BOPCO, L.P. 201 MAIN STREET, SUITE 2700 FORT WORTH, TEXAS 76102 817 / 390-8400

ANDY MORRISON DIVISION LANDMAN

February 27, 2015

FEDERAL EXPRESS

Bureau of Land Management Carlsbad District Office 620 E. Green St. Carlsbad, New Mexico 88220 Attn: Mr. Edward Fernandez New Mexico State Land Office Commissioner of Public Lands 310 Old Santa Fe Trail Santa Fe, New Mexico 87501 Attention: Mr. Pete Martinez New Mexico Oil Conservation Division 1220 St. Francis Santa Fe, New Mexico 87505 Attention: Mr. David Brooks

Re:

2015 Plan of Development James Ranch Unit Eddy County, New Mexico

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Gentlemen:

In accordance with Section 10 of the James Ranch Unit Agreement dated April 22, 1952, BOPCO, L.P., Operator of the referenced unit, hereby submits a Plan of Development for the James Ranch Unit for the year 2015.

2014 Activity

- Drilling
 - o The Bone Spring horizontal development program continued with three (3) wells being completed.
 - o The Delaware horizontal development program resumed with one (1) well being completed.
 - One (1) Wolfcamp test well was drilled.
- Plugged and Abandoned
 - o No James Ranch Unit wells were plugged and abandoned in 2014.
- Participating Areas
 - No Participating Areas were revised or established in 2014, however BOPCO anticipates establishing and/or revising Bone Spring and Delaware Participating Areas in 2015 to accommodate new production.
- Infrastructure
 - o Produced Water Disposal
 - James Ranch Unit 21 Federal SWD was drilled as a Devonian disposal well to expand the capacity of the BOPCO SENM SWD in JRU. Located on JRU DI-1, this well is connected to the pressurized loop produced water gathering system to insure ample capacity to dispose of produced water from various Delaware and Bone Spring producing wells.
 - Electrical

• Electrical infrastructure within JRU was expanded to meet current and forecast demands with additional electrical service supplied from XCEL.

Future Development

- Wolfcamp
 - o Three (3) Wolfcamp wells are expected to be drilled in 2015.
- Bone Spring
 - o Three (3) Bone Spring wells are expected to be drilled in 2015.
- Potash
 - o Upon BLM's issuance of guidelines for operations within the Secretary's Potash Area, additional wells may be added to the 2015 development plan.

Unit Expansion

On February 4, 2015 an application for preliminary approval of an expansion to the James Ranch Unit
was hand delivered. Upon receipt of preliminary approval of the proposed expansion, BOPCO will
proceed with the steps required to obtain final approval as expeditiously as possible.

Offset Obligations

• Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands covered by the James Ranch Unit Agreement or pursuant to applicable regulations.

Modifications

• In accordance with the terms and provisions of the James Ranch Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

Effective Date

• This Plan of Development became effective on January 1, 2015.

If this Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one (1) signed original to the undersigned for our records.

Sincerely,

	<i>[h</i> Andy	Morrison	ho-	
HAM:mec				
ACCEPTED AND AGREED this	day of		, 2015.	
BUREAU OF LAND MANAGEMENT				
Ву:				

COMMISSIONER OF PUBLIC LANDS

By:		
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NEW MEXICO OIL CONSERVATION DIVISION

