

30-015-39480

1

## MULTI-POINT SURFACE USE PLAN

**NAME OF WELL: Poker Lake Unit #346H**

LEGAL DESCRIPTION - SURFACE: 2425' FSL, 1130' FWL, Section 35, T24S, R30E, Eddy County, NM.  
BHL: 930' FSL, 2645' FWL, Section 27, T24S, R30E, Eddy County, New Mexico.

### POINT 1: EXISTING ROADS

A) Proposed Well Site Location:

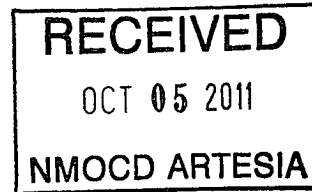
See Form C-102 (Survey Plat).

B) Existing Roads:

From the Junction of Twin Wells and Buck Jackson, go north on Twin Wells for 1.6 miles to proposed lease road.

C) Existing Road Maintenance or Improvement Plan:

See the Well Pad Layout and Topo Map of the survey plat (Sheet 1 and 2 of plat package)



### POINT 2: NEW PLANNED ACCESS ROUTE

A) Route Location:

Approximately 1,536' of new lease road will be built. (See the Well Pad Layout of the survey plat (Sheet 1 of plat package).

B) Width

14' wide

C) Maximum Grade

Grade to match existing topography or as per BLM requirements.

D) Turnout Ditches

As required by BLM stipulations

E) Culverts, Cattle Guards, and Surfacing Equipment

If required, culverts and cattle guards will be set per BLM Specs.

### POINT 3: LOCATION OF EXISTING WELLS

The following wells are located within a one-mile radius of the location site. See the One-Mile Radius Map (Sheet 5 of the plat package).

Existing well..... 4 (Four)  
Water wells.....None

#### **POINT 4: LOCATION OF EXISTING OR PROPOSED FACILITIES**

- A) No existing production facilities operated by BOPCO, L.P. are located within one mile of the Poker Lake Unit #346H.

- B) New Facilities in the Event of Production:

New production facilities will be built at Poker Lake Unit #89 battery (located in Sec 25, T24S, R30E. A new separator / treater will be set at the Poker Lake Unit #89 battery. A 2-7/8" flowline carrying oil, water, and gas will be laid on top of ground from Poker Lake Unit #346H to Poker Lake Unit #89 battery following existing lease roads (see the Aerial Map of the survey plat (Sheet 4 of the plat package). A rental generator will be set at #346H for the initial testing. A sundry describing the permanent power line will be submitted at a later date.

- C) Rehabilitation of Disturbed Areas Unnecessary for Production:

Following the construction, those access areas required for continued production will be graded to provide drainage and minimize erosion. The areas unnecessary for use will be graded to blend in with the surrounding topography (see Point 10)

#### **POINT 5: LOCATION AND TYPE OF WATER SUPPLY**

- A) Location and Type of Water Supply

Fresh water will be hauled from Johnson Station 50 miles east of Carlsbad, New Mexico or other commercial facilities. Brine water will be hauled from commercial facilities.

- B) Water Transportation System

Water hauling to the location will be over the existing and proposed roads.

#### **POINT 6: SOURCE OF CONSTRUCTION MATERIALS**

- A) Materials

On-site caliche will be used. If this is not sufficient, caliche will be hauled from a BLM approved pit.

- B) Land Ownership

Federally Owned

- C) Materials Foreign to the Site

No construction materials foreign to this area are anticipated for this drill site.

- D) Access Roads

See the Well Pad Layout and Aerial Map of the survey plat (Sheet 1 and 4 of plat package)

## **POINT 7: METHODS FOR HANDLING WASTE MATERIAL**

### **A) Cuttings**

Cuttings will be contained in the roll off bins and disposed of at Controlled Recovery Inc. located in Lea county, NM.

### **B) Drilling Fluids**

Drilling fluids will be contained in the steel pits, frac tanks and disposed at licensed disposal sites.

### **C) Produced Fluids**

Water production will be contained in the steel pits.

Hydrocarbon fluid or other fluids that may be produced during testing will be retained in test tanks. Prior to cleanup operations, any hydrocarbon material in the reserve pit will be removed by skimming or burning as the situation would dictate.

### **D) Sewage**

Current laws and regulations pertaining to the disposal of human waste will be complied with.

### **E) Garbage**

Portable containers will be utilized for garbage disposal during the drilling of this well.

