



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



September 8, 2009

Mr. James Bruce
P.O. Box 1056
Santa Fe, NM 87504

Administrative Order NSL-6078

Re: BOPCO, L.P.
Poker Lake Unit Well No. 293
API No. 30-015-35548
810 feet FNL and 1980 feet FEL
Unit B, Section 21-24S-30E
Eddy County, New Mexico

Dear Mr. Bruce:

Reference is made to the following:

(a) your application (**administrative application reference No. pTGW09-23740653**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico, on behalf of BOPCO, L.P. [OGRID 260737] (BOPCO), on August 25, 2009, and

(b) the Division's records pertinent to this request.

BOPCO has requested to drill the above-referenced well as a horizontal oil well in the Delaware formation, at a location that will be unorthodox under Division Rule 16.14.B(2). The proposed surface location, point of penetration and terminus of the well are as follows:

Surface Location: 810 feet from the North line and 1980 feet from the East line
(Unit B) of Section 21, Township 24S, Range 30E, NMPM,
Eddy County, New Mexico

Point of Penetration: same as surface location

Terminus 2266 feet from the South line and 1471 feet from the East line
(Unit J) of said Section 22, Township 24S, Range 30E, NMPM,
Eddy County, New Mexico



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The N/2 NE/4 and SW/4 NE/4 of Section 21 and the SW/4 NE/4, S/2 NW/4, NE/4 SW/4 and NW/4 SE/4 of Section 22 will be dedicated to the proposed well to form a project area comprising 8 standard 40-acre spacing units in the undesignated Nash Draw Delaware-Bone Spring-Avalon Sand Pool (47545). This pool is governed by statewide Rule 15.9.A, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. This location is unorthodox because portions of the producing interval will be less than 330 feet from the outer boundaries of the project area, and therefore outside the producing area.

Your application on behalf of BOPCO has been duly filed under the provisions of Division Rules 15.13 and 4.12.A(2).

It is our understanding that you are seeking this location for engineering reasons, in order to maximize drainage of the reservoir within the project area. It is further understood notice of this application to offsetting operators or owners is not required due to common ownership.


Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



 Mark E. Fesmire, P.E.
Director

MEF/db

cc: New Mexico Oil Conservation Division – Artesia
United States Bureau of Land Management - Carlsbad