By: Will Jones Engineer

James Ranch Unit - Well Status List

891 00558F	30-015-30857	ACT	OIL	DELAWARE	JAMES RANCH UNIT #063
891 00558F	30-015-35340	ACT	OIL	DELAWARE	JAMES RANCH UNIT #062
891 000558 G	30-015-27887	ACT	OIL	DELAWARE	JAMES RANCH UNIT #057
891 000558 G	30-015-27886	ACT	인	DELAWARE	JAMES RANCH UNIT #056
891 000558 G	30-015-27589	ACT	OIL	DELAWARE	JAMES RANCH UNIT #055
891 00558F	30-015-27734	ACT	OIL	DELAWARE	JAMES RANCH UNIT #041
891 00558F	30-015-30856	ACT	OIL	DELAWARE	JAMES RANCH UNIT #038
891 00558F	30-015-27703	ACT	OIL	DELAWARE	JAMES RANCH UNIT #037
891 00558F	30-015-27686	ACT	OIL	DELAWARE	JAMES RANCH UNIT #036
891 00558F	30-015-31167	ACT	OIL	DELAWARE	JAMES RANCH UNIT #035
891 00558F	30-015-31064	ACT	OIL	DELAWARE	JAMES RANCH UNIT #034
891 00558F	30-015-31207	ACT	OIL	DELAWARE	JAMES RANCH UNIT #033
891 00558F	30-015-30830	ACT	OIL	DELAWARE	JAMES RANCH UNIT #032
891 00558F	30-015-30829	ACT	OIL	DELAWARE	JAMES RANCH UNIT #031
0290044730	30-015-27704	ACT	OIL	BS/WLF	JAMES RANCH UNIT #030
891 00558F	30-015-27735	ACT	OIL	DELAWARE	JAMES RANCH UNIT #029
029002953C	30-015-31033	ACT	인	DEL/BS/WLF	JAMES RANCH UNIT #027
891 00558F	30-015-27357	ACT	OIL	DELAWARE	JAMES RANCH UNIT #019
E-05229 (State)	30-015-27208	ACT	GAS	MORROW	JAMES RANCH UNIT #018
891 00558F	30-015-27784	ACT	סור	DEL/BS/WLF	JAMES RANCH UNIT #017
891 00558F	30-015-28623	ACT	OIL	DEL/BS/WLF	JAMES RANCH UNIT #016
029002887A, 029002887D	30-015-24780	ACT	GAS	STRAWN	JAMES RANCH UNIT #015
029002887B, 029002887D	30-015-24420	ACT	GAS	MORROW	JAMES RANCH UNIT #014
891 000558A	30-015-24062	ACT	GAS	АТОКА	JAMES RANCH UNIT #013
0290029538, 0292253, 029006808	30-015-22162	ACT	JIO	BONE SPRING	JAMES RANCH UNIT #012H
891 000558D	30-015-23377	ACT	JIO	BONE SPRING	JAMES RANCH UNIT #011
891 000558A	30-015-23075	ACT	GAS	АТОКА	JAMES RANCH UNIT #010
891 000558D	30-015-21247	ACT	OIL	BONE SPRING	JAMES RANCH UNIT #007
891 000558A	30-015-20803	ACT	GAS	ATK/MRW	JAMES RANCH UNIT #004
891 000558A	30-015-20232	ACT	GAS	АТОКА	RANCH UNIT #003
891 000558A	30-015-04735	ACT	GAS	АТОКА	
0290003000	30-015-27791	ACT	OIL	DELAWARE	JAMES RANCH #048
029002953C	30-015-27704	ACT	OILO	WOLFCAMP	JAMES RANCH #030
Agreement	L. F. HAMPINE 3	MAJOR: LESTATUSE	MAJOR	RESERVOIR	LE REMEMBER OF THE PARTY OF THE

