

ATS-11-838

30-015-39732

OCD-ARTESIA

Form 3160-3  
(April 2004)

SECRETARY'S POTASH

FORM APPROVED  
OMB No 1004-0137  
Expires March 31, 2007

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

|                                                                                                                                                                                                                                                                                            |                                                                                                                         |                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| 1a. Type of work. <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER                                                                                                                                                                                               |                                                                                                                         | 5. Lease Serial No. <b>NW BHL</b><br><b>SH L C 068905, 030452, 030453</b>             |
| 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone                                                                     |                                                                                                                         | 6. If Indian, Allottee or Tribe Name                                                  |
| 2. Name of Operator<br><b>BOPCO, L. P.</b>                                                                                                                                                                                                                                                 |                                                                                                                         | 7. If Unit or CA Agreement, Name and No.<br><b>Poker Lake Unit NMNM 71016X</b>        |
| 3a. Address <b>P. O. Box 2760<br/>Midland, TX 79702</b>                                                                                                                                                                                                                                    |                                                                                                                         | 8. Lease Name and Well No.<br><b>Poker Lake Unit #340H</b> <b>[336402]</b>            |
| 3b. Phone No. (include area code)<br><b>432-683-2277</b>                                                                                                                                                                                                                                   |                                                                                                                         | 9. API Well No.<br><b>30-015-39732</b>                                                |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *)<br>At surface <b>SWSE, UL N, 895' FSL, 1410' FWL, Lat N32.212961, Long W103.855222</b><br>At proposed prod. zone <b>835' FSL, 1440' FWL, Sec24,T24S,R30E,Lat N32.198314, Lg W103.837875</b> |                                                                                                                         | 10. Field and Pool, or Exploratory<br><b>Poker Lake NW (Delaware)</b> <b>[396046]</b> |
| 14. Distance in miles and direction from nearest town or post office*<br><b>8.5 miles east of Malaga, NM</b>                                                                                                                                                                               |                                                                                                                         | 11. Sec., T. R. M. or Blk. and Survey or Area<br><b>Sec 14, T24S, R30E, Mer NMP</b>   |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>895'</b>                                                                                                                                                          | 16. No. of acres in lease <b>3800</b>                                                                                   | 12. County or Parish<br><b>Eddy County</b>                                            |
| 17. Spacing Unit dedicated to this well <b>520</b>                                                                                                                                                                                                                                         | 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>1845'</b> | 13. State<br><b>NM</b>                                                                |
| 19. Proposed Depth <b>15,167' MD, 7,908 TVD</b>                                                                                                                                                                                                                                            | 20. BLM/BIA Bond No. on file<br><b>COB000050</b>                                                                        |                                                                                       |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br><b>3424' GL</b>                                                                                                                                                                                                                     | 22. Approximate date work will start*<br><b>09/01/2011</b>                                                              | 23. Estimated duration<br><b>30 days</b>                                              |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- |                                                                                                                                                 |                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| 1. Well plat certified by a registered surveyor.                                                                                                | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.                                                                                                                             | 5. Operator certification                                                                          |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

|                                                       |                                                    |                            |
|-------------------------------------------------------|----------------------------------------------------|----------------------------|
| 25. Signature<br><i>Jeremy Braden</i>                 | Name (Printed/Typed)<br><b>Jeremy Braden</b>       | Date<br><b>08/09/2011</b>  |
| Title<br><b>Drilling Engineer Assistant</b>           |                                                    |                            |
| Approved by (Signature)<br><i>/s/ Tony J. Herrell</i> | Name (Printed/Typed)<br><b>/s/ Tony J. Herrell</b> | Date<br><b>NOV 21 2011</b> |
| Title<br><b>ACTING STATE DIRECTOR</b>                 | Office<br><b>NM STATE OFFICE</b>                   |                            |

Application approval 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.  
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

\*(Instructions on page 2)

RECEIVED  
NOV 29 2011  
NMOCD ARTESIA

Carlsbad Controlled Water Basin

Approval Subject to General Requirements  
& Special Stipulations Attached

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

Operator BOPCO OGRID # 260737  
 Well Name & # \_\_\_\_\_ Surface Type (F) (S) (P)  
 Location: UL N Sect 14 Township 24 s, RNG 30 e, Sub-surface Type (F) (S) (P)

A. Date C101 rec'd 11 / 28 / 2011 C101 reviewed 12 / 1 / 2011

B. 1. Check mark, Information is OK on Forms:

OGRID ☒ BONDING ☒ PROP CODE ☒ WELL # ☒ SIGNATURE ☒

2. Inactive Well list as of: 12 / 1 / 2011 # wells \_\_\_\_\_, # Inactive wells \_\_\_\_\_

a. District Grant APD but see number of inactive wells:

No letter required ☒; Sent Letter to Operator \_\_\_\_\_, to Santa Fe \_\_\_\_\_

3. Additional Bonding as of: 12 / 1 / 2011

a. District Denial because operator needs addition bonding:

No Letter required ☒; Sent Letter to Operator \_\_\_\_\_, To Santa Fe \_\_\_\_\_

b. District Denial because of Inactive well list and Financial Assurance:

No Letter required ☒; Sent Letter to Operator \_\_\_\_\_, To Santa Fe \_\_\_\_\_

C. C102 YES ☒ NO \_\_\_\_\_, Signature ☒

1. Pool Poker Lake Unit, Debraus NW, Code 96046

a. Dedicated acreage \_\_\_\_\_, What Units \_\_\_\_\_

b. SUR. Location Standard \_\_\_\_\_; Non-Standard Location \_\_\_\_\_

c. Well shares acres: Yes \_\_\_\_\_, No \_\_\_\_\_, # of wells \_\_\_\_\_ plus this well # \_\_\_\_\_

2. 2<sup>nd</sup>. Operator in same acreage, Yes \_\_\_\_\_, No \_\_\_\_\_

Agreement Letter \_\_\_\_\_, Disagreement letter \_\_\_\_\_

3. Intent to Directional Drill Yes ☒ No \_\_\_\_\_

a. Dedicated acreage 520, What Units \_\_\_\_\_

b. Bottomhole Location Standard \_\_\_\_\_, Non-Standard Bottomhole \_\_\_\_\_

4. Downhole Commingle: Yes \_\_\_\_\_, No \_\_\_\_\_

a. Pool #2 \_\_\_\_\_, Code \_\_\_\_\_, Acres \_\_\_\_\_

Pool #3 \_\_\_\_\_, Code \_\_\_\_\_, Acres \_\_\_\_\_

Pool #4 \_\_\_\_\_, Code \_\_\_\_\_, Acres \_\_\_\_\_

5. POTASH Area Yes \_\_\_\_\_, No ☒

D. Blowout Preventer Yes ☒ No \_\_\_\_\_

E. H2S Yes ☒ No \_\_\_\_\_

F. C144 Pit Registration Yes ☒ No \_\_\_\_\_

G. Does APD require Santa Fe Approval:

1. Non-Standard Location: Yes \_\_\_\_\_, No ☒ NSL # \_\_\_\_\_

2. Non-Standard Proration: Yes \_\_\_\_\_, No ☒ NSP # \_\_\_\_\_

3. Simultaneous Dedication: Yes \_\_\_\_\_, No ☒ SD # \_\_\_\_\_

Number of wells \_\_\_\_\_ Plus # \_\_\_\_\_

4. Injection order Yes \_\_\_\_\_, No ☒; PMX # \_\_\_\_\_ or WFX # \_\_\_\_\_

5. SWD order Yes \_\_\_\_\_, NO ☒; SWD # \_\_\_\_\_

6. DHC from SF \_\_\_\_\_; DHC-HOB \_\_\_\_\_; Holding \_\_\_\_\_

7. OCD Approval Date 12 / 1 / 2011

API #30-0 15-39732

8. Reviewers 105

# EIGHT POINT DRILLING PROGRAM

## BOPCO, L.P.

**NAME OF WELL:** Poker Lake Unit #340H

LEGAL DESCRIPTION - SURFACE: 895' FSL, 1410' FWL, Section 14, T24S, R30E, Eddy County, NM.  
BHL: 835' FSL, 1440' FWL, Section 24, T24S, R30E, Eddy County, New Mexico.

