

BOPCO, L.P.  
201 MAIN ST.  
FORT WORTH, TEXAS 76102-3131  
817/390-8400

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RECEIVED

January 20, 2009

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**EXPRESS MAIL/  
Return Receipt Requested**

Bureau of Land Management  
Carlsbad District Office  
620 E. Green St.  
Carlsbad, New Mexico 88220  
Attn: Mr. Wesley Ingram

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. William Jones

Re: 2009 Plan of Development  
James Ranch Unit  
Eddy County, New Mexico

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 2009.

HISTORY OF PAST DEVELOPMENT

We refer to our previous Plans of Development for a detailed description of the operations conducted in this Unit in prior years.

2008 ACTIVITY

No James Ranch Unit wells were drilled in 2008.

2008 PLUGGED AND ABANDONED

No James Ranch Unit wells were plugged and abandoned in 2008.

PARTICIPATING AREAS

BOPCO, L.P. has submitted all wells drilled to date where adequate information is available for commercial determination and participating areas. In the event you have not received commercial determinations for the wells that have been drilled and completed and are currently producing, please advise at your earliest convenience and we will submit same to you.

FUTURE DEVELOPMENT

James Ranch No. 103, Eddy County, New Mexico - This well will be drilled at a legal location being 330' FNL & 2,310' FWL, Section 36, T22S-R30E, Eddy County, New Mexico to a proposed depth of 11,300' to test the Bone Spring and Delaware.

James Ranch No. 104H, Eddy County, New Mexico - This well will be drilled at a legal location being 330' FNL & 990' FWL, Section 36, T22S-R30E, Eddy County, New Mexico to a proposed depth of 12,300' to test the Delaware Formation.

James Ranch No. 105H, Eddy County, New Mexico - This well will be drilled at a legal location being 2,228' FNL & 920' FWL, Section 36, T22S-R30E, Eddy County, New Mexico to a proposed depth of 12,300' to test the Delaware Formation.

James Ranch No. 106H, Eddy County, New Mexico - This well will be drilled at a legal location being 1,595' FSL & 1,096' FWL, Section 36, T22S-R30E, Eddy County, New Mexico to a proposed depth of 12,300' to test the Delaware Formation.

James Ranch No. 107H, Eddy County, New Mexico - This well will be drilled at a legal location being 860' FSL & 990' FWL, Section 36, T22S-R30E, Eddy County, New Mexico to a proposed depth of 12,300' to test the Delaware Formation.

James Ranch No. 108H, Eddy County, New Mexico - This well will be drilled at a legal location being 660' FNL & 990' FWL, Section 1, T23S-R30E, Eddy County, New Mexico to a proposed depth of 12,300' to test the Delaware Formation.

Hudson 1 Federal 9H, Eddy County, New Mexico - This well will be drilled at a legal location being SL: 2,300' FSL & 1,800' FEL, Section 1, T23S-R30E; BHL: 2,300' FSL, 1,800' FEL, Section 2, T23S-R30E, Eddy County, New Mexico to a proposed depth of 12,350' to test the Delaware Formation.

Hudson 1 Federal 10H, Eddy County, New Mexico - This well will be drilled at a legal location being SL: 900' FSL & 1,980' FEL, Section 1, T23S-R30E; BHL: 900' FSL, 330' FWL, Section 1, T23S-R30E, Eddy County, New Mexico to a proposed depth of 10,100' to test the Delaware Formation.

#### OFFSET OBLIGATIONS

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands within the James Ranch Unit area or pursuant to applicable regulations. Mediation

#### 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, 2009.

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.

Very truly yours,



Hugh A. Morrison  
Landman

HAM:ca

ACCEPTED AND AGREED this 27<sup>th</sup> day of Jan., 2009.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

By: Ed Martin