

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

March 1, 2011

**FEDERAL EXPRESS**

Bureau of Land Management  
Carlsbad District Office  
620 E. Green St.  
Carlsbad, New Mexico 88220  
Attn: Mr. Wesley Ingram

New Mexico State Land Office  
Commissioner of Public Lands  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501  
Attention: Mr. Pete Martinez

New Mexico Oil Conservation Division  
1220 St. Francis  
Santa Fe, New Mexico 87505  
Attention: Mr. William Jones

Re: 2011 Plan of Development  
Poker Lake Unit  
Eddy County, New Mexico

Gentlemen:

In accordance with Section 10 of the Poker Lake Unit Agreement dated March 18, 1952, BOPCO, L.P., Operator of the referenced unit, hereby submits a Plan of Development for the Poker Lake Unit for the year 2011.

**HISTORY OF PAST DEVELOPMENT**

We refer to our previous Plans of Development for a detailed description of the operations conducted in this Unit in prior years.

**2010 ACTIVITY**

Poker Lake Unit Well No. 293 1H, Eddy County, New Mexico – This well was drilled at a legal location being 810' FNL & 1,980' FEL, Section 21, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation.

Poker Lake Unit Well No. 293 2H, Eddy County, New Mexico – This well was drilled at a legal location being 810' FNL & 1,980' FEL, Section 21, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation.

Poker Lake Unit Well No. 302 H, Eddy County, New Mexico – This well will be drilled at a legal location being 2,200' FNL & 2,030' FEL, Section 28, T24S-R31E, Eddy County, New Mexico. This well was completed in the Delaware Formation.

Poker Lake Unit Well No. 308H, Eddy County, New Mexico – This well will be drilled at a legal location being 1,880' FSL & 330' FEL, Section 26, T24S-R30E, Eddy County, New Mexico. This well was completed in the Delaware Formation.

Poker Lake Unit Pierce Canyon 5 State #1H, Eddy County, New Mexico - This well was drilled at a legal location being 350' FSL & 350' FEL, Section 5, T25S-R30E, Eddy County, New Mexico. This well was completed in the Upper Avalon Shale Formation.

Poker Lake Unit Pierce Canyon 12 Federal #1H, Eddy County, New Mexico - This will be drilled at a legal location being 250' FSL, 217' FEL Section 12, T24S-R29E, Eddy County, New Mexico. This well was completed in the Lower Avalon Formation.

Poker Lake Unit Phantom Banks 1 Federal #1H, Eddy County, New Mexico - This well was drilled at a legal location being 400' FSL, 1,980' FEL Section 1, T26S-R30E, Eddy County, New Mexico. This well was completed in the Lower Avalon Formation.

Poker Lake Unit Ross Ranch 19 Federal #1H, Eddy County, New Mexico - This well was drilled at a legal location being 100' FSL & 400' FEL, Section 19, T25S-R30E, Eddy County, New Mexico. This well was completed in the Lower Avalon Formation.

Poker Lake Unit Big Sinks 11 Federal #1H, Eddy County, New Mexico - This well was drilled at a legal location being 255 FSL, 1,300' FEL Section 11, T24S-R30E, Eddy County, New Mexico. This well was completed in the Lower Avalon Formation Formation.

Poker Lake Unit Big Sinks 22 Federal #1H, Eddy County, New Mexico - This well was drilled at a legal location being 100' FSL, 400' FEL Section 22, T24S-R30E, Eddy County, New Mexico. This well was completed in the Upper Avalon Formation.

Poker Lake Unit Pierce Canyon 33 Federal #1H, Eddy County, New Mexico - This well was drilled at a legal location being 350' FSL & 350' FEL Section 33, T24S-R30E, Eddy County, New Mexico. This well was completed in the Lower Avalon Formation Formation.

Poker Lake Unit Pierce Canyon 8 Federal #1H, Eddy County, New Mexico - This well was drilled at a legal location being 145' FNL & 400' FEL Section 8, T25S-R30E, Eddy County, New Mexico. This well was completed in the Lower Avalon Shale Formation.

