

3001523430



RECEIVED OGD

August 9, 2017
2017 AUG 10 A 10:31

XTO Energy Inc.
810 Houston Street
Fort Worth, TX 76102-6298
(817) 870-2800
(817) 885-6616 Fax

FEDERAL EXPRESS

Bureau of Land Management
Carlsbad District Office
620 E. Green St.
Carlsbad, New Mexico 88220
Attn: Mr. Chris Walls

New Mexico State Land Office
Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501
Attention: Mr. Anchor Holm

New Mexico Oil Conservation Division
1220 St. Francis
Santa Fe, New Mexico 87505
Attention: Mr. William Jones

Re: Commercial Determination
Poker Lake Unit No. 49
Delaware Formation
Eddy County, New Mexico

Gentlemen:

Please find attached hereto one (1) copy of XTO's (as agent and attorney in fact for BOPCO, LP) commercial determination worksheets and exhibits which indicate that the subject well is a non-commercial well in the Delaware Formation. Please indicate your concurrence to the above Commercial Determination to the undersigned at the address above.

Thank you very much and should you have any questions or comments in regard to the attached commercial determination, please do not hesitate to contact the undersigned at the number or email address below.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Allen Armstrong'.

Law Armstrong
(817) 885-2453
Allen_armstrong@xtoenergy.com

Bureau of Land Management

New Mexico State Land Office

New Mexico Oil Conservation Division

By: _____

By: _____

By: _____

Its: _____

Its: _____

Its: _____

Date: _____

Date: _____

Date: _____



Date: August 7, 2017

To: Law Armstrong

From: Trent Boneau

Re: **Commercial Determination: POKER LAKE UNIT 49 : Delaware**
API 3001523430
T24S R30E Sec 17
Eddy County, New Mexico

Attached is the economic worksheet and well forecast to be submitted for commercial determination. The Poker Lake 49 was drilled in 1980 and completed as a Morrow producer, it was subsequently plugged back and recompleted to the Delaware in 2003. It is currently not producing and will be abandoned. It has produced 27kbo and 99MCF from the Delaware. There is no forecast.

Not all of the well's financial history was available from the prior owner, so the past financials were estimated from 2003-2015. Historical product prices were adjusted downward by approximately 12% to account for local conditions. Historical operating costs were assumed to be \$10k/mo, declining to \$5k/mo plus a fixed \$0.75/bw cost for water disposal. At a CAPEX share of \$931k (completion cost plus share of drilling down to the Delaware sands), the known historical production flowstream of the Delaware has an undiscounted PV of *negative* \$467K. The Poker Lake 49 is a **non-commercial** well in the Delaware with no remaining economic life.

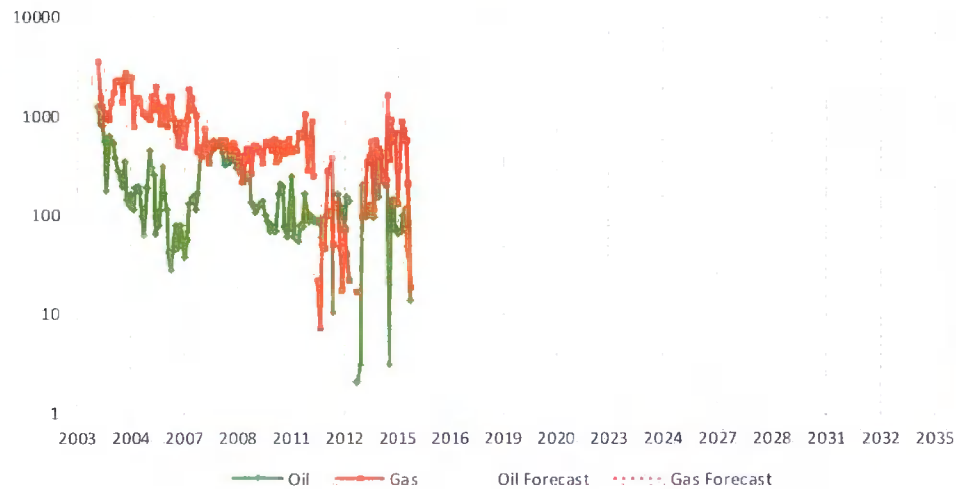
Trent Boneau
Reservoir Engineering Advisor
Delaware Basin Subsurface Team

