Form 3160-5 (August 2007)

OCD-ARTESIA **UNITED STATES** DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

OMB No. 1004-0137 Expires: July 31, 2010

FORM APPROVED

5. Lease Serial No.

NM-02887A

| Do not use this | | RTS ON WELLS o drill or to re-enter an PD) for such proposal | | 6. If Indian, Allottee o | r Tribe Name |
|---|--|---|--------------------------|---|---|
| SUBM | IT IN TRIPLICATE – Other | instructions on page 2. | | 7. If Unit of CA/Agree | ement, Name and/or No. |
| I. Type of Well Oil Well Gas V | Well Other | | | 8. Well Name and No. James Ranch | Unit #121H |
| 2. Name of Operator BOPCO, L.P. | | | | 9. API Well No. 30-015-38119 | |
| 3a. Address P.O. Box 2760 Midland 7 | | 3b. Phone No. (include area co. (432)683-2277 | de) | 10. Field and Pool or I | Exploratory Area |
| Location of Well (Footage, Sec., T. 2450' FNL, 1500' FWL, L Long: W103.803539 Sec | R.,M., or Survey Description) at: N32.304992, | | | 11. Country or Parish, Eddy | |
| 12. CHE | CK THE APPROPRIATE BO | X(ES) TO INDICATE NATUR | E OF NOTI | CE, REPORT OR OTH | ER DATA |
| TYPE OF SUBMISSION | | TY | PE OF ACT | rion | |
| X Notice of Intent | Acidize Alter Casing | Deepen Fracture Treat | _ | luction (Start/Resume) | Water Shut-Off Well Integrity |
| Subsequent Report | Casing Repair Change Plans | New Construction Plug and Abandon | | omplete porarily Abandon | Other |
| Final Abandonment Notice | Convert to Injection | Plug Back | ☐ Wat | er Disposal | |
| the proposal is to deepen direction Attach the Bond under which the | ally or recomplete horizontall work will be performed or pro ved operations. If the operation Abandonment Notices must be | y, give subsurface locations and wide the Bond No. on file with E on results in a multiple completion | measured a BLM/BIA. I | nd true vertical depths o Required subsequent rep pletion in a new interval | orts must be filed within 30 days , a Form 3160-4 must be filed once |

BOPCO, L.P. respectfully requests permission to install a buried 6" SWD flowline that will service the James Ranch Unit #121 well.

The 6" SDR 9 poly pipe will begin at the JRU #124 battery and follow a lease road to the east, continuing along an existing DCP ROW. The flowline will then turn north, follow the lease road and tie in at the JRU 10" SWD line (which runs from JRU #29 to the PLU #43 SWD station).

Please see attached maps showing the proposed SWD line.

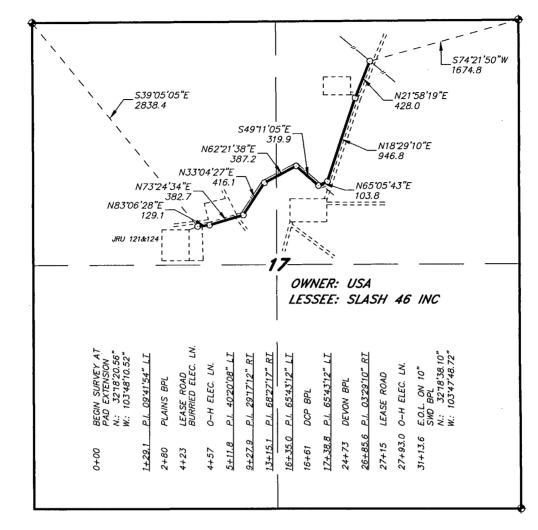
RECEIVED DEC 29 2010 NMOCD ARTESIA

| Valerie Truax | Title Regulatory Clerk | |
|------------------------------|-------------------------|--|
| Signature Parler Suran | Date 12/09/2010 | |
| THIS SPACE FOR FEDE | RAL OR STATE OFFICE USE | And Addition and A |
| Approved by /s/ Don Peterson | FIELD MANAGER | DEC 2 3 2010 |
| | 13 Itic | |

fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



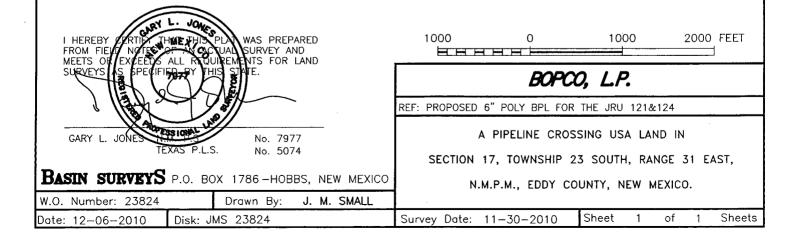
SECTION 17, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

