

365

March 13, 2014

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: 2014 Plan of Development
Big Eddy Unit
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the Big Eddy Unit Agreement dated April 10, 1952, BOPCO, L.P., Operator of the referenced unit, hereby submits a Plan of Development for the Big Eddy Unit for the year 2014.

2013 Activity

- *Drilling*
 - The Bone Spring horizontal development program continued with six (6) wells being completed.
 - One (1) horizontal Wolfcamp test well was completed.
- *Plugged and Abandoned*
 - One (1) Big Eddy Unit well (BEU #44) was plugged and abandoned in 2013.
- *Participating Areas*
 - No Big Eddy Unit Participating Areas were revised or established in 2013.

Future Development

- *Bone Spring*
 - Twelve (12) Bone Spring wells are expected to be drilled in 2014.
- *Wolfcamp*
 - Two (2) Wolfcamp wells are expected to be drilled in 2014.
- *Delaware*
 - One (1) Delaware well is expected to be drilled in 2014.
- *Saltwater Disposal*
 - Three (3) Devonian Saltwater Disposal wells are expected to be drilled in 2014.

Offset Obligations

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

Modifications

- In accordance with the terms and provisions of the Big Eddy 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, 2014.

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,



Andy Morrison

HAM:mec

ACCEPTED AND AGREED this _____ day of _____, 2014.

BUREAU OF LAND MANAGEMENT

By: _____

COMMISSIONER OF PUBLIC LANDS

By: _____

NEW MEXICO OIL CONSERVATION DIVISION

By: _____

Big Eddy Unit - 2013 Development

Well Name	Surface Location		Bottom Hole Location		Depth
	S-T-R	Footage Call	S-T-R	Footage Call	
248H	35-19-31	1,175' FNL & 10' FEL	34-19-31	380' FNL & 1,155' FEL	15,700
249H	35-19-31	1,215' FNL & 10' FEL	34-19-31	1,980' FNL & 1,155' FEL	15,600
250H	35-19-31	1,980' FSL & 10' FEL	34-19-31	1,980' FSL & 1,155' FEL	15,130
251H	35-19-31	660' FSL & 10' FEL	34-19-31	660' FSL & 1,155' FEL	15,517
252H	35-19-31	620' FSL & 10' FEL	2-20-31	330' FSL & 660' FEL	14,785

Big Eddy Unit - 2014 Bone Spring Development

Well	SL Footage Calls	BHL Footage Calls	Estimated MD
BEU 257H (redrill)	1670' FSL & 2530' FEL, Sec 33-19S-31E	660' FSL & 1470' FEL Sec 34-19S-31E	15,433'
BEU DI 9-35H	130' FSL & 879' FEL, Sec 21-21S-30E	660' FSL & 2310' FEL Sec 19-21S-30E	20,325'
BEU DI 10-340H	550' FSL & 1650' FEL, Sec 30-20S-31E	660' FNL & 330' FEL Sec 32-20S-31E	15,923'
BEU DI 4-264H	660' FNL & 2220' FEL, Sec 5-20S-31E	660' FNL & 330' FWL, Sec 6-20S-31E	16,680'
BEU DI 4-270H	700' FNL & 2220' FEL, Sec 5-20S-31E	2000' FNL & 330' FWL, Sec 6-20S-31E	17,306'
BEU DI 5 24H	2000' FNL & 1873' FEL, Sec 27-20S-31E	2310' FSL & 330' FEL, Sec 27-20S-31E	20,675'
BEU DI 28-277H	939' FNL & 889' FWL, Sec 15-21S-29E	1980' FSL & 330' FEL, Sec 13-21S-29E	25,408'
BEU DI 4-269H	660' FNL & 2100' FEL, Sec 5-20S-31E	660' FNL & 330' FEL, Sec 4-20S-31E	15,755'
BEU DI 4-271H	700' FNL & 2100' FEL, Sec 5-20S-31E	2000' FNL & 330' FEL, Sec 4-20S-31E	16,284'
BEU 287H	1980' FNL & 330' FEL, Sec 16-21S-28E	1980' FNL & 2310' FEL, Sec 17-21S-28E	14,595'
BEU DI 9-34H	90' FSL & 879' FEL, Sec 21-21S-30E	660' FNL & 2310' FE, Sec 30-21S-30E	20,430'
BEU DI 28-278H	1240' FNL & 1249' FWL, Sec 15-21S-29E	1980' FSL & 330' FEL, Sec 13-21S-29E	23,271'