### POINT 1: ESTIMATED FORMATION TOPS

(See No. 2 Below)

### POINT 2: WATER, OIL, GAS AND/OR MINERAL BEARING FORMATIONS

Anticipated Formation Tops: KB 3443' (estimated)  
GL 3424'

| <u>FORMATION/MARKER</u> | <u>TOP FROM KB</u> |           | <u>SUBSEA TOP</u> | <u>BEARING</u> |
|-------------------------|--------------------|-----------|-------------------|----------------|
|                         | <u>TVD</u>         | <u>MD</u> | <u>EST</u>        |                |
| T/FW                    | 400                | 400       | 3,043             | Fresh Water    |
| T/RUSTLER               | 544                | 544       | 2,899             | Barren         |
| T/SALT                  | 2,076              | 2,076     | 1,367             | Barren         |
| B/SALT                  | 3,736              | 3,736     | -293              | Barren         |
| T/LAMAR LIME            | 3,978              | 3,978     | -535              | Barren         |
| T/RAMSEY                | 4,073              | 4,073     | -630              | Oil/Gas        |
| T/LWR CHERRY CANYON     | 6,146              | 6,146     | -2,703            | Oil/Gas        |
| KOP                     | 7,330              | 7,330     | -3,887            | Oil/Gas        |
| T/LBC 8A                | 7,600              | 7,617     | -4,157            | Oil/Gas        |
| T/LBC "Y" SAND          | 7,773              | 7,897     | -4,330            | Oil/Gas        |
| EOC                     | 7,808              | 8,080     | -4,365            | Oil/Gas        |
| TARGET #1               | 7,808              | 8,280     | -4,365            | Oil/Gas        |
| TD BHL                  | 7,908              | 15,167    | -4,465            | Oil/Gas        |

### POINT 3: CASING PROGRAM

| <u>TYPE</u>                  | <u>INTERVALS</u><br>(MD)    | <u>HOLE SIZE</u> | <u>PURPOSE</u> | <u>CONDITION</u> |
|------------------------------|-----------------------------|------------------|----------------|------------------|
| 20" Conductor                | 0'-60'                      | 26"              | Conductor      | Unspecified      |
| 13-3/8", 54.5#, J-55, ST&C   | 0'-1300' <i>See LOA 775</i> | 17-1/2"          | Surface        | New              |
| 9-5/8", 40#, J-55, LT&C      | 0'-3998                     | 12-1/4"          | Intermediate   | New              |
| 7", 26#, N-80, BTC or LT&C*  | 0'-8280'                    | 8-3/4"           | Production     | New              |
| 4-1/2", 11.6#, HCP-110, LT&C | 8130'-15167'                | 6-1/8"           | Production     | New              |

### CASING DESIGN SAFETY FACTORS:

| <u>TYPE</u>                       | <u>TENSION</u> | <u>COLLAPSE</u> | <u>BURST</u> |
|-----------------------------------|----------------|-----------------|--------------|
| 13-3/8", 54.5#, J-55, ST&C        | 14.01          | 1.77            | 2.58         |
| 9-5/8", 40#, J-55, LT&C           | 3.84           | 1.24            | 1.07         |
| 7", 26#, N-80, 8RD, LT&C          | 2.96           | 1.48            | 1.09         |
| 4-1/2", 11.6#, HCP-110, 8RD, LT&C | 3.96           | 2.34            | 2.14         |

\* Depending on availability.

## DESIGN CRITERIA AND CASING LOADING ASSUMPTIONS:

### SURFACE CASING - (13-3/8")

|          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tension  | A 1.6 design factor utilizing the effects of buoyancy (9.2 ppg).                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Collapse | A 1.0 design factor with full internal evacuation and a collapse force equal to the mud gradient in which the casing will be run (0.48 psi/ft). The effects of axial load on collapse will be considered.                                                                                                                                                                                                                                                                         |
| Burst    | A 1.3 design factor with a surface pressure equal to the fracture gradient at setting depth less a gas gradient to the surface. Internal burst force at the shoe will be fracture pressure at that depth. Backup pressure will be formation pore pressure. In all cases a conservative fracture pressure will be used such that it represents the upper limit of potential fracture resistance up to a 1.0 psi/ft gradient. The effects of tension on burst will not be utilized. |

### PROTECTIVE CASING - ( 9-5/8")

|          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tension  | A 1.6 design factor utilizing the effects of buoyancy (10 ppg).                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Collapse | A 1.0 design factor with full internal evacuation and a collapse force equal to the mud gradient in which the casing will be run (0.52 psi/ft). The effects of axial load on collapse will be considered.<br><br>In the case of development drilling, collapse design should be analyzed using internal evacuation equal to 1/3 the proposed total depth of the well. This criterion will be used when there is absolutely no potential of the protective string being used as a production casing string. |
| Burst    | A 1.0 surface design factor and a 1.3 downhole design factor with a surface pressure equivalent to the fracture gradient at setting depth less a gas gradient to the surface. Internal burst force at the shoe will be fracture pressure at that depth. Backup pressure will be formation pore pressure. In all cases a conservative fracture pressure will be used such that it represents the upper limit of potential fracture resistance up to a 1.0 psi/ft gradient.                                  |

### 2<sup>ND</sup> INTERMEDIATE CASING - (7")

|          |                                                                                                                                                                                                                                                                                      |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tension  | A 1.6 design factor utilizing the effects of buoyancy (9.0 ppg).                                                                                                                                                                                                                     |
| Collapse | A 1.0 design factor with full internal evacuation and a collapse force equal to the mud gradient in which the casing will be run (0.48 psi/ft). The effects of axial load on collapse will be considered.                                                                            |
| Burst    | A 1.25 design factor with anticipated maximum tubing pressure (5000 psig) on top of the maximum anticipated packer fluid gradient. (0.433 psi/ft) Backup on production strings will be formation pore pressure. (0.433 psi/ft) The effects of tension on burst will not be utilized. |

### PRODUCTION CASING - (4-1/2")

|          |                                                                                                                                                                                                                                                                                      |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tension  | A 1.6 design factor utilizing the effects of buoyancy (9.0 ppg).                                                                                                                                                                                                                     |
| Collapse | A 1.0 design factor with full internal evacuation and a collapse force equal to the mud gradient in which the casing will be run (0.48 psi/ft). The effects of axial load on collapse will be considered.                                                                            |
| Burst    | A 1.25 design factor with anticipated maximum tubing pressure (5000 psig) on top of the maximum anticipated packer fluid gradient. (0.433 psi/ft) Backup on production strings will be formation pore pressure. (0.433 psi/ft) The effects of tension on burst will not be utilized. |

#### POINT 4: PRESSURE CONTROL EQUIPMENT (SEE ATTACHED DIAGRAM)

The BOPE when rigged up on the 13-3/8" surface casing head (12-1/4" open hole) will consist of 13-5/8" x 5,000 psi dual ram BOP's with mud cross, choke manifold, chokes, and hydril per Diagram 1 (5,000 psi WP). The pipe and blind rams, choke, kill lines, kelly cocks, inside BOP, etc. when installed on the surface casing head will be hydro-tested to 250-300 psig and 2000 psig by independent tester. The hydril when installed on surface casing head will be tested to 1000 psi.

The BOPE when rigged up on the 9-5/8" intermediate casing spool (8-3/4" open hole) will consist of 13-5/8" x 5,000 psi annular, 13-5/8" x 5,000 psi pipe & blind rams with mud cross, choke manifold and chokes as in Diagram 1. The pipe and blind rams, choke, kill lines, kelly cocks inside BOP, etc. will be tested to 3000 psig by independent tester. In addition to the high pressure test, a low pressure (250-300 psig) test will be required. Hydril will be tested to 1500 psig.

The BOPE when rigged up on the 7" intermediate casing spool (6-1/8" open hole) will consist of 13-5/8" x 5,000 psi annular, 13-5/8" x 5,000 psi pipe & blind rams with mud cross choke manifold and chokes as in Diagram 1. The pipe and blind rams, choke, kelly lines, kelly cocks inside BOP, etc. will be tested to 3000 psig by independent tester. In addition to the high pressure test, a low pressure (250-300 psig) test will be required. Hydril will be tested to 1500 psig.

These tests will be performed:

- a) Upon installation
- b) After any component changes
- c) Thirty days after a previous test
- d) As required by well conditions

A function test to insure that the preventers are operating correctly will be performed on each trip.

#### POINT 5: MUD PROGRAM

| DEPTH          | MUD TYPE      | WEIGHT     | FV    | PV | YP | FL   | Ph         |
|----------------|---------------|------------|-------|----|----|------|------------|
| 0' - 1300'     | FW Spud Mud   | 8.5 – 9.2  | 38-70 | NC | NC | NC   | 10         |
| 1300' - 3998'  | Brine Water   | 9.8 – 10.2 | 28-30 | NC | NC | NC   | 9.5 – 10.5 |
| 3998' - 8280'  | FW/Gel        | 8.7 – 9.0  | 28-36 | NC | NC | NC   | 9.5 – 10.0 |
| 8280' - 15167' | FW/Gel/Starch | 8.7 – 9.0  | 28-36 | NC | NC | <100 | 9.5 – 10.0 |

**NOTE:** May increase vis for logging purposes only.

#### POINT 6: TECHNICAL STAGES OF OPERATION

##### A) TESTING

None anticipated.

##### B) LOGGING

Run #1: GR with MWD during drilling of build and horizontal portions of 8-3/4" and 6-1/8" hole.

