



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
Wyoming State Office Reservoir Management Group
2987 Prospector Drive
Casper, Wyoming 82604-2968

In Reply Refer To:
3186
(3186.1)
James Ranch Unit
NMNM70965X

2018 07 20 13:40:00
Case File No.
472

JUL 27 2018

BOPCO, L.P.
Attn: Ken Hilger
Land Dept. Loc. 115
22777 Springwoods Village Pkwy
Spring, TX 77389-1425

Re: Third Revision to the Bone Spring Formation Participating Area "B"
James Ranch Unit
Eddy County, New Mexico

Gentlemen:

The third revision to the Bone Spring Formation Participating Area "B" is hereby approved effective as of November 1, 2016, pursuant to Section 11 of the James Ranch Unit Agreement, Eddy County, New Mexico.

The application enlarges the Bone Spring Formation Participating Area "B" from 1,000.23 acres to 1,280.23 acres and is based upon the completion of unit well 162H, located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ (SHL) of Section 21, T.22S., R.30E., unit tract No. 11, Lease No. NMNM06808, and in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ (BHL) of Section 23, T.22S., R.30E., unit tract No. 15, Lease No. NMLC064827A, with an initial potential of 402 BOPD and 545 MCFPD on November 7, 2016, from the Bone Spring Formation.

Copies of the approved request are being distributed to the appropriate agencies and one copy of Exhibits "A" and "B" are returned herewith. Please advise all interested parties of the approval of the third revision to the Bone Spring Formation Participating Area "B" effective as of November 1, 2016.

Any production royalties that are due must be reported and paid within 30 days of the Bureau of Land Management's approval date or the payors will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (30 CFR 218.54). If you need assistance or clarification, please contact the Office of Natural Resources Revenue (ONRR) at 1-800-525-9167 or 303-231-3856.

If you have any questions, please call the undersigned at (307) 261-7685.

Sincerely,

J. David Chase

J. David Chase
Chief, Reservoir Management Group

1 Enclosure

Encl. 1 - Exhibits "A" and "B"

cc: NMSO, James Glover
CFO, Chris Walls
ONRR, Glen Reese
New Mexico State Land Office, Marilyn Gruebel
New Mexico Oil Conservation Division, William Jones

EXHIBIT "B"
 SCHEDULE OF LANDS AND TRACT PARTICIPATION
 THIRD REVISION BONE SPRING FORMATION PARTICIPATING AREA "B"
 JAMES RANCH UNIT
 EDDY COUNTY, NEW MEXICO
 EFFECTIVE NOVEMBER 1, 2016

