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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
Poker Lake Unit #3154

ADMINISTRATIVE APPLICATION CHECKLIST 30-015-39166

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]

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SEP 14 2011
P 1402

- [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

Fed

[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 8-23-11
 Print or Type Name Signature Title Date
 omundsdry@hollandhart.com
 e-mail Address



August 23, 2011

RECEIVED OOD
2011 AUG 23 P 4: 02

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: Application of BOPCO, L.P. for administrative approval of an unorthodox well location for its Poker Lake Unit Well No. 315H to be drilled from a surface location and penetration point 1650 feet from the North line and 710 feet from the West line of Section 13 and a bottomhole location 1580 feet from the North line and 1150 feet from the West line of Section 11, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico.

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. 315H. This well will be located in Sections 11, 13 and 14, 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 Northwest Delaware Pool at a surface location and a penetration point 1650 feet from the North line and 710 feet from the West line of Section 13 and a bottomhole location 1580 feet from the North line and 1150 feet from the West line of Section 11, Eddy County, New Mexico. A 280-acre project area has been dedicated to this horizontal well comprised of the NE/4 NE/4 of Section 14, the SE/2 SE/4 of Section 11, NW/4 SE/4 of Section 11, the NE/4 SW4 of Section 11, the S/2 NW/4 of Section 11.

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 penetration point is 710 feet to the East of the Production Area and 810 feet from the boundaries of the Producing Area, as defined by Division Rule 19.15.16.7, and fall outside of the Producing Area dedicated to the well.

HOLLAND & HART^{LLP}



Exhibit A is the C-102 for this well.

Exhibit B is a list of affected persons as defined in Paragraph (2) of Subsection A of 19.15.4.12 NMAC. A copy of this application, including all attachments, has been mailed to each of these offset operators/affected persons by certified mail-return receipt requested in accordance with Rule 19.15.4.12 A (2)(a). Each owner has been advised that if it has an objection to this application it must be filed in writing with the Division's Santa Fe office within twenty days from the date this notice was sent.

Your attention to this application is appreciated.

Sincerely,

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

Enclosures

cc: OCD District Office - Artesia
Andy Morrison

SCANNED

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Atee, NM 87410
DISTRICT IV
1820 E. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised July 10, 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	Pool Code	Pool Name
	96046	Poker Lake NW (Delaware)
Property Code	Property Name	Well Number
306402	POKER LAKE UNIT	315H
OGRID No.	Operator Name	Elevation
260737	BOPCO, L.P.	3474'

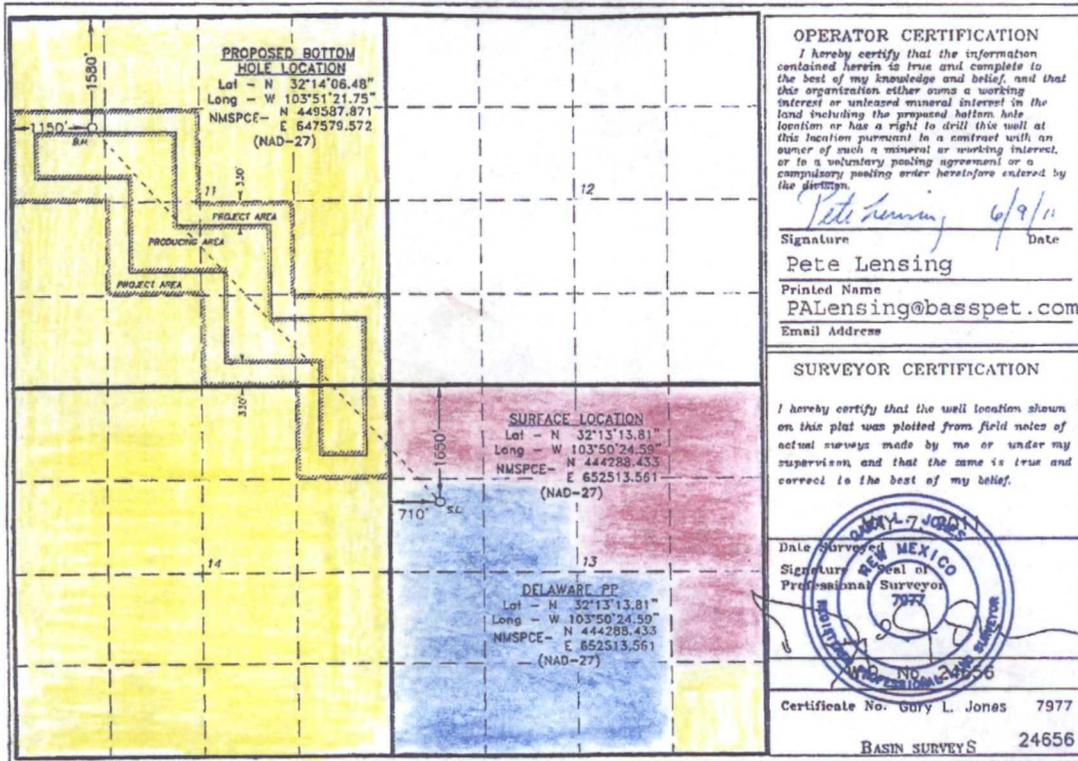
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	13	24 S	30 E		1650	NORTH	710	WEST	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
E	11	24 S	30 E		1580	NORTH	1150	WEST	EDDY
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