#### 2010 PLUGGED AND ABANDONED

No Poker Lake Unit wells were plugged and abandoned in 2010.

#### PARTICIPATING AREAS

Bass has submitted Commercial Determinations for all productive wells for which same have not been prepared in the past and will submit wells drilled to date where adequate information is available for commercial determination and participating areas. In the event you have not received commercial determination for the wells that have been drilled and completed and are currently producing, please advise at your convenience and we will submit same to you.

#### FUTURE DEVELOPMENT

Poker Lake Unit Big Sinks 25 Federal #1H Eddy County, New Mexico - This well will be drilled at a legal location being 400' FSL, 1,980' FEL Section 25, T25S-R30E, Eddy County, New Mexico to a proposed depth of 13,656' to test the Bone Spring Formation.

Poker Lake Unit Big Sinks 27 Federal #1H Eddy County, New Mexico - This well will be drilled at a legal location being 215' FSL & 400' FEL Section 27, T24S-R30E, Eddy County, New Mexico to a proposed depth of 13,739' to test the Bone Spring Formation.

Poker Lake Unit Pierce Canyon 16 State 1-H, Eddy County, New Mexico - This well will be drilled at a legal location being 175' FSL & 400' FEL Section 16, T25S-R30E, Eddy County, New Mexico to a proposed depth of 12,442' to test the Bone Spring Formation.

Poker Lake Unit Pierce Canyon 7 Federal #1H, Eddy County, New Mexico - This well will be drilled at a legal location being 350' FSL & 350' FWL Section 7, T24S-R30E, Eddy County, New Mexico to a proposed depth of 12,350' to test the Bone Spring Formation.

Poker Lake Unit Ross Ranch 20 Fed 1-H, Eddy County, New Mexico - This well will be drilled at a legal location being 100' FSL & 400' FEL Section 20, T25S-R30E, Eddy County, New Mexico to a proposed depth of 12,850' to test the Avalon Shale Formation.

Poker Lake Unit Ross Ranch 32 Fed 1-H, Eddy County, New Mexico - This well will be drilled at a legal location being 175' FSL & 400' FEL, Section 32, T25S-R30E, Eddy County, New Mexico to a proposed depth of 13,342' to test the Bone Spring Formation.

Poker Lake Unit 315-H Eddy County, New Mexico - This well will be drilled at a legal location being 1,580 FNL & 1,150' FWL Section 11, T24S-R30E, Eddy County, New Mexico to a proposed depth of 13,524' to test the Delaware Formation.

Poker Lake Unit 342-H Eddy County, New Mexico - This well will be drilled at a legal location being 1,295 FNL & 115' FWL Section 23, T24S-R30E, Eddy County, New Mexico to a proposed depth of 14,800' to test the Delaware Formation.

Poker Lake Unit 343-H Eddy County, New Mexico - This well will be drilled at a legal location being 550' FSL & 365' FEL Section 22, T24S-R30E, Eddy County, New Mexico to a proposed depth of 15,075' to test the Delaware Formation.

Poker Lake Unit 347-H Eddy County, New Mexico - This well will be drilled at a legal location being 250' FNL & 1,610' FWL Section 11, T25S-R30E, Eddy County, New Mexico to a proposed depth of 13,355' to test the Delaware Formation.

Poker Lake Unit 357-H Eddy County, New Mexico - This well will be drilled at a legal location being 1,595' FSL & 2,280' FEL Section 28, T24S-R30E, Eddy County, New Mexico to a proposed depth of 13,975' to test the Delaware Formation.

#### OFFSET OBLIGATIONS

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

MODIFICATIONS

In accordance with the terms and provisions of the Poker Lake 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, 2011.

If this Plan of Development meets with your approval, please so indicate by signing in the appropriate space provided below and return one (1) signed original to the undersigned for our records.

Very truly yours,



W. Ross Sutton

WRS:ca

ACCEPTED AND AGREED this 4<sup>TH</sup> day of MARCH, 2011.

BUREAU OF LAND MANAGEMENT

By: \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

By: Ed Martin