Big Eddy Unit - 2014 Wolfcamp Development

Well	SL Footage Calls	BHL Footage Calls	MD
BEU 290H	1980' FSL & 2180' FWL, Sec 5-21S-28E	1980' FSL & 330' FEL, Sec 4-21S-28E	14,700'
BEU 292H	660' FNL & 330' FEL, Sec 21-21S-28E	660' FNL & 2310' FEL, Sec 20-21S-28E	14,775'

Big Eddy Unit - 2014 Delaware Development

Well	SL Footage Calls	BHL Footage Calls	MD
BEU DI 5-4H	1980' FNL & 1848' FEL, Sec 27-20S-31E	2050' FNL & 330' FEL, Sec 25-20S-31E	18,927'

Big Eddy Unit - 2014 Saltwater Disposal Wells

Well	SL Footage Calls	TVD
BEU DI 9 SWD	DI 9, no footage calls yet	Vertical
BEU 3-22-29 Fed 1 SWD	660' FSL & 2310' FEL, Sec 3-22S-29E	Vertical
BEU 29 Fed 1 SWD	980' FSL & 450' FWL Sec 29-21S-29E	Vertical

Big Eddy Unit - Well Status List

WELLNAME	RESERVOIR	MAJOR	STATUS	API	Agreement#
BIG EDDY #007	MORROW	GAS	ACT	30-015-10765	029001189A
BIG EDDY #033	BS/STR	OIL	ACT	30-015-20369	0290045570
BIG EDDY #040	STRAWN	OIL	P&A	30-015-21117	590 87C445 0
BIG EDDY #041	ATOKA	GAS	P&A	30-015-21325	0710671440
BIG EDDY #054	MORROW	GAS	P&A	30-015-22133	0710593650
BIG EDDY #056W	DELAWARE	SWD	ACT	30-015-22222	NA
BIG EDDY #066	ATOKA	GAS	SI	30-015-22682	590 87C440 0
BIG EDDY #074	DELAWARE	OIL	ACT	30-015-22839	0710671440
BIG EDDY #085	MORROW	GAS	ACT	30-015-23629	590 87C444 0
BIG EDDY #133	RAMSEY	OIL	ACT	30-015-28043	071069144A
BIG EDDY #152	DELAWARE	OIL	ACT	30-015-35481	0710692190
BIG EDDY #156	ATOKA	GAS	ACT	30-015-35269	71069140A
BIG EDDY #163	MORROW	GAS	ACT	30-015-35348	071063418A
BIG EDDY #165	ATOKA	GAS	ACT	30-015-35251	NM 119157
BIG EDDY #167	MORROW	GAS	ACT	30-015-35571	NM 127506
BIG EDDY UNIT #008	BONE SPRING	OIL	ACT	30-015-10775	0290068180
BIG EDDY UNIT #038H	DELAWARE	OIL	ACT	30-015-20940	71067964
BIG EDDY UNIT #039	MORROW	GAS	ACT	30-015-20945	891 000326 D
BIG EDDY UNIT #044	ATOKA	GAS	ACT	30-015-21529	E-00831, E-05230 (State)
BIG EDDY UNIT #053	MORROW	GAS	ACT	30-015-22075	891 000326 H
BIG EDDY UNIT #054	ATOKA	GAS	ACT	30-015-22133	71059365
BIG EDDY UNIT #064	MORROW	GAS	ACT	30-015-23131	891 000326 R
BIG EDDY UNIT #070	STRAWN	GAS	ACT	30-015-23473	71069219
BIG EDDY UNIT #072	MORROW	GAS	ACT	30-015-22859	891 000326 I
BIG EDDY UNIT #072	ATOKA	GAS	ACT	30-015-22859	891 000326 L
BIG EDDY UNIT #073	ATOKA	GAS	ACT	30-015-22989	29000505, 29002918
BIG EDDY UNIT #076	MORROW	GAS	ACT	30-015-22966	891 000326 A
BIG EDDY UNIT #076	ATOKA	GAS	BP	30-015-22966	891 000326 L
BIG EDDY UNIT #077	MORROW	GAS	ACT	30-015-22945	891 000326 B
BIG EDDY UNIT #082	MORROW	GAS	SI	30-015-23577	891 000326 J
BIG EDDY UNIT #087	ATOKA	GAS	ACT	30-015-23969	290004860
BIG EDDY UNIT #094	ATOKA	GAS	ACT	30-015-24084	NM 84629
BIG EDDY UNIT #095	ATOKA	GAS	ACT	30-015-24210	0290011480
BIG EDDY UNIT #097	MORROW	GAS	ACT	30-015-24138	0710679640
BIG EDDY UNIT #122W	DELAWARE	SWD	ACT	30-015-27454	NA
BIG EDDY UNIT #133	DELAWARE	OIL	TA	30-015-28043	71069144A
BIG EDDY UNIT #143	MORROW	GAS	ACT	30-015-32955	NM 111784
BIG EDDY UNIT #144	STRAWN	GAS	ACT	30-015-33103	NM 111785
BIG EDDY UNIT #148	MORROW	GAS	ACT	30-015-35146	NM 119166
BIG EDDY UNIT #149	MORROW	GAS	ACT	30-015-33972	0290011480
BIG EDDY UNIT #150	STRAWN	GAS	SI	30-015-33231	0710660670
BIG EDDY UNIT #151	MRW/STR	GAS	ACT	30-015-33157	0710593650
BIG EDDY UNIT #153	ATOKA	GAS	ACT	30-015-34012	0290042280
BIG EDDY UNIT #154	ATOKA	GAS	ACT	30-015-34399	071069142A
BIG EDDY UNIT #155	MORROW	GAS	ACT	30-015-34921	071069159A
BIG EDDY UNIT #156	MORROW	GAS	ACT	30-015-35269	071069140A