Run #2: Shuttle log w/GR, PE, Density, Neutron, Resistivity in lateral leg open hole.

Mud Logger: Rigged up at 100'.

##### C) CONVENTIONAL CORING

None anticipated.

## POINT 6: TECHNICAL STAGES OF OPERATION cont'd...

4

## D) CEMENT

| INTERVAL                                                    | AMOUNT<br>SXS | FT OF<br>FILL | TYPE                                                          | GALS/SX | PPG   | FT <sup>3</sup> /SX |
|-------------------------------------------------------------|---------------|---------------|---------------------------------------------------------------|---------|-------|---------------------|
| <b>SURFACE:</b>                                             |               |               |                                                               |         |       |                     |
| 3 1/8" Lead: 0' - 800'<br>(100% excess<br>Circ to surface)  | 650           | 800           | ExtendaCem CZ                                                 | 8.72    | 13.70 | 1.68                |
| Tail: 800' - 1300'<br>(100% excess)                         | 450           | 500           | ExtendaCem CZ                                                 | 8.72    | 13.70 | 1.68                |
| <b>INTERMEDIATE:</b>                                        |               |               |                                                               |         |       |                     |
| 5 1/8" Lead: 0' - 3498'<br>(100% excess<br>Circ to surface) | 1000          | 3498          | EconoCem HLC<br>5% CaCl + 5 #/sk<br>Gilsonite                 | 9.32    | 12.90 | 1.85                |
| Tail: 3498' - 3998'<br>(100% excess)                        | 300           | 500           | HalCem C                                                      | 6.34    | 14.80 | 1.33                |
| <b>2<sup>ND</sup> INTERMEDIATE</b>                          |               |               |                                                               |         |       |                     |
| Stage 1:                                                    |               |               |                                                               |         |       |                     |
| Lead: 4500' - 7330'<br>(50% excess)                         | 250           | 2830          | Tuned Light + 0.75%<br>CFR-3 + 1.5#/sk CaCl                   | 12.41   | 10.20 | 2.76                |
| Tail: 7330'-8280'<br>(50% excess)                           | 150           | 950           | VersaCem-PBSH2 +<br>0.4% Halad-9                              | 8.76    | 13.0  | 1.65                |
| 7" DV Tool @ 4,500'                                         |               |               |                                                               |         |       |                     |
| Stage 2:                                                    |               |               |                                                               |         |       |                     |
| Lead: 3498'-4400'<br>(50% excess)<br>(TOC 500' into 9-5/8") | 150           | 902           | EconoCem HLC +<br>1% Econolite + 5%<br>CaCl + 5#/sk Gilsonite | 10.71   | 12.60 | 2.04                |
| Tail: 4400'-4500'<br>(50% excess)                           | 40            | 100           | HalCem C                                                      | 6.34    | 14.80 | 1.33                |

**E) DIRECTIONAL DRILLING**

BOPCO, L.P. plans to drill out the 9-5/8" intermediate casing with a 8-3/4" bit to a TVD of approximately 7330' at which a directional hole will be kicked off and drilled at an azimuth of 131.8 degrees, building angle at 11.99 deg/100' to 90.0 degrees at a TVD of 7808' (MD 8080'). This angle and azimuth will be maintained for 200' to a measured depth of 8280' (7808' TVD). At this depth 7", 26#, N80, LTC casing will be installed and cemented in two stages (DV Tool @ approximately 4,500') with cement being circulated 500' into the 9-5/8" annulus. A 6-1/8" open hole lateral will then be drilled out from 7" casing at an azimuth of 134.763 degrees, inclination of 89.183 degrees to a measured depth of 15,167' (7908' TVD). At this depth 4-1/2", 11.6#, HCP110, 8rd, LTC casing will be installed with Baker hydraulic packers installed for zone isolation in the lateral.

**POINT 7: ANTICIPATED RESERVOIR CONDITIONS**

Normal pressures are anticipated throughout Delaware section. A BHP of 3424 psi (max) or MWE of 8.4 ppg is expected. Lost circulation may exist in the Delaware Section from 4073'-7600' TVD. No H<sub>2</sub>S is anticipated.

**POINT 8: OTHER PERTINENT INFORMATION****A) Auxiliary Equipment**

Upper and lower kelly cocks. Full opening stab in valve on the rig floor.

**B) Anticipated Starting Date**

Upon approval

30 days drilling operations

14 days completion operations

GEG/PL/keh



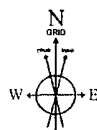
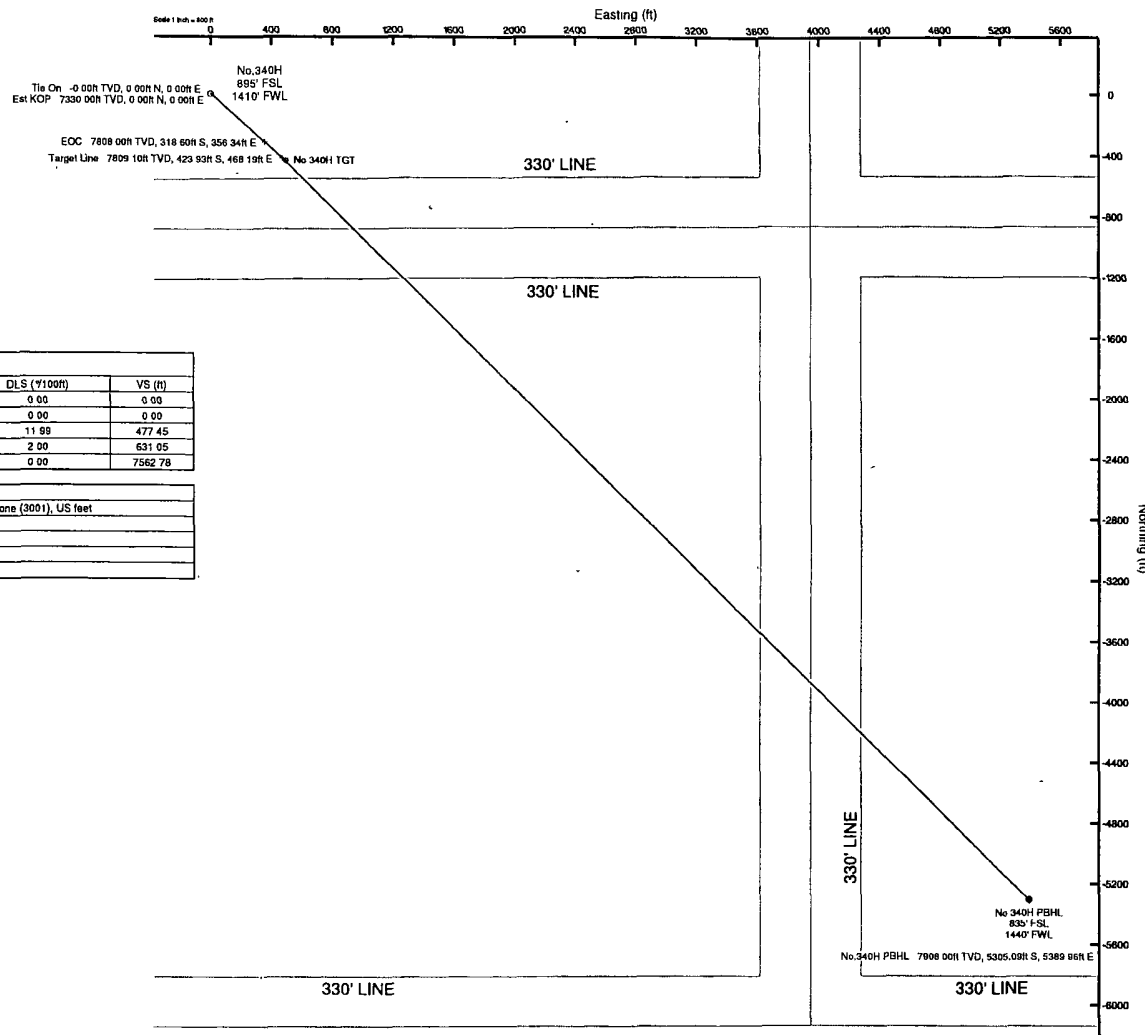
# BOPCO, L.P.