Well Name: PLU 49 Recomplete
 API Number: 3001523430
 Formation: Delaware
 Actual CAPEX, K\$: 931,073
 First Production Date: 10/1/2003
 First Forecast Date: 1/1/2016
 Cum Oil to Date (kbo): 139,545
 Cum Wet Gas to Date (McF): 298,756
 Water to Date (kbw): 460.1
 Assumed Shrink: 0.6
 NGL Yield Assumed: 125
 WTI Price %: 0.9
 HH Hub Price %: 0.82
 NGL Price %: 0.8
 Tax Gas: 8.19
 Tax Oil: 7.09
 W1 %: 100
 NRI %: 84.5
 OPIX/mo Yr 1-3: 10000
 OPIX/mo Yr 4: 5000
 OPIX/water (\$/bbl): 0.75
 CAPEX, K\$: 931,073

NON-COMMERCIAL

TOTAL NCF 0% DISCOUNT: -467 K\$
 TOTAL NCF 5% DISCOUNT: -386 K\$
 EUR Oil: 54934 bo
 EUR Gas: 197482 kcf

PLU 49 Recomplete



ECONOMICS MODULE

		Oil	Wet Gas	Dry Gas	NGL											Discounted
	Date	Volume	Volume	Volume	Volume,	Oil Price	Gas Price	NGL Price	Total Gross	Net Revenue	Total	Local	Net Oper	Total	BTax	Cash Flow
		BO	kcf	kcf	gal	\$ BO	\$ kcf	\$ gal	Revenue	Revenue	Opco	Taxes	Income	Capital	C Flow	5%
HISTORICAL	2003	2851	6104	3662	32046	31.12	5.49	0.16	100.5	85	107.1	5.83	-28	931.073	-959	-959
HISTORICAL	2004	4048	21264	12758	111636	41.44	5.90	0.21	231.8	196	130.0	12.21	54	0	54	51
HISTORICAL	2005	2195	16066	9640	84347	56.49	8.81	0.29	200.9	170	125.4	9.45	35	0	35	32
HISTORICAL	2006	1117	11576	6946	60774	66.02	6.75	0.34	121.4	103	62.8	6.05	34	0	34	29
HISTORICAL	2007	3078	9571	5743	50248	72.32	6.98	0.37	248.2	210	67.6	14.79	127	0	127	105
HISTORICAL	2008	5047	5991	3595	31453	99.57	8.86	0.51	491.3	415	72.5	31.28	311	0	311	244
HISTORICAL	2009	2345	4657	2794	24449	61.65	3.95	0.32	145.4	123	65.8	9.29	48	0	48	36
HISTORICAL	2010	1217	5770	3462	30293	79.40	4.39	0.41	109.4	92	63.0	6.73	23	0	23	16
HISTORICAL	2011	1178	6091	3655	31978	95.10	4.00	0.49	125.4	106	62.9	7.86	35	0	35	24
HISTORICAL	2012	1041	1283	770	6736	94.10	2.75	0.49	92.5	78	62.6	6.11	9	0	9	6
HISTORICAL	2013	914	1053	632	5528	97.90	3.73	0.51	84.7	72	62.3	5.56	4	0	4	2
HISTORICAL	2014	1969	6526	3916	34262	93.30	4.39	0.48	192.6	163	64.9	12.22	86	0	86	50
HISTORICAL	2015	467	2789	1673	14642	49.00	2.63	0.25	27.2	23	61.2	1.69	-40	0	-40	-22
UNECONOMIC	2016	0	0	0	0	43.00	2.52	0.22	0.0	0	60.0	0.00	-60	0	0	0
UNECONOMIC	2017	0	0	0	0	46.07	2.70	0.24	0.0	0	60.0	0.00	-60	0	0	0
TOTAL		27467	98741	59245	518390				2171	1835	1128	129		931	-233	-386

