

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an
abandon well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.	NM - 02952 - A
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA/Agreement, Name and/or No.	NMNM70965X
8. Well Name and No.	JAMES RANCH UNIT # 107H ✓
9. API Well No.	30-015-37062
10. Field and Pool, or Exploratory Area	Quahada Ridge SE (Delaware)
11. County or Parish, State	EDDY COUNTY, N.M.

SUBMIT IN TRIPLICATE - Other instructions on reverse side	
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator BOPCO, L.P. ✓	
3a. Address P.O. Box 2760 Midland, Texas 79702-2760	3b. Phone No. (include area code) (432) 683-2277
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) UL M, 860' FSL, 990' FWL, SEC 36, T22S, R30E ✓ Lat N32.3433692, Long W103.840853	

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

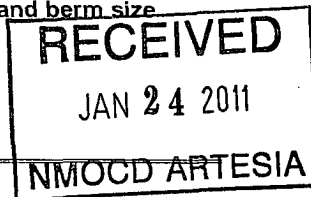
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment	<input type="checkbox"/> Casing Repair	<input checked="" type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Excavate Frac Pit
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration. If the proposed is to deepen directionally or recompleat horizontally, give subsurface locations measured and true vertical depths of all pertinent markers and Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 d following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operation determined that the site is ready for final inspection.)

BOPCO, L.P. respectfully requests approval for a frac pit to be excavated and lined west of the JRU # 107H. The pit will overlap the 107H location by 25' along the west side. The dimensions on the proposed pit are 275' x 275' by 6' high out side and 225' x 225' by 6' high inside. The berm will measure seven feet in width at the top, and 25 feet at the base. The pit will be secured by a perimeter chain link fence, topped with barbed wire, with a 20' access gate on the east side. The surrounding soil will be protected with a 20 mm reinforced liner. The pit will hold fresh water off the Double Eagle water tap. Prevention of unwanted contamination of the fresh water in the pit will be ensured by the hiring and posting of a gate guard to monitor traffic near the pit.

Previously a pit was approved by the BLM (10/20/10) but was not built, the volume was 32,000 bbls fresh water. The request for the replacement pit will hold 60,000 bbls FW. Diagrams of the pit dimensions and berm size are attached along with the survey plats and a map.

OK 2 Fast 1-13-11

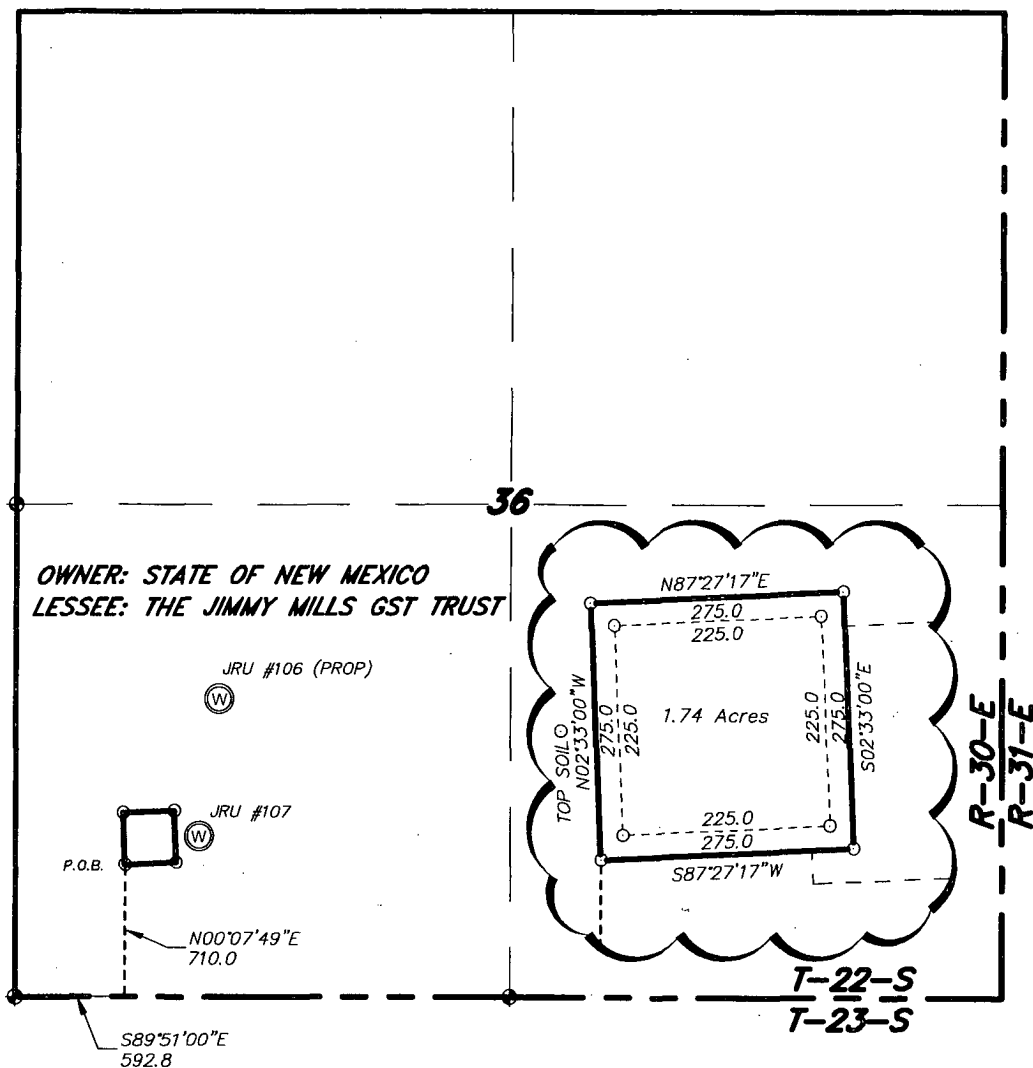


14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Bill Franks		Title Production Foreman	
Signature <i>Bill Franks</i>		Date 12/21/10	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE			
Approved by <i>[Signature]</i>		Title <i>AFM</i>	Date 1/14/11
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office BLM Carlsbad Field Office	

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DD

SECTION 36, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.

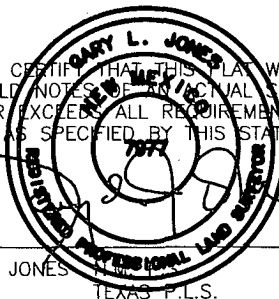


LEGAL DESCRIPTION

A TRACT OF LAND LOCATED IN SECTION 36, TOWNSHIP 22 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH LIES S.89°51'00\"E., 592.8 FEET AND N.00°07'49\"E., 710.0 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 36; THENCE N.02°33'00\"W., 275.0 FEET; THENCE N.87°27'17\"E., 275.0 FEET; THENCE S.02°33'00\"E., 275.0 FEET; THENCE S.87°27'17\"W., 275.0 FEET TO THE POINT OF BEGINNING. SAID TRACT OF LAND BEING 1.74 ACRES, MORE OR LESS.

I HEREBY CERTIFY THAT THIS MAP WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.



GARY L. JONES

TEXAS P.L.S.

No. 7977

No. 5074

BASIN SURVEYS

P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 23928

Drawn By: J. M. SMALL

Date: 12-20-2010

Disk: 23928

Survey Date: 12-17-2010

Sheet 1 of 1 Sheets

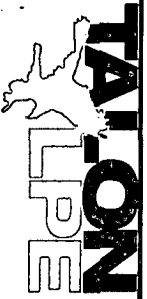
1000 0 1000 2000 FEET



BOPCO, L.P.

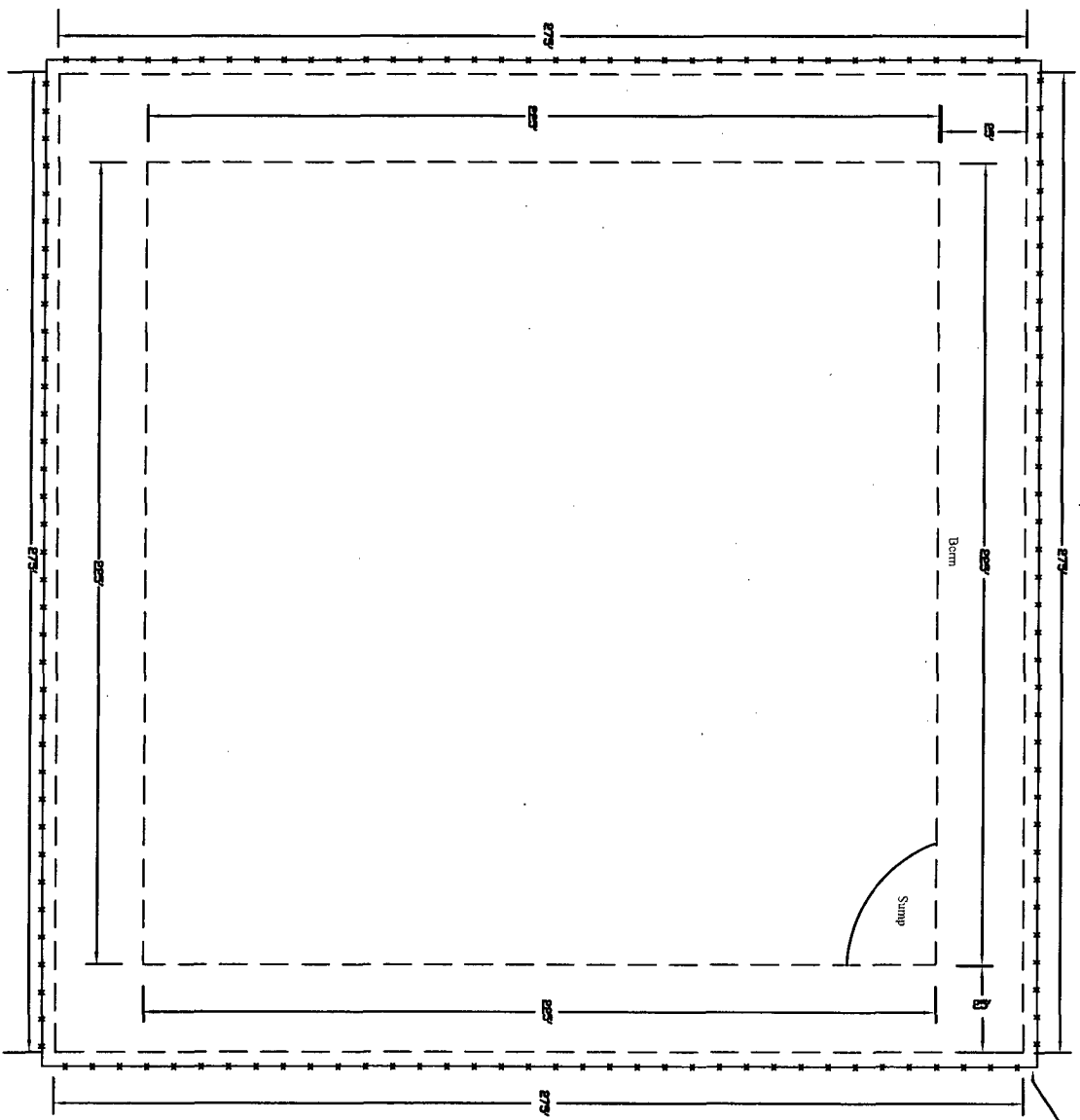
REF: PROPOSED FRESH WATER PIT

A TRACT OF LAND ON STATE LAND IN
SECTION 36, TOWNSHIP 22 SOUTH, RANGE 30 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

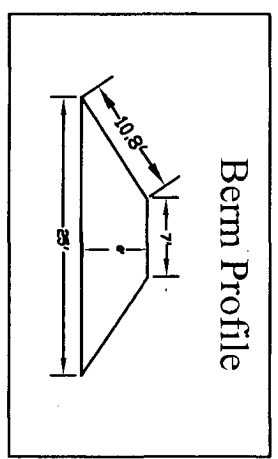


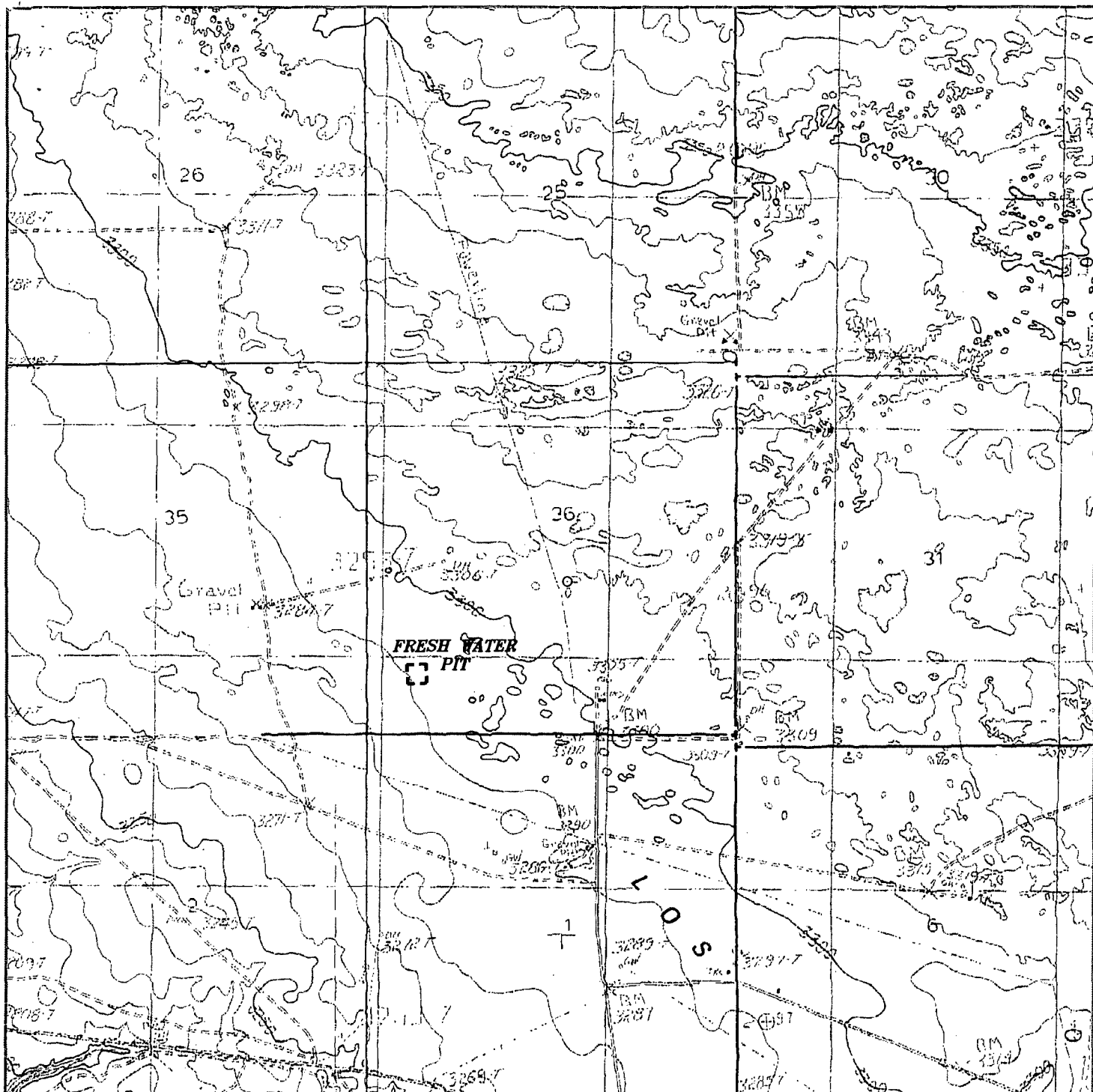
Date: 12/16/2010
Scale: NTS
Drawn By: KJW

James Ranch 107H Frac Pit
BOPCO, L.P.
Eddy County, New Mexico
N 32.34156, W 103.83099



--- Berm
--- Fence





PROPOSED FRESH WATER PIT

Section 36, Township 22 South, Range 30 East,
N.M.P.M., Eddy County, New Mexico.

basin
surveys

focused on excellence
in the oilfield

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 23928

Survey Date: 12-17-2010

Scale: 1" = 2000'

Date: 12-20-2010

BOPCO, L.P.

BLM LEASE NUMBER: NM 02952A
COMPANY NAME: **BOPCO, L.P.**
ASSOCIATED WELL NO. & NAME: James Ranch Unit #107H

FRAC POND CONDITIONS OF APPROVAL

A copy of the APD, Right-of-Way Request, or Sundry Notice and attachments, including stipulations, survey plat and diagram, will be on location during construction. BLM personnel may request to see a copy of your permit during construction to ensure compliance with all conditions of approval.

Holder agrees to comply with the following conditions of approval 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 permit.
2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated.
3. Required Standard Conditions of Approval:
 - Contact the Supervisory Environmental Protection Specialist, Jim Amos, at 575-234-5909 at least 24 hours prior to starting construction.
 - The frac pond will only be authorized to contain freshwater and testing of water quality is required. Additives are not allowed without consent of the authorized officer.
 - If at any time the water in the frac pond becomes polluted with salts or other contaminants, use of the frac pond will cease and desist, and all liquids will be removed from the frac pond and disposed of properly.
 - Confine all construction and maintenance activity to the authorized area.
 - Temporary pipelines flowing from the frac pond to the target well will be laid along existing roadways unless an exception has been granted by the authorized officer.
 - Mineral materials extracted during construction of the frac pond will be stored on-location and/or used for constructing the frac pond.
 - The frac pond will be lined.

- The operator shall stockpile topsoil approximately 25 feet outside the bermed perimeter of the pond in a low profile manner, reasonably protected from wind and water erosion
- Topsoil shall not be used for constructing the frac pond. The topsoil will be used for final reclamation purposes only.
- The frac pond shall be fenced on all sides.
- Frac pond boundary fences will be marked by using highly visible and/or reflective markers
- Inner walls of the frac pond will have a minimum of a 3:1 slope ratio in order to minimize the entrapment of fauna
- Install earthen erosion-control structures as are suitable for the specific terrain and soil conditions.
- The plastic lining will be removed prior to final abandonment
- Reclamation efforts will commence immediately after the frac pond is no longer needed for the purpose of completing wells.
- Within 3 months of completion of frac operations on associated wells, all earthwork and final reclamation must be completed. This includes reclaiming and/or removal of:

Any roads approved for use with the pond

Surface water lines

Tanks, pumps, fencing etc.

- Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

Requirements for Operations and Final Reclamation:

4. If, during any phase of the construction, operation, maintenance, or termination of the frac pond, any pollutant should be released from the contaminated frac pond, the control and total removal, disposal, and cleaning up of such pollutant, wherever found, shall be the responsibility of holder, regardless of fault.

5. 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.

6. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf 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.

7. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

8. After all disturbed areas have been satisfactorily contoured and prepared for seeding the location needs to be revegetated with the seed mixture provided. Seeding may need to be repeated until revegetation is successful. Operators shall contact Jim Amos, Supervisor, Environmental Protection – (575)234-5909, **prior** to beginning surface reclamation operations.

9. Seeding is required: Use the following seed mix.

- | | |
|---|--|
| <input type="checkbox"/> seed mixture 1 | <input type="checkbox"/> seed mixture 3 |
| <input type="checkbox"/> seed mixture 2 | <input type="checkbox"/> seed mixture 4 |
| <input checked="" type="checkbox"/> LPC mixture | <input type="checkbox"/> Aplomado Falcon mix |

10. The topsoil to be stripped is approximately 6 inches in depth.

11. Special Stipulations: **Due to being within the Lesser Prairie Chicken habitat, all construction activities will be restricted to the hours of 9:00 am through 3:00 am for the period of March 1 through June 15. No construction activities will be allowed between 3:00 am and 9:00 am.**

12. Upon failure of holder to control, dispose of, or clean up such discharge, or to repair all damages resulting there-from, 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.

EA File #__11-282