State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director Oil Conservation Division



December 26, 2018

Surface Commingling Order PLC-543

BOPCO, L.P.

Attention: Ms. Tracie Cherry

Pursuant to your application received on December 4, 2018, BOPCO, L.P. (OGRID 260737) is hereby authorized to surface commingle oil and gas production and off lease-measure from the following pools located in Township 25 South, Range 30 East, NMPM, Eddy County, New Mexico;

WILDCAT; BONE SPRING	(97913)
WILDCAT; BONE SPRING	(97814)
WILDCAT BIG SINK; BONE SPRING	(96654)
CORRAL DRAW; BONE SPRING	(96238)
CORRAL CANYON; BONE SPRING, SOUTH	(13354)

and from the following diversely owned federal wells and leases in said Section, Township, and Range in Eddy County, New Mexico.

Lease:

Federal Lease NMLC 063873A

Description:

E/2 W/2 of Section 14

Well:

Poker Lake CVX JV BS Well No. 8H

API 30-015-39508

Pool:

Wildcat; Bone Spring [97913]

Lease:

Federal Lease NMLC 063873A

Description:

E/2 W/2 of Section 15

Well:

Poker Lake CVX JV BS Well No. 11H

API 30-015-39693

Pool:

Wildcat Big Sink; Bone Spring

Lease:

Federal Lease NMLC 06373A;

Description:

W/2 W/2 of Section 23, and W/2 NW/4 of Section 26

Well:

Poker Lake CVX JV BS Well No. 25H

API 30-015-41639

Pool:

Corral Canyon; Bone Spring, South

Lease:

Federal Lease NMLC 06375A;

Description:

E/2 W/2 of Section 22

Well:

Poker Lake CVX JV PB Well No. 5H

API 30-015-40763

Pool:

Corral Draw; Bone Spring

Administrative Order PLC-543 BOPCO, L.P. December 26, 2018 Page 2 of 3

Lease:

Federal Lease NMNM 030456;

Description:

W/2 W/2 of Section 13

Well:

Poker Lake CVX JV BS Well No. 21H

Pool:

Wildcat; Bone Spring [97913]

Lease:

Federal Lease NMLC 063079A;

Description:

W/2 W/2 of Section 24

Well:

Poker Lake CVX JV BS Well No. 22H

API 30-015-41693

API 30-015-41554

Pool:

Wildcat; Bone Spring [97814]

The commingled oil and gas production from the wells shall be measured and sold at the PLU Big Sinks 14 25 30 Central Tank Battery (CTB), located in Unit N of Section 14, Township 25 South, Range 30 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

It is understood that the test separator and meters are designed to accurately measure production from the wells with the highest production rate. It is also assumed that all of the oil and gas production from the wells in this application will display a hyperbolic decline, and will fit the decline parameters described in Hearing Order R-14299. Wells that are in prior to Range 1 of decline shall be tested daily. Wells that are in Range 1 of decline shall be measured with a combination of metering and well testing, and shall be tested at least three times a month. Wells that are in Range 2 of decline shall be measured with a combination of metering and well testing, and shall be tested at least twice a month. Wells in Range 3 of decline shall be measured with a combination of metering and well testing, and shall be tested at least once a month. However, all wells subject to this application are in Range 3 of decline

The allocation meters shall be calibrated quarterly in accordance with Division Rule 19.15.12.10.C (2) NMAC.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

This approval is subject to like approval from New Mexico State Land Office before commencing commingling operations.

The Operator shall notify the transporter of this commingling authority and the Artesia District Office prior to implementation of commingling operations.

Subsequently drilled wells that produce from the subject pool within the horizontal spacing units approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

Administrative Order PLC-543 BOPCO, L.P. December 26, 2018 Page 3 of 3

HEATHER RILEY

Director

HR/mam

cc: Oil Conservation Division District Office - Artesia

Bureau of Land Management - Carlsbad