Location Eddy County, NM  
Field Poker Lake Unit  
Facility Poker Lake Unit No. 340H

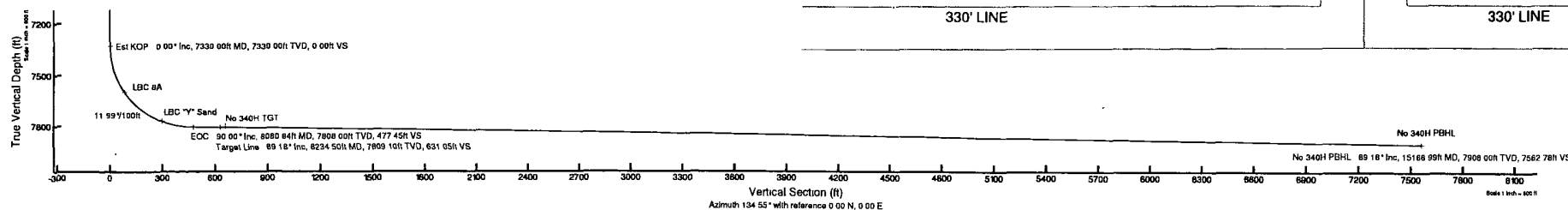
Slot No. 340H  
Well No. 340H  
Wellbore No. 340H PWB



INTEQ



BGGM (1945 0 20' 2 0) Dip 60 14° Field 48828 2 nT  
Magnetic North is 7.78 degrees East of True North (at 4/6/2011)  
Grid North is 0.25 degrees East of True North  
To correct azimuth from True to Grid subtract 0.25 degrees  
To correct azimuth from Magnetic to Grid add 7.53 degrees  
For example if the Magnetic North Azimuth = 60 degs, then the Grid North Azimuth = 60 + 7.53 = 67.53





# Planned Wellpath Report

Prelim\_1  
Page 1 of 6



INTEQ

| REFERENCE WELLPATH IDENTIFICATION |                          |          |             |
|-----------------------------------|--------------------------|----------|-------------|
| Operator                          | BOPCO, L.P.              | Slot     | No.340H     |
| Area                              | Eddy County, NM          | Well     | No.340H     |
| Field                             | Poker Lake Unit          | Wellbore | No.340H PWB |
| Facility                          | Poker Lake Unit No. 340H |          |             |

| REPORT SETUP INFORMATION |                                                                  |                      |                            |
|--------------------------|------------------------------------------------------------------|----------------------|----------------------------|
| Projection System        | NAD27 / TM New Mexico State Planes, Eastern Zone (3001), US feet | Software System      | WellArchitect® 2.0         |
| North Reference          | Grid                                                             | User                 | Gentbry                    |
| Scale                    | 0.999934                                                         | Report Generated     | 4/7/2011 at 9:48:14 AM     |
| Convergence at slot      | 0.25° East                                                       | Database/Source file | WA Midland/No.340H_PWB.xml |

| WELLPATH LOCATION     |                   |          |                  |                |                        |                 |
|-----------------------|-------------------|----------|------------------|----------------|------------------------|-----------------|
|                       | Local coordinates |          | Grid coordinates |                | Geographic coordinates |                 |
|                       | North[ft]         | East[ft] | Easting[USft]    | Northing[USft] | Latitude               | Longitude       |
| Slot Location         | 0.00              | 0.00     | 647868.88        | 441523.79      | 32°12'46.663"N         | 103°51'18.802"W |
| Facility Reference Pt |                   |          | 647868.88        | 441523.79      | 32°12'46.663"N         | 103°51'18.802"W |
| Field Reference Pt    |                   |          | 630272.49        | 405347.85      | 32°06'49.387"N         | 103°54'45.266"W |

| WELLPATH DATUM           |                     |                                                |                   |
|--------------------------|---------------------|------------------------------------------------|-------------------|
| Calculation method       | Minimum curvature   | Rig on No.340H (RT) to Facility Vertical Datum | 19.00ft           |
| Horizontal Reference Pt  | Facility Center     | Rig on No.340H (RT) to Mean Sea Level          | 3443.00ft         |
| Vertical Reference Pt    | Rig on No.340H (RT) | Facility Vertical Datum to Mud Line (Facility) | 0.00ft            |
| MD Reference Pt          | Rig on No.340H (RT) | Section Origin                                 | N 0.00, E 0.00 ft |
| Field Vertical Reference | Mean Sea Level      | Section Azimuth                                | 134.55°           |



# Planned Wellpath Report

Prelim\_1

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| REFERENCE WELLPATH IDENTIFICATION |                          |          |             |
|-----------------------------------|--------------------------|----------|-------------|
| Operator                          | BOPCO, L.P.              | Slot     | No.340H     |
| Area                              | Eddy County, NM          | Well     | No.340H     |
| Field                             | Poker Lake Unit          | Wellbore | No.340H PWB |
| Facility                          | Poker Lake Unit No. 340H |          |             |

| WELL-PATH DATA (158 stations)      † = interpolated/extrapolated station |                    |                |             |                   |               |              |                       |                        |                |                 |                  |          |
|--------------------------------------------------------------------------|--------------------|----------------|-------------|-------------------|---------------|--------------|-----------------------|------------------------|----------------|-----------------|------------------|----------|
| MD<br>[ft]                                                               | Inclination<br>[°] | Azimuth<br>[°] | TVD<br>[ft] | Vert Sect<br>[ft] | North<br>[ft] | East<br>[ft] | Grid East<br>[srv ft] | Grid North<br>[srv ft] | Latitude       | Longitude       | DLS<br>[°/100ft] | Comments |
| 0.00                                                                     | 0.000              | 131.800        | 0.00        | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             | Tie On   |
| 100.00†                                                                  | 0.000              | 131.800        | 100.00      | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 200.00†                                                                  | 0.000              | 131.800        | 200.00      | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 300.00†                                                                  | 0.000              | 131.800        | 300.00      | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 400.00†                                                                  | 0.000              | 131.800        | 400.00      | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 500.00†                                                                  | 0.000              | 131.800        | 500.00      | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 600.00†                                                                  | 0.000              | 131.800        | 600.00      | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 700.00†                                                                  | 0.000              | 131.800        | 700.00      | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 800.00†                                                                  | 0.000              | 131.800        | 800.00      | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 900.00†                                                                  | 0.000              | 131.800        | 900.00      | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 1000.00†                                                                 | 0.000              | 131.800        | 1000.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 1100.00†                                                                 | 0.000              | 131.800        | 1100.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 1200.00†                                                                 | 0.000              | 131.800        | 1200.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 1300.00†                                                                 | 0.000              | 131.800        | 1300.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 1400.00†                                                                 | 0.000              | 131.800        | 1400.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 1500.00†                                                                 | 0.000              | 131.800        | 1500.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 1600.00†                                                                 | 0.000              | 131.800        | 1600.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 1700.00†                                                                 | 0.000              | 131.800        | 1700.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 1800.00†                                                                 | 0.000              | 131.800        | 1800.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 1900.00†                                                                 | 0.000              | 131.800        | 1900.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 2000.00†                                                                 | 0.000              | 131.800        | 2000.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 2100.00†                                                                 | 0.000              | 131.800        | 2100.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 2200.00†                                                                 | 0.000              | 131.800        | 2200.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 2300.00†                                                                 | 0.000              | 131.800        | 2300.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 2400.00†                                                                 | 0.000              | 131.800        | 2400.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 2500.00†                                                                 | 0.000              | 131.800        | 2500.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 2600.00†                                                                 | 0.000              | 131.800        | 2600.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 2700.00†                                                                 | 0.000              | 131.800        | 2700.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 2800.00†                                                                 | 0.000              | 131.800        | 2800.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 2900.00†                                                                 | 0.000              | 131.800        | 2900.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 3000.00†                                                                 | 0.000              | 131.800        | 3000.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 3100.00†                                                                 | 0.000              | 131.800        | 3100.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 3200.00†                                                                 | 0.000              | 131.800        | 3200.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 3300.00†                                                                 | 0.000              | 131.800        | 3300.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 3400.00†                                                                 | 0.000              | 131.800        | 3400.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 3500.00†                                                                 | 0.000              | 131.800        | 3500.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 3600.00†                                                                 | 0.000              | 131.800        | 3600.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 3700.00†                                                                 | 0.000              | 131.800        | 3700.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 3800.00†                                                                 | 0.000              | 131.800        | 3800.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 3900.00†                                                                 | 0.000              | 131.800        | 3900.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 4000.00†                                                                 | 0.000              | 131.800        | 4000.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 4100.00†                                                                 | 0.000              | 131.800        | 4100.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 4200.00†                                                                 | 0.000              | 131.800        | 4200.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 4300.00†                                                                 | 0.000              | 131.800        | 4300.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |
| 4400.00†                                                                 | 0.000              | 131.800        | 4400.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |          |



# Planned Wellpath Report

Prelim\_1

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## REFERENCE WELLPATH IDENTIFICATION

|          |                          |          |             |
|----------|--------------------------|----------|-------------|
| Operator | BOPCO, L.P.              | Slot     | No.340H     |
| Area     | Eddy County, NM          | Well     | No.340H     |
| Field    | Poker Lake Unit          | Wellbore | No.340H PWB |
| Facility | Poker Lake Unit No. 340H |          |             |