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30-015-23430		* Pool Code 47545	* Pool Name Nash Draw (Delaware)
* Property Code 001796	* Property Name Poker Lake Unit		* Well Number 49
* OGRID No. 001801	* Operator Name Bass Enterprises Production Co.		* Elevation 3248'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	17	24S	30E		1980'	North	990'	West	Eddy

¹¹ 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

¹² Dedicated Acres 40	¹³ Joint or Infill N	¹⁴ Consolidation Code	¹⁵ 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

	RECEIVED NOV - 7 2003 OCD-ARTESIA		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Tami Wilber Printed Name Production Clerk Title 11/04/2003 Date
			¹⁸ 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. 5/31/80 Date of Survey Signature and Seal of Professional Surveyor: John West-676 Certificate Number

RECEIVED

NMCCD

Form 3160-4
(August 1999)

OCT 29 2003

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OCD-ARTESIA
WELL COMPLETION OR RECOMPLETION REPORT AND LOGFORM APPROVED
OMB No. 1004-0137
Expires: November 30, 2000

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. NMNM02860	
b. Type of Completion <input type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input checked="" type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Recvr. Other _____		6. If Indian, Allottee or Tribe Name	
2. Name of Operator BASS ENTERPRISES PRODUCTION CO		7. Unit or CA Agreement Name and No. NMNM71018X	
3. Address P O BOX 2760 MIDLAND, TX 79702		8. Lease Name and Well No. POKER LAKE 49	
3a. Phone No. (include area code) Ph: 432.683.2277		9. API Well No. 30-015-23430-00-S2	
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface SWNW 1980FNL 990FWL At top prod interval reported below SWNW 1980FNL 990FWL At total depth SWNW 1980FNL 990FWL		10. Field and Pool, or Exploratory NASH DRAW-DELAWARE	
14. Date Spudded 09/19/2003		15. Date T.D. Reached 10/01/2003	
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 10/07/2003		17. Elevations (DF, KB, RT, GL)* 3248 GL	
18. Total Depth: MD TVD	14470	19. Plug Back T.D.: MD TVD	7490
20. Depth Bridge Plug Set: MD TVD		7525	

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)	22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)
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23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17.500	13.375 H40	48.0	0	855		750		0	0
12.250	9.625 N80	40.0	0	3687		4800		0	0
8.750	7.000 N80/S95	23.0	0	11522		975		8500	0
8.250	5.000 N80	18.0	11182	14470		360		0	0

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.875	7035							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) DELAWARE	7290	7300	7290 TO 7300	3.130	10	PRODUCING
B)						
C)						
D)						

26. Perforation Record

Depth Interval	Amount and Type of Material
7290 TO 7300	FRAC W/ 63,000 GALS V30+175,000# 16/30 OTTAWA+83,000# CR-4000
7525 TO 7525	7" CIBP W/35' CEMENT ON TOP
11180 TO 11180	7" CIBP W/ 35' CEMENT ON TOP
12850 TO 12850	5" CIBP W/ 30' CEMENT ON TOP

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
10/14/2003	10/16/2003	24	→	85.0	132.0	180.0			ELECTRIC PUMPING UNIT
Choke Size	Tbg. Press. Pwng. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
22/64	250	120.0	→	85	132	180	1550	POW	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Pwng. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #24548 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

ACCEPTED FOR RECORD

OCT 27 2003

ALEXIS C. SWOBODA
PETROLEUM ENGINEER

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Thg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Thg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
MORROW				MORROW RAMSEY BRUSHY CANYON BONE SPRING	3812 6805 9070

32. Additional remarks (include plugging procedure):
NO REMARK PROVIDED

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #24548 Verified by the BLM Well Information System.
For BASS ENTERPRISES PRODUCTION CO, sent to the Carlsbad
Committed to AFMSS for processing by ARMANDO LOPEZ on 10/27/2003 (04AL0033SE)

Name (please print) TAMI WILBER

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 10/27/2003

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED **