

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

February 29, 2012

FEDERAL EXPRESS

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: 2012 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 2012.

2011 Activity

- *Drilling*
 - The Delaware horizontal development program continued with eleven (11) wells being drilled.
 - One (1) Bone Spring horizontal well was drilled.
- *Plugged and Abandoned*
 - No James Ranch Unit wells were plugged and abandoned in 2011.
- *Participating Areas*
 - No Participating Areas were revised or established in 2011.
- *Infrastructure*
 - One (1) new tank battery was constructed at the site of the Legg Federal No. 1 well to service the James Ranch Unit #12-2H and other wells planned for the area in the near future.

Future Development

- *Delaware*
 - Four (4) Delaware wells are expected to be drilled and/or permitted in 2012.

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.

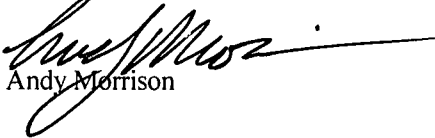
2012 MAR - 1
RECEIVED
16

Effective Date

- This Plan of Development became effective on January 1, 2012.

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,


Andy Morrison

AM:ca

ACCEPTED AND AGREED this 2nd day of MARCH, 2012.

BUREAU OF LAND MANAGEMENT

By: _____

COMMISSIONER OF PUBLIC LANDS

By: _____

NEW MEXICO OIL CONSERVATION DIVISION

By:  _____

James Ranch Unit - Future Delaware Development

	Surface Location		Bottom Hole Location		Depth
	S-T-R	Footage Call	S-T-R	Footage Call	
JRU 138H	25-22-30	2,365' FSL & 2,010' FWL	27-22-30	1,980' FSL & 330' FWL	18,190'
JRU 139H	25-22-30	2,365' FSL & 2,050' FWL	27-22-30	660' FSL & 330' FWL	18,980'
JRU 140H	25-22-30	2,619' FNL & 1,980' FWL	27-22-30	1,980' FNL & 330' FWL	18,950'
JRU 141H	25-22-30	2,619' FNL & 2,020' FWL	27-22-30	660' FNL & 350' FWL	18,980'

James Ranch Unit - 2011 Activity

Delaware

Delaware	S-T-R	Surface Location		S-T-R	Bottom Hole Location		Depth
		Footage Call			Footage Call		
JRU 109H	1-23-30	2310' FSL & 530' FEL		5-23-30	660' FSL & 990' FWL		14,100'
JRU 110H	8-23-31	2000' FSL & 1,750' FEL		7-23-31	1,769' FNL & 352' FWL		15,309'
JRU 111H	8-23-31	2,000' FSL & 1,750' FEL		7-23-31	1,980' FNL & 330' FWL		16,326'
JRU 114H	6-23-31	270' FNL & 710' FEL		6-23-31	1,650' FSL & 600' FWL		10,842'
JRU115H	5-23-31	330' FNL & 120' FWL		8-23-31	9,700 FNL & 2,270 FWL		14,494'
JRU 119H	8-23-31	1,640' FSL & 1,830' FEL		7-23-31	1,993' FSL & 370' FWL		16,064'
JRU 120H	8-23-31	290' FSL & 1,990' FEL		7-23-31	660' FSL & 330' FWL		15,915'
JRU 121H	17-23-31	2,450' FNL & 1,500' FWL		18-23-31	638' FNL & 385' FWL		14,562'
JRU 124H	17-23-31	2,450' FNL & 1,430' FWL		18-23-21	1,982' FNL & 362' FWL		13,868'
JRU 129H	36-22-31	630' FNL & 330' FEL		31-22-31	660' FNL & 330' FEL		12,579'
JRU 130H	36-22-30	2,185' FNL & 180' FEL		31-22-31	1,800' FNL & 330' FEL		12,532'

Bone Spring

JRU 12-2H	21-22-30	1,450' FNL & 1,830' FEL		23-22-30	2,290' FNL & 970' FWL		17,575'
-----------	----------	-------------------------	--	----------	-----------------------	--	---------

James Ranch Unit - Well Status List

WELL NAME	LEASE	RESERVOIR	MAJOR	STATUS	API	Agreement
JAMES RANCH #030	JAMES RANCH	WOLFCAMP	OIL	SI	30-015-27704	290044
JAMES RANCH #048	JAMES RANCH	DELAWARE	OIL	ACT	30-015-27791	0290003000
JAMES RANCH UNIT #001	JAMES RANCH UNIT	ATOKA	GAS	ACT	30-015-04735	891 000558A
JAMES RANCH UNIT #003	JAMES RANCH UNIT	ATOKA	GAS	ACT	30-015-20232	891 000558A
JAMES RANCH UNIT #004	JAMES RANCH UNIT	ATK/MRW	GAS	ACT	30-015-20803	891 000558A
JAMES RANCH UNIT #007	JAMES RANCH UNIT	BONE SPRING	OIL	ACT	30-015-21247	891 000558D
JAMES RANCH UNIT #010	JAMES RANCH UNIT	ATOKA	GAS	ACT	30-015-23075	891 000558A
JAMES RANCH UNIT #011	JAMES RANCH UNIT	BONE SPRING	OIL	ACT	30-015-23377	891 000558D
JAMES RANCH UNIT #012H	JAMES RANCH UNIT	BONE SPRING	OIL	ACT	30-015-22162	029002953B, 0292253, 029006808
JAMES RANCH UNIT #013	JAMES RANCH UNIT	ATOKA	GAS	ACT	30-015-24062	891 000558A
JAMES RANCH UNIT #014	JAMES RANCH UNIT	MORROW	GAS	ACT	30-015-24420	029002887B, 029002887D
JAMES RANCH UNIT #015	JAMES RANCH UNIT	STRAWN	GAS	ACT	30-015-24780	029002887A, 029002887D
JAMES RANCH UNIT #016	JAMES RANCH UNIT	DEL/BS/WLF	OIL	ACT	30-015-28623	891 00558F
JAMES RANCH UNIT #017	JAMES RANCH UNIT	DEL/BS/WLF	OIL	ACT	30-015-27784	891 00558F
JAMES RANCH UNIT #018	JAMES RANCH UNIT	MORROW	GAS	ACT	30-015-27208	E-05229 (State)
JAMES RANCH UNIT #019	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-27357	891 00558F
JAMES RANCH UNIT #027	JAMES RANCH UNIT	DEL/BS/WLF	OIL	ACT	30-015-31033	029002953C
JAMES RANCH UNIT #029	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-27735	891 00558F
JAMES RANCH UNIT #030	JAMES RANCH UNIT	BS/WLF	OIL	SI	30-015-27704	0290044730
JAMES RANCH UNIT #031	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-30829	891 00558F
JAMES RANCH UNIT #032	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-30830	891 00558F
JAMES RANCH UNIT #033	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-31207	891 00558F
JAMES RANCH UNIT #034	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-31064	891 00558F
JAMES RANCH UNIT #035	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-31167	891 00558F
JAMES RANCH UNIT #036	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-27686	891 00558F
JAMES RANCH UNIT #037	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-27703	891 00558F
JAMES RANCH UNIT #038	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-30856	891 00558F
JAMES RANCH UNIT #041	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-27734	891 00558F
JAMES RANCH UNIT #055	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-27589	891 000558 G
JAMES RANCH UNIT #056	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-27886	891 000558 G
JAMES RANCH UNIT #057	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-27887	891 000558 G
JAMES RANCH UNIT #062	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-35340	891 00558F
JAMES RANCH UNIT #063	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-30857	891 00558F

James Ranch Unit - Well Status List

JAMES RANCH UNIT #065	JAMES RANCH UNIT	DEL/BS/WLF	OIL	ACT	30-015-27995	891 00558F
JAMES RANCH UNIT #066	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-31065	891 00558F
JAMES RANCH UNIT #067	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-31004	891 00558F
JAMES RANCH UNIT #070	JAMES RANCH UNIT	ATOKA	GAS	ACT	30-015-28012	030089051, 029479142, 300890510
JAMES RANCH UNIT #071	JAMES RANCH UNIT	DEL/BS/WLF	OIL	ACT	30-015-27927	891 00558F
JAMES RANCH UNIT #073	JAMES RANCH UNIT	DEL/BS/WLF	OIL	ACT	30-015-28979	891 00558F
JAMES RANCH UNIT #074	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-31168	891 00558F
JAMES RANCH UNIT #075	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-33114	891 00558F
JAMES RANCH UNIT #076	JAMES RANCH UNIT	DEL/BS/WLF	OIL	ACT	30-015-29173	891 00558F
JAMES RANCH UNIT #079	JAMES RANCH UNIT	DEL/BS/WLF	OIL	ACT	30-015-31056	891 00558F
JAMES RANCH UNIT #080	JAMES RANCH UNIT	DEL/BS/WLF	OIL	ACT	30-015-32868	891 00558F
JAMES RANCH UNIT #082	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-31208	891 00558F
JAMES RANCH UNIT #083	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-31580	891 00558F
JAMES RANCH UNIT #084	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-31405	891 00558F
JAMES RANCH UNIT #085	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-35322	891 00558F
JAMES RANCH UNIT #087	JAMES RANCH UNIT	DEL/BS/WLF	OIL	ACT	30-015-34277	891 00558F
JAMES RANCH UNIT #091	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-33601	891 00558F
JAMES RANCH UNIT #103H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-37175	891 00558F
JAMES RANCH UNIT #104H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-37271	891 00558F
JAMES RANCH UNIT #105H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-37064	891 00558F
JAMES RANCH UNIT #106H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-37063	891 00558F
JAMES RANCH UNIT #107H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-37062	891 00558F
JAMES RANCH UNIT #108H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-37273	891 00558F
JAMES RANCH UNIT #110H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-38115	250028848, 250028878, 250028870, 25004473
JAMES RANCH UNIT #111H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-38120	250028848, 250028878, 250028870, 25004473
JAMES RANCH UNIT #112H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-36722	891 00303E
JAMES RANCH UNIT #113H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-37046	029002953C
JAMES RANCH UNIT #114H	JAMES RANCH UNIT	DELAWARE	OIL	SI	30-015-37925	891 00558F
JAMES RANCH UNIT #115H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-38118	25002885A, 250028878, 71071988B
JAMES RANCH UNIT #119H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-38117	25002887A, 250028878, 71071988B
JAMES RANCH UNIT #120H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-38116	891 00558F
JAMES RANCH UNIT #121H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-38119	029002887A
JAMES RANCH UNIT #124H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-38113	029002887A
JAMES RANCH UNIT #129H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-38288	891 00558F

James Ranch Unit - Well Status List

JAMES RANCH UNIT #130H	JAMES RANCH UNIT	DELAWARE	OIL	ACT	30-015-38308	891 00558F
------------------------	------------------	----------	-----	-----	--------------	------------