James Ranch Unit - Well Status List

029002887A	30-015-38113	ACT	OIL	DELAWARE	JAMES RANCH UNIT #124H
029002887A	30-015-38119	ACT	OIL	DELAWARE	JAMES RANCH UNIT #121H
891 00558F	30-015-38116	ACT	인	DELAWARE	JAMES RANCH UNIT #120H
29002887A, 29002887B, 71071988B	30-015-38117	ACT	OIL	DELAWARE	JAMES RANCH UNIT #119H
29002883A, 29002887B, 71071988B	30-015-38118	ACT	OIL	DELAWARE	JAMES RANCH UNIT #115H
891 00558F	30-015-37925	ACT	DIL	DELAWARE	JAMES RANCH UNIT #114H
029002953C	30-015-37046	ACT	OIL	DELAWARE	JAMES RANCH UNIT #113H
891 00303E	30-015-36722	ACT	OIL	DELAWARE	JAMES RANCH UNIT #112H
029002887B, 029002887D, 071071988B	30-015-38120	ACT	OIL	DELAWARE	JAMES RANCH UNIT #111H
02884B, 29002887B, 29002887D, 29004473, 071071988B	30-015-38115	ACT	OIL	DELAWARE	JAMES RANCH UNIT #110H
029002883A	30-015-38114	ACT	OIL	DELAWARE	JAMES RANCH UNIT #109H
891 00558F	30-015-37273	ACT	OIL	DELAWARE	JAMES RANCH UNIT #108H
891 00558F	30-015-37062	ACT	OIL	DELAWARE	JAMES RANCH UNIT #107H
891 00558F	30-015-37063	ACT	011	DELAWARE	JAMES RANCH UNIT #106H
891 00558F	30-015-37064	ACT	OIL	DELAWARE	JAMES RANCH UNIT #105H
891 00558F	30-015-37271	ACT	OIL	DELAWARE	JAMES RANCH UNIT #104H
891 00558F	30-015-37175	ACT	OIL	DELAWARE	JAMES RANCH UNIT #103H
891 00558F	30-015-33601	ACT	OIL	DELAWARE	JAMES RANCH UNIT #091
891 00558F	30-015-34277	ACT	OIL	DEL/BS/WLF	JAMES RANCH UNIT #087
891 00558F	30-015-35322	ACT	OIL	DELAWARE	JAMES RANCH UNIT #085
891 00558F	30-015-31405	ACT	OIL	DELAWARE	JAMES RANCH UNIT #084
891 00558F	30-015-31580	ACT	OIL	DELAWARE	JAMES RANCH UNIT #083
891 00558F	30-015-31208	ACT	ÓΙL	DELAWARE .	JAMES RANCH UNIT #082
891 00558F	30-015-32868	ACT	OIL	DEL/BS/WLF	JAMES RANCH UNIT #080
891 00558F	30-015-31056	ACT	OIL	DEL/BS/WLF	JAMES RANCH UNIT #079
891 00558F	30-015-29173	ACT	OIL	DEL/BS/WLF	JAMES RANCH UNIT #076
891 00558F	30-015-33114	ACT	OIL	DELAWARE	JAMES RANCH UNIT #075
891 00558F	30-015-31168	ACT	O1L	DELAWARE	JAMES RANCH UNIT #074
891 00558F	30-015-28979	ACT	OIL	DEL/BS/WLF	JAMES RANCH UNIT #073
891 00558F	30-015-27927	ACT	OIL	DEL/BS/WLF	JAMES RANCH UNIT #071
029479142, 300890510	30-015-28012	ACT	GAS	АТОКА	JAMES RANCH UNIT #070
891 00558F	30-015-31004	ACT	OIL	DELAWARE	JAMES RANCH UNIT #067
891 00558F	30-015-31065	ACT	OIL	DELAWARE	JAMES RANCH UNIT #066
891 00558F	30-015-27995	ACT	OIL	DEL/BS/WLF	JAMES RANCH UNIT #065

James Ranch Unit - Well Status List

JAIVIES RANCH UNIT #129H	DELAWARE	٦	AC.	30-015-38288	48CC/U T68
JAMES RANCH UNIT #130H	DELAWARE	OIL	ACT	30-015-38308	891 00558F
JAMES RANCH UNIT #140H	DELAWARE	OIL	ACT	30-015-39809	029002952A, 029002953B, 071064827A
JAMES RANCH UNIT #141H	DELAWARE	OIL	ACT	30-015-39972	029002952A, 029002953B, 071064827A
JAMES RANCH UNIT #144H	BONE SPRING	OIL	ACT	30-015-41424	0290029530
JAMES RANCH UNIT #148H	BONE SPRING	OIL	ACT	30-015-41412	0290029530
JAMES RANCH UNIT #190H	BONE SPRING	OIL	ACT	30-015-42145	029002952B
JAMES RANCH UNIT #195H	3RD BS SAND/ WLF A	OIL:	ACT	30-015-42324	029002952A
JAMES RANCH UNIT DI1 #126H	2A BS SAND	OIL	ACT	30-015-39254	891 000558D
JAMES RANCH UNIT DI1 #135H	DELAWARE	OIL	ACT	30-015-42376	071064827A
JAMES RANCH UNIT DI1 #163H	2ND BS SAND	OIL	ACT	30-015-41694	071064827A
JAMES RANCH UNIT DI2 #138H	DELAWARE	OIL	ACT	30-015-39766	029002952В
JAMES RANCH UNIT DI2 #139H	DELAWARE	OIL	ACT	30-015-39793	029002952B

