow through a common check meter and then through a common sales meter. The production is allocated back to each well based on well tests. The PLU Remuda Basin 4 24 30 has its own tank battery for oil. Gas goes through a check meter for that well then through the same sales meter with the PLU wells. Gas is also allocated back to this well based on well tests.

I realize there are probably some corrections that need to be made. Please advise as to what they will be and I will handle them as quickly as possible.

Thank you...Tracie Cherry

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Friday, April 19, 2013 4:03 PM
To: Cherry, Tracie J.
Subject: Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA #1H - Surface Commingle Application

Dear Ms. Cherry

I have some questions concerning the referenced application.

First, at the top of your Form C-107-B, where it asks, "Is this an amendment to existing Order?" you have checked "No." However, your letter says "This request is to add gas production from the PLU Remuda Basin 4 24 30 USA 1H to the system currently in place at the Poker Lake Unit 320H Battery. Please explain. If there is an existing order we are being asked to amend, it would be helpful if you can supply the order number.

Second, in Item (A)(4) of the form C-107-B, we have checked "Measurement type: Metering." Does this mean that the production from each well is metered prior to commingling? If not, how do you propose to allocate production for purposes of proceed payment and production reporting/

Thanks in advance for your assistance.

Sincerely

David K. Brooks Legal Examiner

From:Cherry, Tracie J. <TJCherry@BassPet.Com>Sent:Thursday, April 25, 2013 4:08 PMTo:Brooks, David K., EMNRDSubject:RE: Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA<br/>#1H - Surface Commingle Application

Mr. Brooks,

The answer to your first question is as follows:

## Well Number/Gravity #318H/38.4

#319/38.3 #320H/38.7 #332/40 Remuda Basin #1H/46

I apologize; I did not realize the form that was created as an attachment omitted that information.

The Remuda Basin will not be allocated based on the check meter, not a well test. I did not proofread my message before sending.

This has definitely been a learning process for me! There is currently another application in the works that will be coming to you next week. Thank you for your patience and assistance.

Have a good evening....Tracie Cherry

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Tuesday, April 23, 2013 10:01 AM
To: Cherry, Tracie J.
Subject: RE: Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA #1H - Surface Commingle Application

Good morning, Ms. Cherry

Thanks for your response to my previous questions. Now I have two more.

First, the attachment referenced in the form C-107-B, though it states BTU for gas for each of the wells, does not stat specific gravity for oil, a datum which the C-107-B calls for. If, as I understand, oil from different pools is to be commingled, we will need this information.

Second, the last sentence of your email states that gas from the Remuda Basin well will "go through a check meter for that well" and be allocated back to the well based on tests. I am wondering why allocation based on tests is necessary if the well has its own gas check meter.

Sincerely

David K. Brooks

From:	Cherry, Tracie J. <tjcherry@basspet.com></tjcherry@basspet.com>
Sent:	Friday, April 26, 2013 8:47 AM
То:	Brooks, David K., EMNRD
Subject:	RE: Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA #1H - Surface Commingle Application

The Remuda Basin will be allocated based on the check meter, not a well test.

Sorry.

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Friday, April 26, 2013 9:39 AM
To: Cherry, Tracie J.
Subject: RE: Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA #1H - Surface Commingle Application

Good morning, Ms. Cherry

I believe you have too many "nots" in the second sentence in the below message.

Please clarify.

David Brooks

From: Cherry, Tracie J. [mailto:TJCherry@BassPet.Com]
Sent: Thursday, April 25, 2013 4:08 PM
To: Brooks, David K., EMNRD
Subject: RE: Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA #1H - Surface Commingle Application

Mr. Brooks,

The answer to your first question is as follows:

#### Well Number/Gravity

#318H/38.4 #319/38.3 #320H/38.7 #332/40 Remuda Basin #1H/46

I apologize; I did not realize the form that was created as an attachment omitted that information.

The Remuda Basin will not be allocated based on the check meter, not a well test. I did not proofread my message before sending.

This has definitely been a learning process for me! There is currently another application in the works that will be coming to you next week. Thank you for your patience and assistance.

ويعربه

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Tuesday, April 23, 2013 10:01 AM
To: Cherry, Tracie J.
Subject: RE: Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA #1H - Surface Commingle Application

Good morning, Ms. Cherry

Thanks for your response to my previous questions. Now I have two more.

First, the attachment referenced in the form C-107-B, though it states BTU for gas for each of the wells, does not stat specific gravity for oil, a datum which the C-107-B calls for. If, as I understand, oil from different pools is to be commingled, we will need this information.

Second, the last sentence of your email states that gas from the Remuda Basin well will "go through a check meter for that well" and be allocated back to the well based on tests. I am wondering why allocation based on tests is necessary if the well has its own gas check meter.

Sincerely

David K. Brooks

From: Cherry, Tracie J. [mailto:TJCherry@BassPet.Com]
Sent: Monday, April 22, 2013 1:59 PM
To: Brooks, David K., EMNRD
Subject: RE: Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA #1H - Surface Commingle Application

Mr Brooks:

In gathering he well information to answer your questions, I have learned something about this application after the fact.

This is not an existing order; it will be a new order. I have discovered the wells on the Poker Lake Unit do not have an existing commingle approval in this battery. I was working under the mistaken assumption that, this was taken care of by the "unit" and the only reason commingle approval was needed was to bring the PLU Remuda Basin 4 24 30 gas into the mix. The four existing wells going into the PLU 320 tank battery produce from 3 different pools.

The second question concerning the metering is also incorrect. The Poker Lake Unit wells are combined at the tank battery and flow through a common check meter and then through a common sales meter. The production is allocated back to each well based on well tests. The PLU Remuda Basin 4 24 30 has its own tank battery for oil. Gas goes through a check meter for that well then through the same sales meter with the PLU wells. Gas is also allocated back to this well based on well tests.

I realize there are probably some corrections that need to be made. Please advise as to what they will be and I will handle them as quickly as possible.

Thank you...Tracie Cherry

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us] Sent: Friday, April 19, 2013 4:03 PM To: Cherry, Tracie J.

**Subject:** Poker Lake Unit ##318H, 319H, 320H and 332H and PLU Remuda Basin 42430 USA #1H - Surface Commingle Application

Dear Ms. Cherry

I have some questions concerning the referenced application.

First, at the top of your Form C-107-B, where it asks, "Is this an amendment to existing Order?" you have checked "No." However, your letter says "This request is to add gas production from the PLU Remuda Basin 4 24 30 USA 1H to the system currently in place at the Poker Lake Unit 320H Battery. Please explain. If there is an existing order we are being asked to amend, it would be helpful if you can supply the order number.

Second, in Item (A)(4) of the form C-107-B, we have checked "Measurement type: Metering." Does this mean that the production from each well is metered prior to commingling? If not, how do you propose to allocate production for purposes of proceed payment and production reporting/

Thanks in advance for your assistance.

Sincerely

David K. Brooks Legal Examiner