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



→ 100% Bass
 → 60% Oxy
 40% EOG
 → 100% OGX Resources

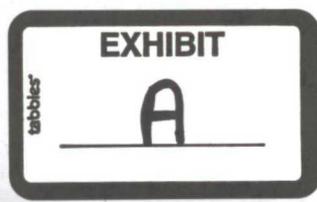


EXHIBIT B

Application of BOPCO, L.P.
for Administrative Approval of an Unorthodox Well Location
for its PLU West 315H
Section 13, Township 24 South, Range 30 East, N.M.P.M.,
Eddy County, New Mexico.

NOTICE LIST

Section 13
Township 24 South, Range 30 East, NMPM

OXY USA, Inc.
Post Office Box 4294
Houston, Texas 77210

EOG Resources, Inc.
4000 N. Big Spring, Suite 500
Midland, Texas 79705

OGX Resources, Inc.
Post Office Box 2064
Midland, Texas 79702



Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Thursday, September 22, 2011 10:14 AM
To: 'Ocean Munds-Dry'
Subject: BOPCO Poke Lake Unit #315H and Mewbourne Wyatt Draw 24 JB #1H

Dear Ocean

Now that I know that you are still here, I will send my inquiries regarding these applications to you.

The Director rejected orders that would have granted these applications because, in both cases, portions of the producing interval are outside not only the producing area, but also outside the project area. Nothing in your application letters states that the portion outside the project area will be cased off, and not perforated. I assume that is the intent, but I need you to file a statement to that effect as to each of these two applications.

Thanks

David



October 3, 2011

VIA HAND-DELIVERY

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

RECEIVED OGD
2011 OCT -3 P 3:32

Re: Application of BOPCO, L.P. for administrative approval of an unorthodox well location for its Poker Lake Unit Well No. 315H to be drilled from a surface location and penetration point 1650 feet from the North line and 710 feet from the West line of Section 13 and a bottomhole location 1580 feet from the North line and 1150 feet from the West line of Section 11, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico.

Dear Ms. Bailey:

On August 23, 2011, BOPCo., L.P. filed an administrative application for an unorthodox well location for its Poker Lake Unit Well No. 315H. This letter is to further clarify that although the penetration point for the well is both outside the project are and the producing area, BOPCo. will case and cement the wellbore and will not perforate the well until it reaches a standard location within the producing area.

Thank you for your time and attention to this matter.

Sincerely,


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

October 3, 2011

VIA HAND-DELIVERY

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Oil Conservation Division
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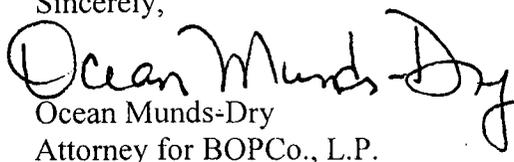
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Ocean Munds-Dry
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