## WELLPATH DATA (158 stations) † = interpolated/extrapolated station

| MD<br>[ft] | Inclination<br>[°] | Azimuth<br>[°] | TVD<br>[ft] | Vert Sect<br>[ft] | North<br>[ft] | East<br>[ft] | Grid East<br>[srv ft] | Grid North<br>[srv ft] | Latitude       | Longitude       | DLS<br>[°/100ft] | Comments     |
|------------|--------------------|----------------|-------------|-------------------|---------------|--------------|-----------------------|------------------------|----------------|-----------------|------------------|--------------|
| 4500.00†   | 0.000              | 131.800        | 4500.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 4600.00†   | 0.000              | 131.800        | 4600.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 4700.00†   | 0.000              | 131.800        | 4700.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 4800.00†   | 0.000              | 131.800        | 4800.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 4900.00†   | 0.000              | 131.800        | 4900.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 5000.00†   | 0.000              | 131.800        | 5000.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 5100.00†   | 0.000              | 131.800        | 5100.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 5200.00†   | 0.000              | 131.800        | 5200.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 5300.00†   | 0.000              | 131.800        | 5300.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 5400.00†   | 0.000              | 131.800        | 5400.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 5500.00†   | 0.000              | 131.800        | 5500.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 5600.00†   | 0.000              | 131.800        | 5600.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 5700.00†   | 0.000              | 131.800        | 5700.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 5800.00†   | 0.000              | 131.800        | 5800.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 5900.00†   | 0.000              | 131.800        | 5900.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 6000.00†   | 0.000              | 131.800        | 6000.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 6100.00†   | 0.000              | 131.800        | 6100.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 6200.00†   | 0.000              | 131.800        | 6200.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 6300.00†   | 0.000              | 131.800        | 6300.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 6400.00†   | 0.000              | 131.800        | 6400.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 6500.00†   | 0.000              | 131.800        | 6500.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 6600.00†   | 0.000              | 131.800        | 6600.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 6700.00†   | 0.000              | 131.800        | 6700.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 6800.00†   | 0.000              | 131.800        | 6800.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 6900.00†   | 0.000              | 131.800        | 6900.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 7000.00†   | 0.000              | 131.800        | 7000.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 7100.00†   | 0.000              | 131.800        | 7100.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 7200.00†   | 0.000              | 131.800        | 7200.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 7300.00†   | 0.000              | 131.800        | 7300.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             |              |
| 7330.00    | 0.000              | 131.800        | 7330.00     | 0.00              | 0.00          | 0.00         | 647868.88             | 441523.79              | 32°12'46.663"N | 103°51'18.802"W | 0.00             | Est KOP      |
| 7400.00†   | 8.391              | 131.800        | 7399.75     | 5.11              | -3.41         | 3.81         | 647872.69             | 441520.38              | 32°12'46.629"N | 103°51'18.758"W | 11.99            |              |
| 7500.00†   | 20.377             | 131.800        | 7496.44     | 29.88             | -19.94        | 22.30        | 647891.18             | 441503.86              | 32°12'46.465"N | 103°51'18.544"W | 11.99            |              |
| 7600.00†   | 32.364             | 131.800        | 7585.87     | 74.16             | -49.49        | 55.35        | 647924.23             | 441474.31              | 32°12'46.171"N | 103°51'18.161"W | 11.99            |              |
| 7616.92†   | 34.392             | 131.800        | 7600.00     | 83.46             | -55.69        | 62.29        | 647931.17             | 441468.10              | 32°12'46.109"N | 103°51'18.080"W | 11.99            | LBC 8A       |
| 7700.00†   | 44.350             | 131.800        | 7664.14     | 136.04            | -90.78        | 101.53       | 647970.40             | 441433.02              | 32°12'45.760"N | 103°51'17.625"W | 11.99            |              |
| 7800.00†   | 56.337             | 131.800        | 7727.84     | 212.80            | -142.00       | 158.82       | 648027.69             | 441381.80              | 32°12'45.251"N | 103°51'16.961"W | 11.99            |              |
| 7896.78†   | 67.938             | 131.800        | 7773.00     | 298.12            | -198.93       | 222.49       | 648091.36             | 441324.87              | 32°12'44.685"N | 103°51'16.223"W | 11.99            | LBC "Y" Sand |
| 7900.00†   | 68.323             | 131.800        | 7774.20     | 301.10            | -200.92       | 224.72       | 648093.58             | 441322.89              | 32°12'44.665"N | 103°51'16.197"W | 11.99            |              |
| 8000.00†   | 80.310             | 131.800        | 7801.18     | 397.09            | -264.98       | 296.36       | 648165.22             | 441258.83              | 32°12'44.028"N | 103°51'15.367"W | 11.99            |              |
| 8080.84    | 90.000             | 131.800        | 7808.00     | 477.45            | -318.60       | 356.34       | 648225.19             | 441205.21              | 32°12'43.494"N | 103°51'14.671"W | 11.99            | EOC          |
| 8100.00†   | 89.898             | 132.169        | 7808.02     | 496.59            | -331.42       | 370.58       | 648239.43             | 441192.40              | 32°12'43.367"N | 103°51'14.506"W | 2.00             |              |
| 8200.00†   | 89.366             | 134.097        | 7808.66     | 596.55            | -399.78       | 443.55       | 648312.40             | 441124.04              | 32°12'42.687"N | 103°51'13.661"W | 2.00             |              |
| 8234.50    | 89.183             | 134.763        | 7809.10     | 631.05            | -423.93       | 468.19       | 648337.04             | 441099.89              | 32°12'42.447"N | 103°51'13.375"W | 2.00             | Target Line  |
| 8300.00†   | 89.183             | 134.763        | 7810.03     | 696.54            | -470.05       | 514.69       | 648383.53             | 441053.77              | 32°12'41.989"N | 103°51'12.836"W | 0.00             |              |
| 8400.00†   | 89.183             | 134.763        | 7811.46     | 796.53            | -540.46       | 585.68       | 648454.52             | 440983.37              | 32°12'41.289"N | 103°51'12.014"W | 0.00             |              |



# Planned Wellpath Report

Prelim\_1

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INTEQ

## REFERENCE WELLPATH IDENTIFICATION

|          |                          |          |             |
|----------|--------------------------|----------|-------------|
| Operator | BOPCO, L.P.              | Slot     | No.340H     |
| Area     | Eddy County, NM          | Well     | No.340H     |
| Field    | Poker Lake Unit          | Wellbore | No.340H PWB |
| Facility | Poker Lake Unit No. 340H |          |             |