Big Eddy Unit - Well Status List

BIG EDDY UNIT #158	MORROW	GAS	ACT	30-015-35345	071060853A
BIG EDDY UNIT #159	ATOKA	GAS	ACT	30-015-35145	071069140A
BIG EDDY UNIT #159	MORROW	GAS	TA	30-015-35145	891 000326 B
BIG EDDY UNIT #160	ATOKA	GAS	ACT	30-015-36289	71069140A, 71069142A
BIG EDDY UNIT #162	MORROW	GAS	ACT	30-015-36020	71062573, 71068284
BIG EDDY UNIT #164	MORROW	GAS	ACT	30-015-35592	71069144, 71069144A
BIG EDDY UNIT #165	MORROW	GAS	ACT	30-015-35251	NM 119157
BIG EDDY UNIT #166	MORROW	GAS	ACT	30-015-36019	NA
BIG EDDY UNIT #169	STRAWN	GAS	ACT	30-015-35169	71069707
BIG EDDY UNIT #171	MORROW	GAS	ACT	30-015-35591	071069159A
BIG EDDY UNIT #186	ATK/MRW	GAS	ACT	30-015-35753	071069142A
BIG EDDY UNIT #190	MORROW	GAS	ACT	30-015-36290	71060613, 71060853A, 71067186
BIG EDDY UNIT #191	MORROW	GAS	ACT	30-015-36291	290005090, 29002918
BIG EDDY UNIT #202	MORROW	GAS	ACT	30-015-36292	71067144, 71068284
BIG EDDY UNIT #213	MORROW	GAS	ACT	30-015-36293	71060853A, 71060613
BIG EDDY UNIT #218	MORROW	GAS	ACT	30-015-36297	71067186, 29415688A
BIG EDDY UNIT #220	MORROW	GAS	ACT	30-015-36455	71063418A, 71067186
BIG EDDY UNIT #248H	BONE SPRING	OIL	ACT	30-015-40714	071069159A
BIG EDDY UNIT #249H	BONE SPRING	OIL	ACT	30-015-40715	071069159A
BIG EDDY UNIT #250H	BONE SPRING	OIL	ACT	30-015-40498	NA
BIG EDDY UNIT #251H	BONE SPRING	OIL	ACT	30-015-40499	0290024470
BIG EDDY UNIT #252H	BONE SPRING	OIL	ACT	30-015-40500	NA