### **F) Cleanup of Well Site**

Upon release of the drilling rig, the surface of the drilling pad will be graded to accommodate a completion rig if electric log analysis indicate potential productive zones. Reasonable cleanup will be performed prior to the final restoration of the site.

## **POINT 8: ANCILLARY FACILITIES**

None required.

## **POINT 9: WELL SITE LAYOUT**

### **A) Rig Orientation and Layout**

The "Rig Layout Schematic" (Sheet 6 of plat package) shows the dimensions of the well pad, closed loop system, and the location of major rig components. Only minor leveling of the well site will be required. No significant cuts or fills will be necessary.

### **B) Locations of Access Road**

See the Well Pad Layout, Topo Map, and Vicinity Map of the survey plat (Sheet 1, 2, and 3 of plat package).

### **C) Lining of the Pits**

No reserve pits - closed loop system.

## POINT 10: PLANS FOR RESTORATION OF THE SURFACE

- A) Reserve Pit Cleanup - Not applicable. Closed loop drilling fluid system will be used

The pits will be fenced immediately after construction and shall be maintained until they are backfilled. Previous to backfill operations, any hydrocarbon material on the pits' surfaces shall be removed. The fluids and solids contained in the pits shall be backfilled with soil excavated from the site and soil adjacent to the reserve pits. The restored surface of the pits shall be contoured to prevent impoundment of surface water flow. Water-bars will be constructed as needed to prevent excessive erosion. Topsoil, as available, shall be placed over the restored surface in a uniform layer. The area will be seeded according to the Bureau of Land Management stipulations during the appropriate season following restoration.

- B) Restoration Plans - Production Developed

Those areas not required for production will be graded to blend with the surrounding topography. Topsoil, as available, will be placed upon those areas and seeded. The portion of the site required for production will be graded to minimize erosion and provide access during inclement conditions. Following depletion and abandonment of the site, restoration procedures will be those that follow under Item C. Please see Diagram 2.

- C) Restoration Plans - No Production Developed

With no production developed, the entire surface disturbed by construction of the well site will be restored. The site will be contoured to blend with the surrounding topography and provide drainage of surface water. The topsoil, as available, shall be replaced in a uniform layer and seeded according to the Bureau of Land Management's stipulations.

- D) Rehabilitation's Timetable

Upon completion of drilling operations, the initial cleanup of the site will be performed as soon as weather and site conditions allow economic execution of the work.

## POINT 11: OTHER INFORMATION

- A) On-Site

Location onsite meeting was held on 3/11/2011. Attending were John Fast of the BLM Carlsbad Field Office BLM, Cecil Watkins and Pete Lensing of BOPCO, L.P. Location moved 100' north to avoid drainage.

- B) Soil

Caliche and sand.

- C) Vegetation

Sparse, primarily grasses and mesquite with very little grass.

**POINT 11: OTHER INFORMATION – cont'd...****D) Surface Use**

Primarily grazing.

**E) Surface Water**

There are no ponds, lakes, streams or rivers within several miles of the wellsite.

**F) Water Wells**

There is no water wells located within a 1 mile radius of the proposed location.

**G) Residences and Buildings**

None in the immediate vicinity.

**H) Historical Sites**

None observed.

**I) Archeological Resources**

No independent archeological survey has been done. This well location is located in the area covered by Memorandum of Agreement – Permian Basin. A Payment of \$1456.72 fee for this project is included in this application. Any location or construction conflicts will be resolved before construction begins. Please see diagram 3 for flowline route.

**J) Surface Ownership**

The well site is on federally owned land. There will be no new access roads required for this location.

**K) Well signs will be posted at the drilling site.****L) Open Pits**

No open pits will be used for drilling or production. Any open top tanks will be netted.

**M) Terrain**

Slightly rolling hills.

**POINT 12: OPERATOR'S FIELD REPRESENTATIVE**

(Field personnel responsible for compliance with development plan for surface use).

**DRILLING**

Stephen Martinez  
Box 2760  
Midland, Texas 79702  
(432) 683-2277

**PRODUCTION**

Dean Clemmer  
3104 East Green Street  
Carlsbad, New Mexico 88220  
(575) 887-7329

Carlos Cruz  
Box 2760  
Midland, Texas 79702  
(432) 683-2277

BDH/jdb

**BOPCO, L.P.**

P. O. Box 2760  
Midland, Texas 79702

432-683-2277

FAX-432-687-0329

July 12, 2011

Bureau of Land Management  
Carlsbad Field Office  
620 East Green Street  
Carlsbad, New Mexico 88220-6292