## WELLPATH DATA (158 stations) = interpolated/extrapolated station

| MD<br>[ft] | Inclination<br>[°] | Azimuth<br>[°] | TVD<br>[ft] | Vert Sect<br>[ft] | North<br>[ft] | East<br>[ft] | Grid East<br>[srv ft] | Grid North<br>[srv ft] | Latitude       | Longitude       | DLS<br>[°/100ft] | Comments |
|------------|--------------------|----------------|-------------|-------------------|---------------|--------------|-----------------------|------------------------|----------------|-----------------|------------------|----------|
| 8500.00+   | 89.183             | 134.763        | 7812.88     | 896.52            | -610.87       | 656.68       | 648525.51             | 440912.96              | 32°12'40.589"N | 103°51'11.191"W | 0.00             |          |
| 8600.00+   | 89.183             | 134.763        | 7814.31     | 996.51            | -681.28       | 727.67       | 648596.51             | 440842.56              | 32°12'39.889"N | 103°51'10.368"W | 0.00             |          |
| 8700.00+   | 89.183             | 134.763        | 7815.74     | 1096.50           | -751.69       | 798.67       | 648667.50             | 440772.15              | 32°12'39.189"N | 103°51'09.546"W | 0.00             |          |
| 8800.00+   | 89.183             | 134.763        | 7817.16     | 1196.49           | -822.10       | 869.67       | 648738.49             | 440701.75              | 32°12'38.489"N | 103°51'08.723"W | 0.00             |          |
| 8900.00+   | 89.183             | 134.763        | 7818.59     | 1296.48           | -892.51       | 940.66       | 648809.48             | 440631.34              | 32°12'37.790"N | 103°51'07.900"W | 0.00             |          |
| 9000.00+   | 89.183             | 134.763        | 7820.02     | 1396.47           | -962.92       | 1011.66      | 648880.47             | 440560.94              | 32°12'37.090"N | 103°51'07.078"W | 0.00             |          |
| 9100.00+   | 89.183             | 134.763        | 7821.44     | 1496.46           | -1033.33      | 1082.65      | 648951.46             | 440490.53              | 32°12'36.390"N | 103°51'06.255"W | 0.00             |          |
| 9200.00+   | 89.183             | 134.763        | 7822.87     | 1596.45           | -1103.74      | 1153.65      | 649022.45             | 440420.13              | 32°12'35.690"N | 103°51'05.433"W | 0.00             |          |
| 9300.00+   | 89.183             | 134.763        | 7824.30     | 1696.43           | -1174.15      | 1224.64      | 649093.44             | 440349.72              | 32°12'34.990"N | 103°51'04.610"W | 0.00             |          |
| 9400.00+   | 89.183             | 134.763        | 7825.72     | 1796.42           | -1244.56      | 1295.64      | 649164.43             | 440279.32              | 32°12'34.290"N | 103°51'03.787"W | 0.00             |          |
| 9500.00+   | 89.183             | 134.763        | 7827.15     | 1896.41           | -1314.97      | 1366.64      | 649235.42             | 440208.91              | 32°12'33.590"N | 103°51'02.965"W | 0.00             |          |
| 9600.00+   | 89.183             | 134.763        | 7828.58     | 1996.40           | -1385.38      | 1437.63      | 649306.41             | 440138.51              | 32°12'32.890"N | 103°51'02.142"W | 0.00             |          |
| 9700.00+   | 89.183             | 134.763        | 7830.00     | 2096.39           | -1455.79      | 1508.63      | 649377.41             | 440068.10              | 32°12'32.191"N | 103°51'01.320"W | 0.00             |          |
| 9800.00+   | 89.183             | 134.763        | 7831.43     | 2196.38           | -1526.20      | 1579.62      | 649448.40             | 439997.70              | 32°12'31.491"N | 103°51'00.497"W | 0.00             |          |
| 9900.00+   | 89.183             | 134.763        | 7832.86     | 2296.37           | -1596.61      | 1650.62      | 649519.39             | 439927.29              | 32°12'30.791"N | 103°50'59.674"W | 0.00             |          |
| 10000.00+  | 89.183             | 134.763        | 7834.28     | 2396.36           | -1667.02      | 1721.62      | 649590.38             | 439856.89              | 32°12'30.091"N | 103°50'58.852"W | 0.00             |          |
| 10100.00+  | 89.183             | 134.763        | 7835.71     | 2496.35           | -1737.43      | 1792.61      | 649661.37             | 439786.48              | 32°12'29.391"N | 103°50'58.029"W | 0.00             |          |
| 10200.00+  | 89.183             | 134.763        | 7837.14     | 2596.34           | -1807.84      | 1863.61      | 649732.36             | 439716.07              | 32°12'28.691"N | 103°50'57.207"W | 0.00             |          |
| 10300.00+  | 89.183             | 134.763        | 7838.56     | 2696.33           | -1878.25      | 1934.60      | 649803.35             | 439645.67              | 32°12'27.991"N | 103°50'56.384"W | 0.00             |          |
| 10400.00+  | 89.183             | 134.763        | 7839.99     | 2796.32           | -1948.66      | 2005.60      | 649874.34             | 439575.26              | 32°12'27.291"N | 103°50'55.562"W | 0.00             |          |
| 10500.00+  | 89.183             | 134.763        | 7841.42     | 2896.30           | -2019.07      | 2076.59      | 649945.33             | 439504.86              | 32°12'26.591"N | 103°50'54.739"W | 0.00             |          |
| 10600.00+  | 89.183             | 134.763        | 7842.84     | 2996.29           | -2089.48      | 2147.59      | 650016.32             | 439434.45              | 32°12'25.891"N | 103°50'53.916"W | 0.00             |          |
| 10700.00+  | 89.183             | 134.763        | 7844.27     | 3096.28           | -2159.89      | 2218.59      | 650087.32             | 439364.05              | 32°12'25.192"N | 103°50'53.094"W | 0.00             |          |
| 10800.00+  | 89.183             | 134.763        | 7845.70     | 3196.27           | -2230.30      | 2289.58      | 650158.31             | 439293.64              | 32°12'24.492"N | 103°50'52.271"W | 0.00             |          |
| 10900.00+  | 89.183             | 134.763        | 7847.12     | 3296.26           | -2300.71      | 2360.58      | 650229.30             | 439223.24              | 32°12'23.792"N | 103°50'51.449"W | 0.00             |          |
| 11000.00+  | 89.183             | 134.763        | 7848.55     | 3396.25           | -2371.12      | 2431.57      | 650300.29             | 439152.83              | 32°12'23.092"N | 103°50'50.626"W | 0.00             |          |
| 11100.00+  | 89.183             | 134.763        | 7849.98     | 3496.24           | -2441.53      | 2502.57      | 650371.28             | 439082.43              | 32°12'22.392"N | 103°50'49.804"W | 0.00             |          |
| 11200.00+  | 89.183             | 134.763        | 7851.40     | 3596.23           | -2511.94      | 2573.56      | 650442.27             | 439012.02              | 32°12'21.692"N | 103°50'48.981"W | 0.00             |          |
| 11300.00+  | 89.183             | 134.763        | 7852.83     | 3696.22           | -2582.35      | 2644.56      | 650513.26             | 438941.62              | 32°12'20.992"N | 103°50'48.159"W | 0.00             |          |
| 11400.00+  | 89.183             | 134.763        | 7854.26     | 3796.21           | -2652.76      | 2715.56      | 650584.25             | 438871.21              | 32°12'20.292"N | 103°50'47.336"W | 0.00             |          |
| 11500.00+  | 89.183             | 134.763        | 7855.68     | 3896.20           | -2723.17      | 2786.55      | 650655.24             | 438800.81              | 32°12'19.592"N | 103°50'46.513"W | 0.00             |          |
| 11600.00+  | 89.183             | 134.763        | 7857.11     | 3996.18           | -2793.58      | 2857.55      | 650726.23             | 438730.40              | 32°12'18.892"N | 103°50'45.691"W | 0.00             |          |
| 11700.00+  | 89.183             | 134.763        | 7858.54     | 4096.17           | -2863.99      | 2928.54      | 650797.23             | 438660.00              | 32°12'18.192"N | 103°50'44.868"W | 0.00             |          |
| 11800.00+  | 89.183             | 134.763        | 7859.96     | 4196.16           | -2934.40      | 2999.54      | 650868.22             | 438589.59              | 32°12'17.492"N | 103°50'44.046"W | 0.00             |          |
| 11900.00+  | 89.183             | 134.763        | 7861.39     | 4296.15           | -3004.81      | 3070.54      | 650939.21             | 438519.19              | 32°12'16.793"N | 103°50'43.223"W | 0.00             |          |
| 12000.00+  | 89.183             | 134.763        | 7862.82     | 4396.14           | -3075.22      | 3141.53      | 651010.20             | 438448.78              | 32°12'16.093"N | 103°50'42.401"W | 0.00             |          |
| 12100.00+  | 89.183             | 134.763        | 7864.24     | 4496.13           | -3145.63      | 3212.53      | 651081.19             | 438378.38              | 32°12'15.393"N | 103°50'41.578"W | 0.00             |          |
| 12200.00+  | 89.183             | 134.763        | 7865.67     | 4596.12           | -3216.04      | 3283.52      | 651152.18             | 438307.97              | 32°12'14.693"N | 103°50'40.756"W | 0.00             |          |
| 12300.00+  | 89.183             | 134.763        | 7867.10     | 4696.11           | -3286.45      | 3354.52      | 651223.17             | 438237.57              | 32°12'13.993"N | 103°50'39.933"W | 0.00             |          |
| 12400.00+  | 89.183             | 134.763        | 7868.52     | 4796.10           | -3356.86      | 3425.51      | 651294.16             | 438167.16              | 32°12'13.293"N | 103°50'39.111"W | 0.00             |          |
| 12500.00+  | 89.183             | 134.763        | 7869.95     | 4896.09           | -3427.27      | 3496.51      | 651365.15             | 438096.76              | 32°12'12.593"N | 103°50'38.288"W | 0.00             |          |
| 12600.00+  | 89.183             | 134.763        | 7871.38     | 4996.08           | -3497.68      | 3567.51      | 651436.14             | 438026.35              | 32°12'11.893"N | 103°50'37.466"W | 0.00             |          |
| 12700.00+  | 89.183             | 134.763        | 7872.80     | 5096.06           | -3568.09      | 3638.50      | 651507.13             | 437955.95              | 32°12'11.193"N | 103°50'36.643"W | 0.00             |          |
| 12800.00+  | 89.183             | 134.763        | 7874.23     | 5196.05           | -3638.50      | 3709.50      | 651578.13             | 437885.54              | 32°12'10.493"N | 103°50'35.821"W | 0.00             |          |
| 12900.00+  | 89.183             | 134.763        | 7875.66     | 5296.04           | -3708.91      | 3780.49      | 651649.12             | 437815.13              | 32°12'09.793"N | 103°50'34.998"W | 0.00             |          |