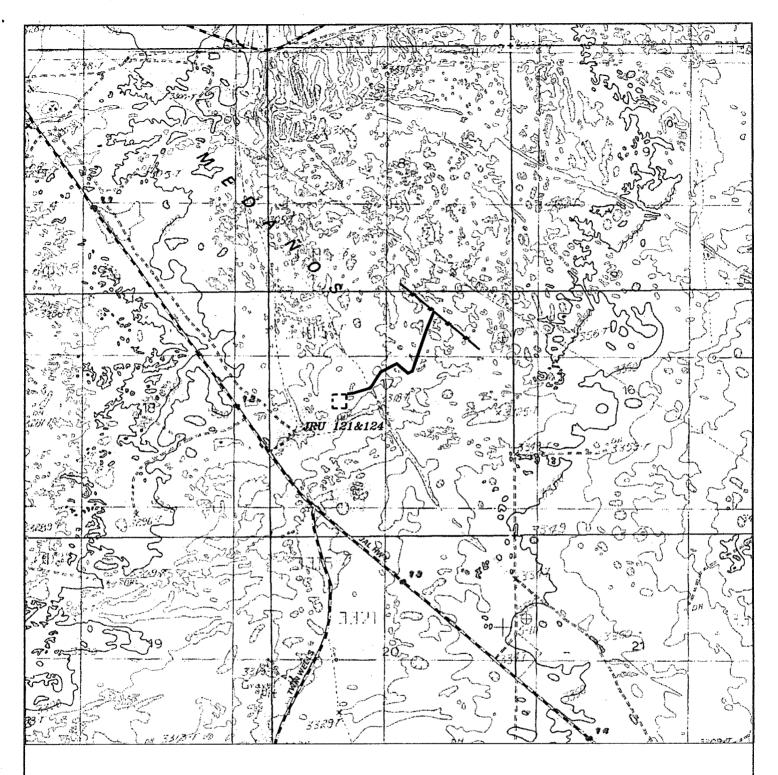


LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 17, TOWNSHIP 23 SOUTH, RANGE 31 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

SECTION 17 = 3113.6 FEET = 188.70 RODS = 0.59 MILES = 2.14 ACRES





PROPOSED 6" POLY BPL FOR THE JRU 121&124 Section 17, Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (575) 393-7316 — Office (575) 392-2206 — Fax basinsurveys.com W.O. Number: JMS 23824

Survey Date: 11-30-2010

Scale: 1" = 2000'

Date: 12-06-2010

BOPCO, L.P.

Lease #NM02887A BOPCO, L. P. James Ranch Unit #121 Buried SWD Polyline

BURIED PIPELINE STIPULATIONS

A copy of the APD and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

- 1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
- 2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
- 3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
- 4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

- 5. All construction and maintenance activity will be confined to the authorized right-of-way.
- 6. The pipeline will be buried with a minimum cover of 36 inches between the top of the pipe and ground level.
- 7. Clearing of brush species will be allowed. Clearing defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. <u>Clearing</u> is allowed, maximum width of these operations will not exceed 20 feet. Blading is allowed. Maximimum width of 10 feet.
- 8. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.
- 9. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in row, piles, or berms, unless otherwise approved by the Authorized Officer. A berm will be left over the ditch line to allow for settling back to grade.
- 10. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.
- 11. The holder will reseed. Seeding will be done according to the attached seeding requirements, using the following seed mix.

LPC Seed Mix

- 12. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" **Shale Green**, Munsell Soil Color No. 5Y 4/2.
- 13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

- 14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.
- 15. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

16. Special Stipulations:

Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am.

<u>Clearing</u> is allowed, maximum width of these operations will not exceed 20 feet. Blading is allowed. Maximimum width of 10 feet.