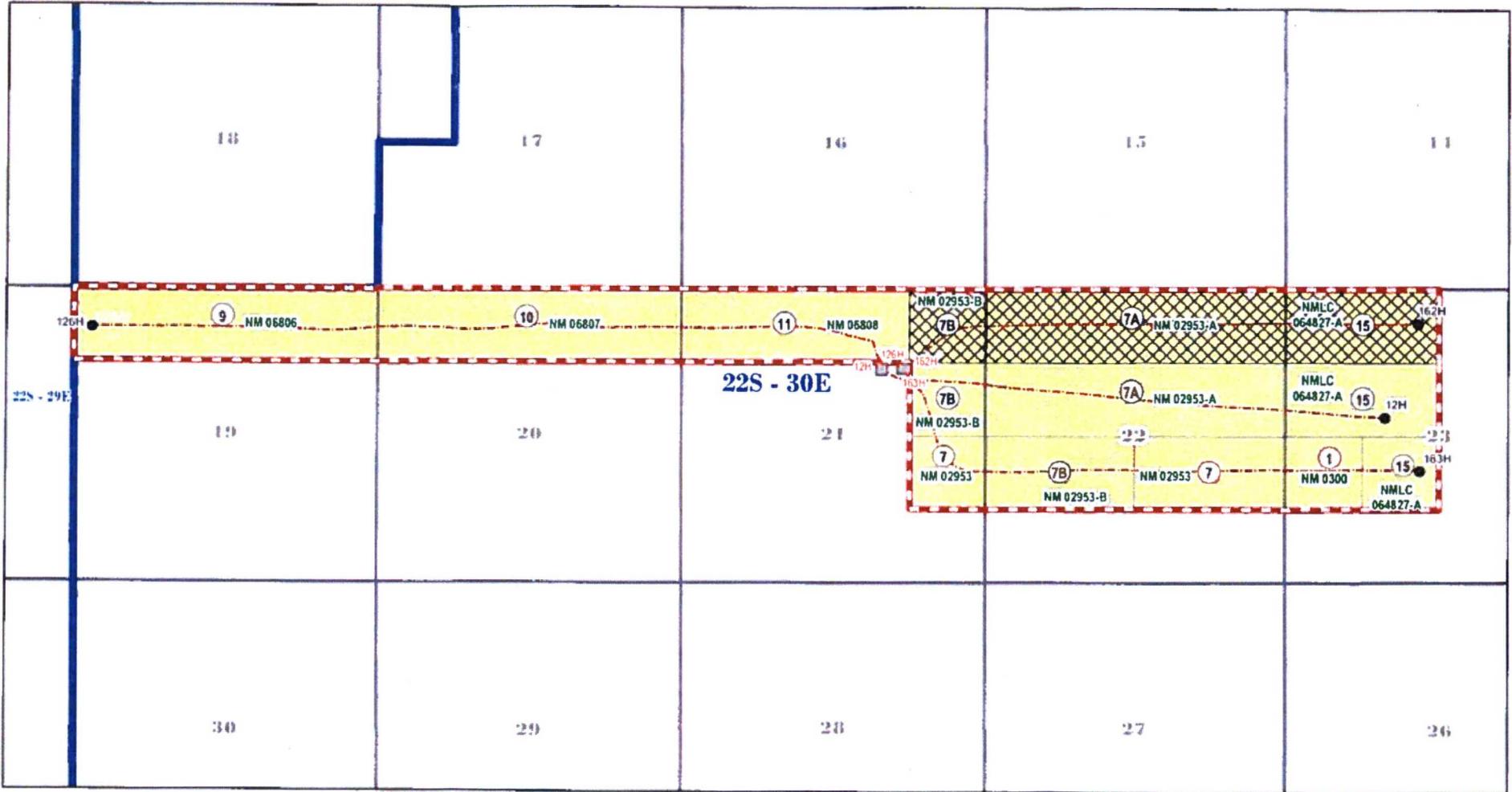
Tract No.	Lease No.	Description	Acres	Participation
1	NMNM0300 Federal	T22S-R30E, 23rd P.M. Section 23: NW/4SW/4	40.00	3.1244%
7	NMNM02953 Federal	T22S-R30E, 23rd P.M. Section 21: NE/4SE/4 Section 22: N/2SE/4	120.00	9.3733%
7A	NMNM02953A Federal	T22S-R30E, 23rd P.M. Section 22: N/2	320.00	24.9955%
7B	NMNM02953B Federal	T22S-R30E, 23rd P.M. Section 21: E/2NE/4 Section 22: N/2SW/4	160.00	12.4978%
9	NMNM06806 Federal	T22S-R30E, 23rd P.M. Section 19: N/2NE/4; NE/4NW/4; Lot 1 (40.23)	160.23	12.5157%
10	NMNM06807 Federal	T22S-R30E, 23rd P.M. Section 20: N/2N/2	160.00	12.4978%
11	NMNM06808 Federal	T22S-R30E, 23rd P.M. Section 21: N/2NW/4; NW/4NE/4	120.00	9.3733%
15	NMLC064827A Federal	T22S-R30E, 23rd P.M. Section 23: NW/4; NE/4SW/4	200.00	15.6222%
Totals			1280.23	100.0000%

TYPE OF LAND	COMMITTED ACRES	NON-COMMITTED ACRES	PERCENT
FEDERAL	1280.23	0.00	100.0000%
STATE	0.00	0.00	0.0000%
PATENTED	0.00	0.00	0.0000%
TOTAL	1280.23	0.00	100.0000%

RECEIVED 07/27/16 10:13 AM DLH UNPD/CASPER FIELD OFFICE



EXHIBIT "A"
THIRD REVISED BONE SPRING PARTICIPATING AREA "B"
162H, JAMES RANCH UNIT
EDDY COUNTY, NM
EFFECTIVE NOVEMBER 1, 2016



- JAMES RANCH UNIT OUTLINE
- CAPABLE WELL (SHL)
- CAPABLE WELL (BHL)
- CAPABLE WELLBORE
- PROPOSED BONE SPRING PA "B"
- FEDERAL ACREAGE WITHIN PA "B"
- REVISED ACREAGE