# Planned Wellpath Report

Prelim\_1

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INTEQ

| REFERENCE WELLPATH IDENTIFICATION |                          |          |             |
|-----------------------------------|--------------------------|----------|-------------|
| Operator                          | BOPCO, L.P.              | Slot     | No.340H     |
| Area                              | Eddy County, NM          | Well     | No.340H     |
| Field                             | Poker Lake Unit          | Wellbore | No.340H PWB |
| Facility                          | Poker Lake Unit No. 340H |          |             |

| WELLPATH DATA (158 stations) † = interpolated/extrapolated station |                    |                |             |                   |               |              |                       |                        |                |                 |                  |              |
|--------------------------------------------------------------------|--------------------|----------------|-------------|-------------------|---------------|--------------|-----------------------|------------------------|----------------|-----------------|------------------|--------------|
| MD<br>[ft]                                                         | Inclination<br>[°] | Azimuth<br>[°] | TVD<br>[ft] | Vert Sect<br>[ft] | North<br>[ft] | East<br>[ft] | Grid East<br>[srv ft] | Grid North<br>[srv ft] | Latitude       | Longitude       | DLS<br>[°/100ft] | Comments     |
| 13000.00†                                                          | 89.183             | 134.763        | 7877.08     | 5396.03           | -3779.32      | 3851.49      | 651720.11             | 437744.73              | 32°12'09.093"N | 103°50'34.176"W | 0.00             |              |
| 13100.00†                                                          | 89.183             | 134.763        | 7878.51     | 5496.02           | -3849.73      | 3922.48      | 651791.10             | 437674.32              | 32°12'08.393"N | 103°50'33.353"W | 0.00             |              |
| 13200.00†                                                          | 89.183             | 134.763        | 7879.94     | 5596.01           | -3920.14      | 3993.48      | 651862.09             | 437603.92              | 32°12'07.693"N | 103°50'32.531"W | 0.00             |              |
| 13300.00†                                                          | 89.183             | 134.763        | 7881.36     | 5696.00           | -3990.55      | 4064.48      | 651933.08             | 437533.51              | 32°12'06.994"N | 103°50'31.709"W | 0.00             |              |
| 13400.00†                                                          | 89.183             | 134.763        | 7882.79     | 5795.99           | -4060.96      | 4135.47      | 652004.07             | 437463.11              | 32°12'06.294"N | 103°50'30.886"W | 0.00             |              |
| 13500.00†                                                          | 89.183             | 134.763        | 7884.22     | 5895.98           | -4131.37      | 4206.47      | 652075.06             | 437392.70              | 32°12'05.594"N | 103°50'30.064"W | 0.00             |              |
| 13600.00†                                                          | 89.183             | 134.763        | 7885.64     | 5995.97           | -4201.78      | 4277.46      | 652146.05             | 437322.30              | 32°12'04.894"N | 103°50'29.241"W | 0.00             |              |
| 13700.00†                                                          | 89.183             | 134.763        | 7887.07     | 6095.96           | -4272.19      | 4348.46      | 652217.04             | 437251.89              | 32°12'04.194"N | 103°50'28.419"W | 0.00             |              |
| 13800.00†                                                          | 89.183             | 134.763        | 7888.50     | 6195.94           | -4342.60      | 4419.46      | 652288.04             | 437181.49              | 32°12'03.494"N | 103°50'27.596"W | 0.00             |              |
| 13900.00†                                                          | 89.183             | 134.763        | 7889.92     | 6295.93           | -4413.01      | 4490.45      | 652359.03             | 437111.08              | 32°12'02.794"N | 103°50'26.774"W | 0.00             |              |
| 14000.00†                                                          | 89.183             | 134.763        | 7891.35     | 6395.92           | -4483.42      | 4561.45      | 652430.02             | 437040.68              | 32°12'02.094"N | 103°50'25.951"W | 0.00             |              |
| 14100.00†                                                          | 89.183             | 134.763        | 7892.78     | 6495.91           | -4553.83      | 4632.44      | 652501.01             | 436970.27              | 32°12'01.394"N | 103°50'25.129"W | 0.00             |              |
| 14200.00†                                                          | 89.183             | 134.763        | 7894.20     | 6595.90           | -4624.24      | 4703.44      | 652572.00             | 436899.87              | 32°12'00.694"N | 103°50'24.306"W | 0.00             |              |
| 14300.00†                                                          | 89.183             | 134.763        | 7895.63     | 6695.89           | -4694.65      | 4774.43      | 652642.99             | 436829.46              | 32°11'59.994"N | 103°50'23.484"W | 0.00             |              |
| 14400.00†                                                          | 89.183             | 134.763        | 7897.06     | 6795.88           | -4765.06      | 4845.43      | 652713.98             | 436759.06              | 32°11'59.294"N | 103°50'22.662"W | 0.00             |              |
| 14500.00†                                                          | 89.183             | 134.763        | 7898.48     | 6895.87           | -4835.47      | 4916.43      | 652784.97             | 436688.65              | 32°11'58.594"N | 103°50'21.839"W | 0.00             |              |
| 14600.00†                                                          | 89.183             | 134.763        | 7899.91     | 6995.86           | -4905.88      | 4987.42      | 652855.96             | 436618.25              | 32°11'57.894"N | 103°50'21.017"W | 0.00             |              |
| 14700.00†                                                          | 89.183             | 134.763        | 7901.34     | 7095.85           | -4976.29      | 5058.42      | 652926.95             | 436547.84              | 32°11'57.194"N | 103°50'20.194"W | 0.00             |              |
| 14800.00†                                                          | 89.183             | 134.763        | 7902.76     | 7195.84           | -5046.70      | 5129.41      | 652997.95             | 436477.44              | 32°11'56.494"N | 103°50'19.372"W | 0.00             |              |
| 14900.00†                                                          | 89.183             | 134.763        | 7904.19     | 7295.82           | -5117.11      | 5200.41      | 653068.94             | 436407.03              | 32°11'55.794"N | 103°50'18.549"W | 0.00             |              |
| 15000.00†                                                          | 89.183             | 134.763        | 7905.62     | 7395.81           | -5187.52      | 5271.40      | 653139.93             | 436336.63              | 32°11'55.094"N | 103°50'17.727"W | 0.00             |              |
| 15100.00†                                                          | 89.183             | 134.763        | 7907.04     | 7495.80           | -5257.93      | 5342.40      | 653210.92             | 436266.22              | 32°11'54.394"N | 103°50'16.905"W | 0.00             |              |
| 15166.99                                                           | 89.183             | 134.763        | 7908.00†    | 7562.78           | -5305.09      | 5389.96      | 653258.47             | 436219.06              | 32°11'53.925"N | 103°50'16.354"W | 0.00             | No.340H PBHL |



# Planned Wellpath Report

Prelim\_1  
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INTEQ

| REFERENCE WELLPATH IDENTIFICATION |                          |          |             |
|-----------------------------------|--------------------------|----------|-------------|
| Operator                          | BOPCO, L.P.              | Slot     | No.340H     |
| Area                              | Eddy County, NM          | Well     | No.340H     |
| Field                             | Poker Lake Unit          | Wellbore | No.340H PWB |
| Facility                          | Poker Lake Unit No. 340H |          |             |