Attn: Mr. Don Peterson – Assistant Field Manager, Minerals

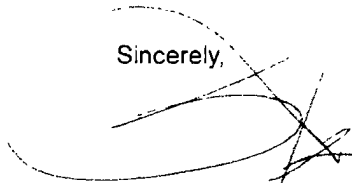
RE: APPLICATION FOR PERMIT TO DRILL  
POKER LAKE UNIT #346H  
2425' FSL, 1130' FWL, SEC. 35, T24S, R30E, EDDY COUNTY, NM

Dear Mr. Peterson,

In reference to the above captioned well, I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the attached eight point drilling plan and multi-use surface plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by BOPCO, L.P. and it's contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

If you have any questions regarding the accuracy of the plan provided herein, please do not hesitate to contact me at (432) 683-2277.

Sincerely,



Stephen M. Martinez  
Division Drilling Superintendent

**BOPCO, L.P.**

P. O. Box 2760  
Midland, Texas 79702

432-683-2277

FAX-432-687-0329

July 25, 2011

Bureau of Land Management  
Carlsbad Field Office  
620 East Green Street  
Carlsbad, New Mexico 88220-6292

Attn: Mr. Don Peterson – Assistant Field Manager, Minerals

RE: APPLICATION FOR PERMIT TO DRILL  
POKER LAKE UNIT #346H  
2425' FSL, 1130' FWL, SEC. 35, T24S, R30E, EDDY COUNTY, NM

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Sincerely,

Stephen M. Martinez  
Division Drilling Superintendent



**BOPCO, L. P.**  
6 DESTA DRIVE, SUITE 3700 (79705)  
P. O. BOX 2760  
MIDLAND, TEXAS 79702

(432) 683-2277

FAX (432) 687-0329

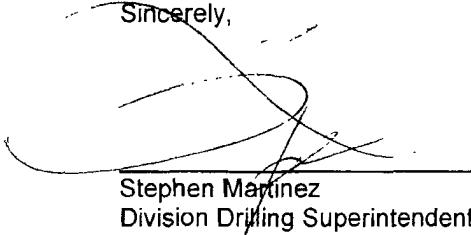
July 11, 2011

Bureau of Land Management  
620 E. Greene  
Carlsbad, New Mexico 88220  
Attn: John Chopp

Dear Mr. Chopp,

BOPCO, L.P. respectfully requests exception to the Prairie Chicken timing restrictions for Poker Lake Unit #346H located 2425' FSL, 1130' FWL, of Section 35, T24S, R30E, Eddy County, New Mexico.

Sincerely,



Stephen Martinez  
Division Drilling Superintendent

SMM/keh

Form NM 8140-9  
(March 2008)

United States Department of the Interior  
Bureau of Land Management  
New Mexico State Office

Permian Basin Cultural Resource Mitigation Fund

The company shown below has agreed to contribute funding to the Permian Basin Cultural Resource Fund in lieu of being required to conduct a Class III survey for cultural resources associated with their project. This form verifies that the company has elected to have the Bureau of Land Management (BLM) follow the procedures specified within the Memorandum of Agreement (MOA) concerning improved strategies for managing historic properties within the Permian Basin, New Mexico, for the undertaking rather than the Protocol to meet the agency's Section 106 obligations.

Company Name: BOPCO, L.P.

Address: P. O. Box 2760

Midland, Texas 79702

Project description: Poker Lake Unit #34611 Location, Road, and Flowline.

T, 24S, R 30E, Section 35 NMPM, Eddy County, New Mexico

Amount of contribution: \$ 1,456.72

Provisions of the MOA:

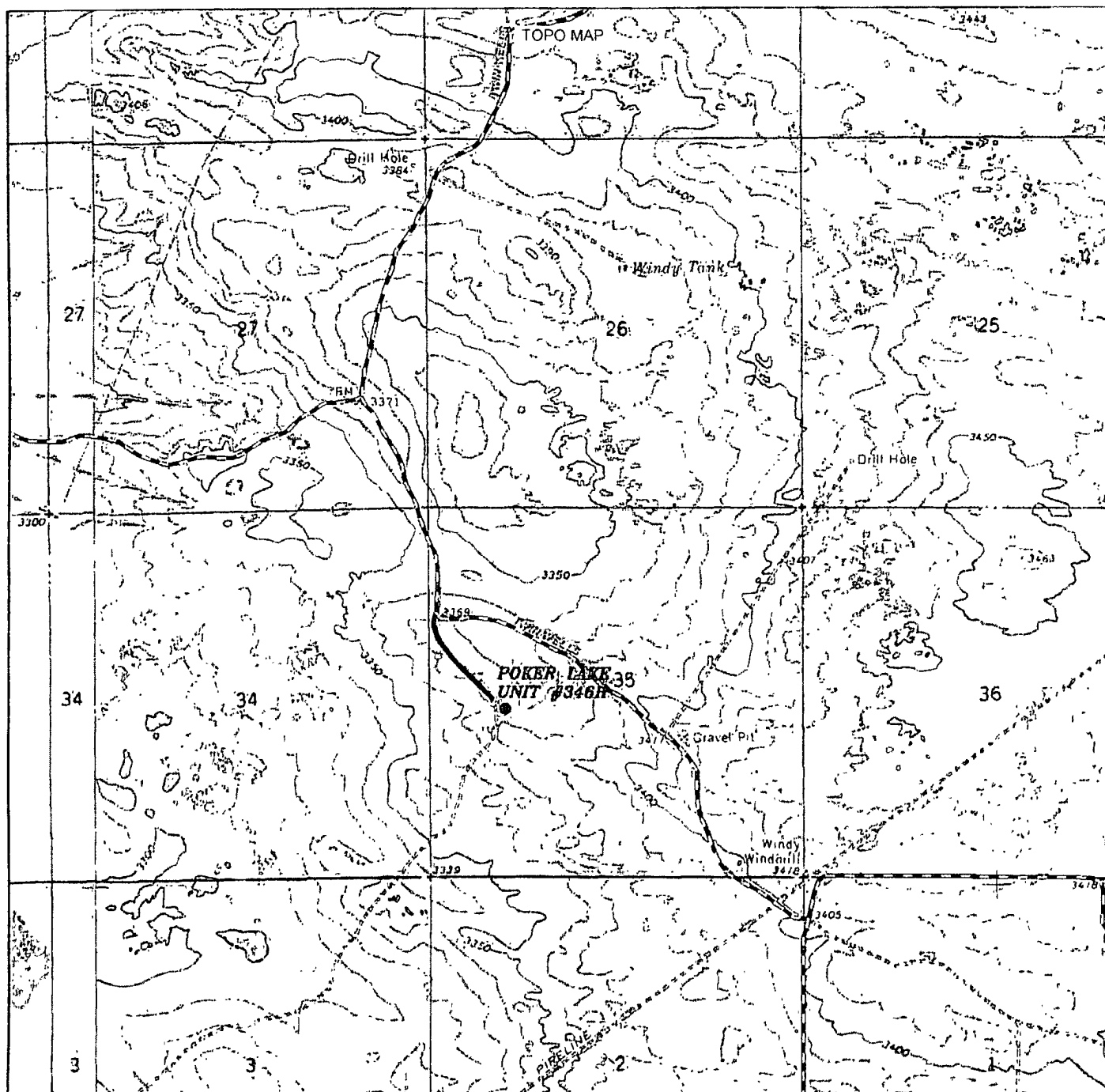
- A. No new Class III inventories are required of industry within the Project Area for those projects where industry elects to contribute to the mitigation fund.
- B. The amount of funds contributed was derived from the rate schedule established within Appendix B of the MOA. The amount of the funding contribution acknowledged on this form reflects those rates.
- C. The BLM will utilize the funding to carry out a program of mitigation at high-priority sited whose study is needed to answer key questions identified within the Regional Research Design.
- D. Donating to the fund is voluntary. Industry acknowledges that it is aware it has the right to pay for Class III survey rather than contributing to the mitigation fund, and that it must avoid or fund data recovery at those sites already recorded that are eligible for nomination to the National Register or whose eligibility is unknown and that any such payments are independent of the mitigation funds established by this MOA.
- E. Previously recorded archeological sites determined eligible for nomination to the National Register or whose eligibility remains undetermined must be avoided or mitigated.
- F. If any skeletal remains that might be human or funerary objects are discovered by any activities, the land-use applicant will cease activities in the area of discovery, protect the remains, and notify the BLM within 24 hours. The BLM will determine the appropriate treatment of the remains in consultation with culturally affiliated Indian Tribe(s) and lineal descendents. Applicants will be required to pay for treatment of the cultural items independent and outside of the mitigation fund.

  
\_\_\_\_\_  
Company Authorized Officer

7/25/11  
\_\_\_\_\_  
Date

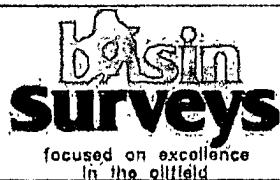
\_\_\_\_\_  
BLM-Authorized Officer

\_\_\_\_\_  
Date



# **POKER LAKE UNIT #346H**

Located 2425' FSL and 1130' FWL  
 Section 35, Township 24 South, Range 30 East,  
 N.M.P.M., Eddy County, New Mexico.