James Ranch Unit - 2014 Delaware Development

19,043	7481, EZF & 666, EEF, Sec 23-225-30E	1217' FNL & 1292' FEL, Sec 21-225-30E	าหน DI 1-132H
dM	BHL Footage Calls	SL Footage Calls	{I9W

James Ranch Unit - 2014 Bone Spring Development

17,950'	660' FNL & 330' FWL, 35-22-30	630' FNL & 370' FEL, 36-22-30	JRU 190H
22,800'	660' FSL & 2,310' FWL, 23-22-30	James Ranch DI-1, 1434' FNL & 1495' FEL, 21-22-30	JRU DI 1-164H
21,600'	660' FNL & 2,310' FWL, 23-22-30	James Ranch DI-1, 1433' FNL & 1432' FEL, 21-22-30	JRU DI 1-162H
MD	BHL Footage Calls	SL Footage Calls	Well

James Ranch Unit - 2014 Wolfcamp Development

20,900	990, ESF & 2310, EEF, 35-22-30	800' FSL & 330' FEL, 36-22-30	*H261 UAL
MD	slls Pootage Calls	sllsD egetoo7 J2	Mell

#Sainq2 eno8 diw belgaimmo2

James Ranch Unit - 2015 Bone Spring Development

000 FINE & 330 FEE, 360. 30, 1223-NOVE 000 FINE & 2030 FEE, 360. 33, 1223-NOVE 17,000
CCO! FNI O
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Wells commingled with Devon acreage outside of JRU

Apache 24-23 Fed Com 13H	Apache 24-23 Fed Com 12H
330' FEL & 970' FSL, 24-22-30	330' FEL & 920' FSL, 24-22-30
2,310' FEL & 660' FSL 23-22-30	2,310' FEL & 660' FSL 23-22-30
10,964'*	10,964'*

James Ranch Unit - 2015 Wolfcamp Development

18,400'	660' FNL & 330' FWL, Sec. 2, T23S-R30E	JRU 209H 660' FNL & 2280' FWL, Sec. 1, T23S-R30E	JRU 209H
18,400	1980' FSL & 2630' FEL, Sec. 35, T22S-R30E	JRU 208H 2150' FSL & 330' FEL, Sec. 36, T22S-R30E	JRU 208H
18,400'	1980' FNL & 2630' FEL, Sec. 35, T22S-R30E	1800' FNL & 330' FEL, Sec. 36, T22S-R30E	JRU 207H
MD	BHL Footage Calls	SL Footage Calls	Well



Aubrey Dunn COMMISSIONER

State of New Mexico Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 COMMISSIONER'S OFFICE

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

March 6, 2015

BOPCO, LP 201 Main Street, Suite 2700 Fort Worth, TX 76102

472

Attn: Mr. Andy Morrison

Re: 2015 Plan of Development

James Ranch Unit

Eddy County, New Mexico

Dear Mr. Morrison:

The Commissioner of Public Lands has, of this date, approved the referenced Plan of Development. Our approval is subject to like approval by all other appropriate agencies. The possibility of drainage by wells outside the unit area, and the need for further development of the unit may exist; therefore, we may contact you at a later date regarding these possibilities.

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

Very truly yours,

AUBREY DUNN

COMMISSIONER OF PUBLIC LANDS

BY:

TERRY WARNELL, Director Oil, Gas and Minerals Division

AD/TW/sk

xc: Reader File OCD-Daniel Sanchez

BLM Carlsbad - Ed Fernandez