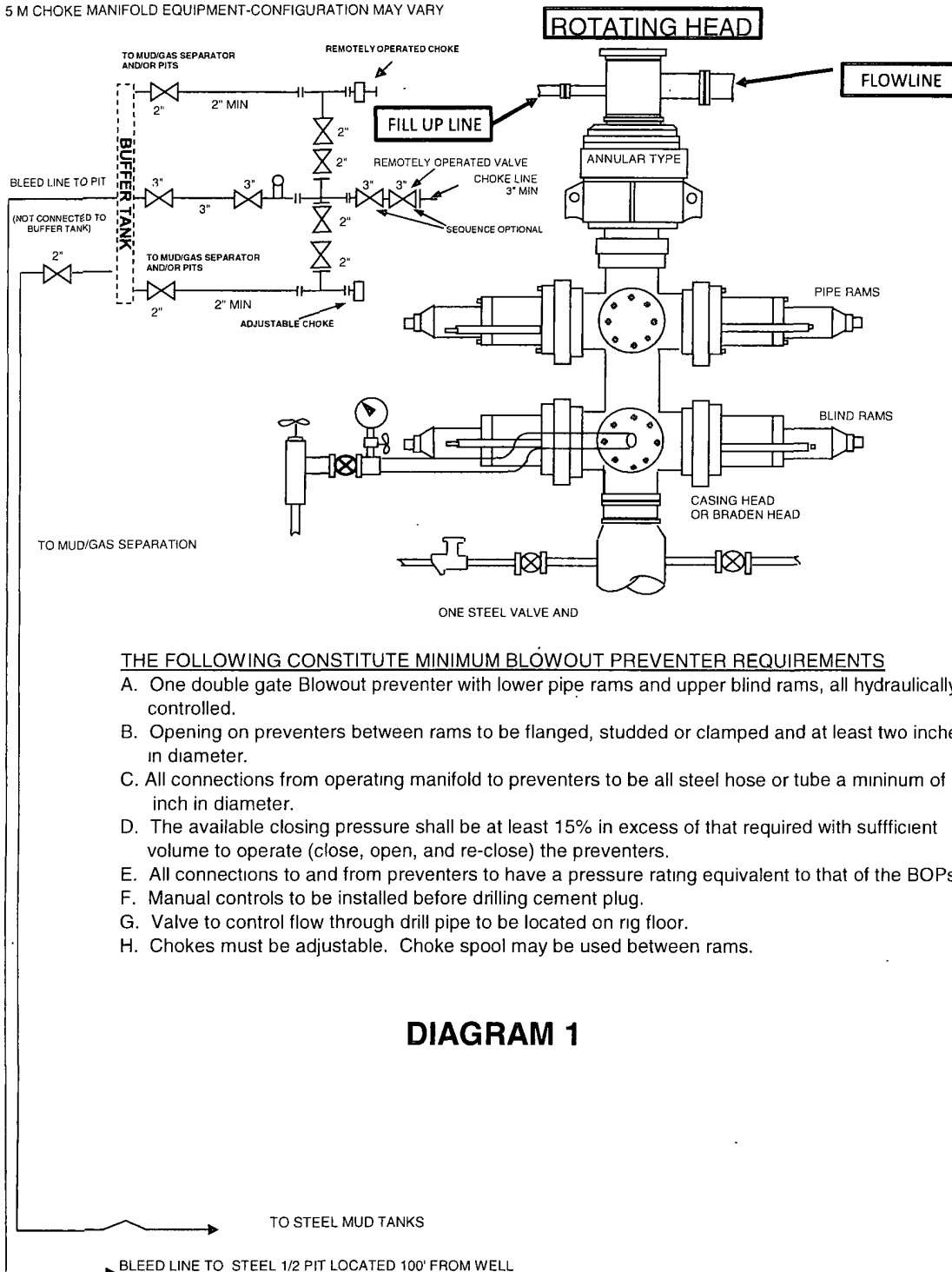
| TARGETS         |            |             |               |              |                       |                        |                |                 |       |
|-----------------|------------|-------------|---------------|--------------|-----------------------|------------------------|----------------|-----------------|-------|
| Name            | MD<br>[ft] | TVD<br>[ft] | North<br>[ft] | East<br>[ft] | Grid East<br>[srv ft] | Grid North<br>[srv ft] | Latitude       | Longitude       | Shape |
| No.340H TGT     |            | 7808.00     | -441.12       | 491.95       | 648360.80             | 441082.70              | 32°12'42.276"N | 103°51'13.099"W | point |
| 1) No.340H PBHL | 15166.99   | 7908.00     | -5305.09      | 5389.96      | 653258.47             | 436219.06              | 32°11'53.925"N | 103°50'16.354"W | point |

| SURVEY PROGRAM Ref Wellbore: No.340H PWB Ref Wellpath: Prelim_1 |                |                              |                  |             |
|-----------------------------------------------------------------|----------------|------------------------------|------------------|-------------|
| Start MD<br>[ft]                                                | End MD<br>[ft] | Positional Uncertainty Model | Log Name/Comment | Wellbore    |
| 19.00                                                           | 15166.99       | NaviTrak (Standard)          |                  | No.340H PWB |

**BOPCO, L. P.**

13 5/8" X 5-M WP BOPE WITH 5-M WP ANNULAR

5 M CHOKE MANIFOLD EQUIPMENT-CONFIGURATION MAY VARY



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- A. One double gate Blowout preventer with lower pipe rams and upper blind rams, all hydraulically controlled.
- B. Opening on preventers between rams to be flanged, studded or clamped and at least two inches in diameter.
- C. All connections from operating manifold to preventers to be all steel hose or tube a minimum of one inch in diameter.
- D. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate (close, open, and re-close) the preventers.
- E. All connections to and from preventers to have a pressure rating equivalent to that of the BOPs.
- F. Manual controls to be installed before drilling cement plug.
- G. Valve to control flow through drill pipe to be located on rig floor.
- H. Chokes must be adjustable. Choke spool may be used between rams.

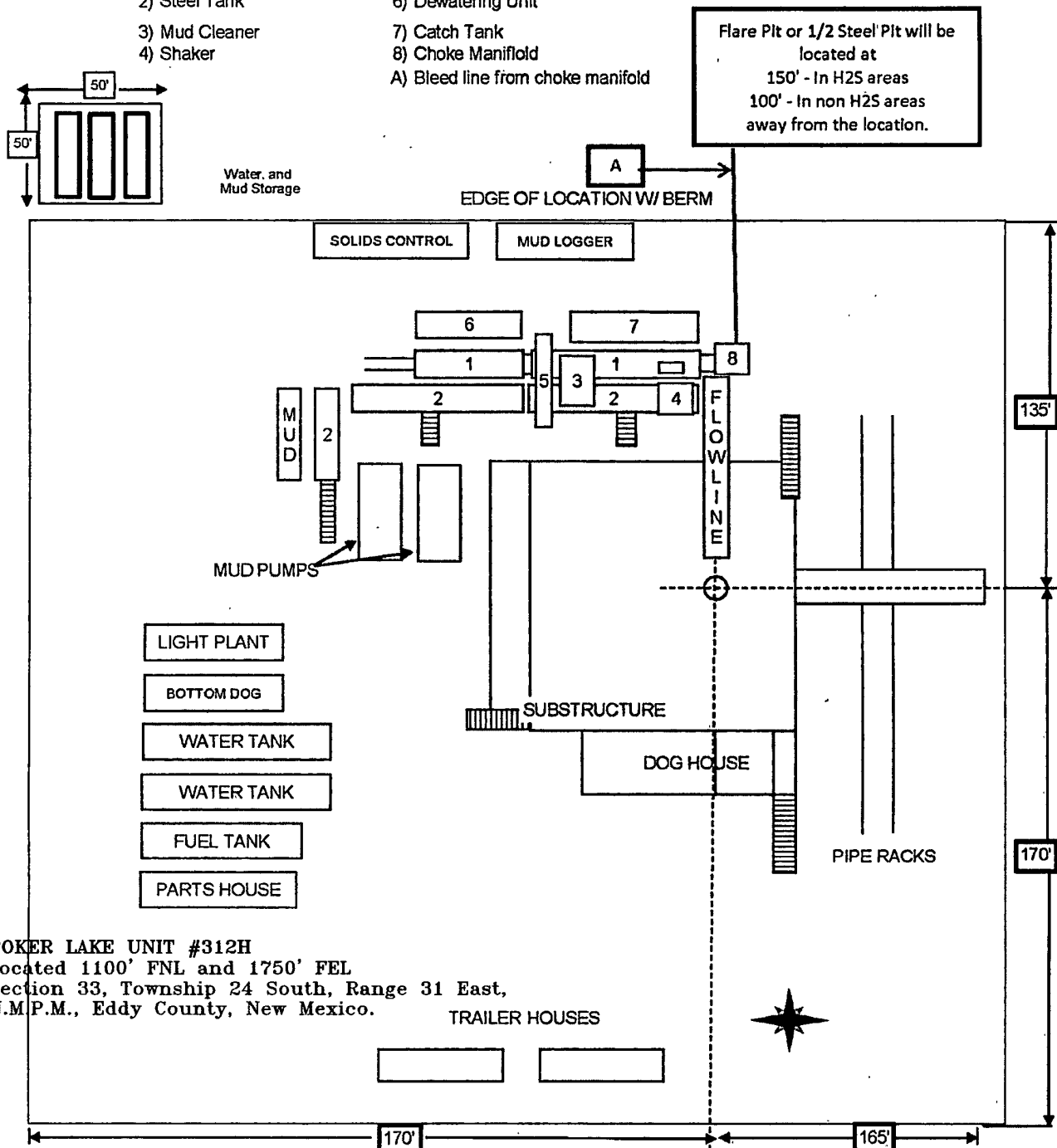
## DIAGRAM 1

# RIG LAYOUT

## RIG LAYOUT SCHEMATIC INCLUSIVE OF CLOSED-LOOP DESIGN PLAN

### Solids Control Equipment Legend

- |                                   |                    |
|-----------------------------------|--------------------|
| 1) Roll Off Bin                   | 5) Centrifuge      |
| 2) Steel Tank                     | 6) Dewatering Unit |
| 3) Mud Cleaner                    | 7) Catch Tank      |
| 4) Shaker                         | 8) Choke Manifold  |
| A) Bleed line from choke manifold |                    |



**POKER LAKE UNIT #312H**  
 Located 1100' FNL and 1750' FEL  
 Section 33, Township 24 South, Range 31 East,  
 N.M.P.M., Eddy County, New Mexico.

TRAILER HOUSES

**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  
 basin-surveys.com

W.O. Number: JMS 24862

Survey Date: 07-21-2011

Scale: 1" = 2000'

Date: 07-24-2011

**BOPCO, L.P.**

Sheet 6 of 6 Sheets