

Aubrey Dunn COMMISSIONER

State of New Mexico Commissioner of Public Lands

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COMMISSIONER'S OFFICE

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April 29, 2016 BOPCO, LP 201 Main St., Suite 2900 Fort Worth, TX 73102-3131

Attention: Mr. R. Travis Mears

case # 366

Re

PLU CVX JV Pierce Canyon #018H (PLU 441)

Commercial Well Determinations

Poker Lake Unit Bone 2 Spring Shale Formation

Eddy County, New Mexico

Dear Mr. Mears:

We are in receipt of your letter of December 31, 2015 together with the non-commercial determination data for the above referenced well.

The Bureau of Land Management advised this office that they concur with your determination that the PLU CVX IV Pierce Canyon #018H is not capable of producing unitized substances in paying quantities from the Bone Spring 2 Shale formation and is to be produced on a lease basis.

Please be advised that the Commissioner of Public Lands concurs with yours and the Bureau of Land Management's determinations that the PLU CVX JV Pierce Canyon #018H is a non-commercial Bone Spring 2 Shale formation well and should be produced on a lease or communitization basis.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Respectfully

AUBREY DUNN

COMMISSIONER OF PUBLIC LANDS

AD/sk

cc: Reader File,

OCD-Attn: Mr. Daniel Sanchez

TRD-Santa Fe, Attn: Ms. Judy Vigil BLM Carlsbad – Attn: Mr. Ed Fernandez