P.O. Box 1785  
 1120 N. West County Rd.  
 Hobbs, New Mexico 88241  
 (575) 393-7316 - Office  
 (575) 392-2206 - Fax  
 basinsurveys.com

W.O. Number JMS 24264

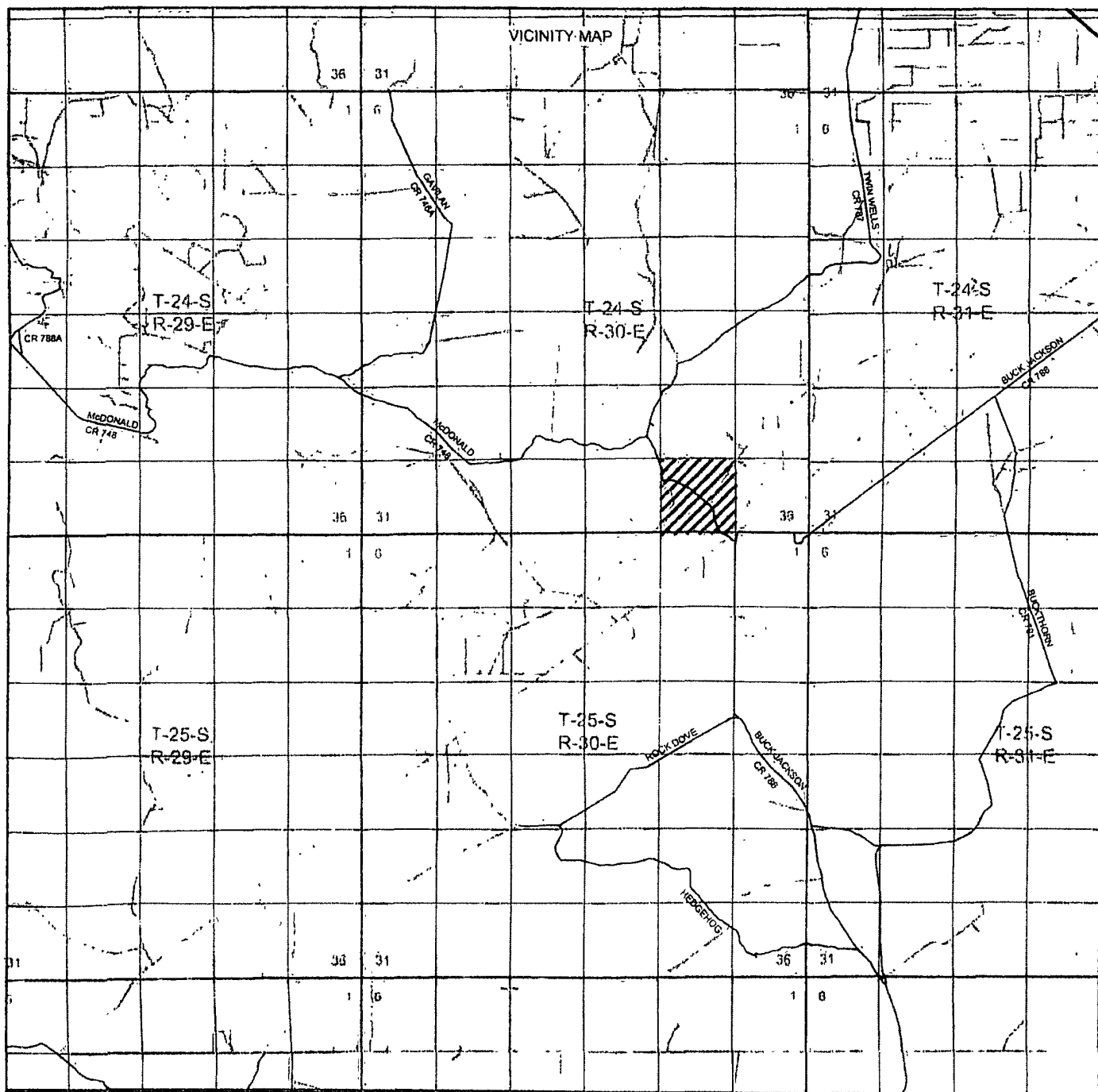
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Scale: 1" = 2000'

Date: 03-24-2011

**BOPCO, L.P.**

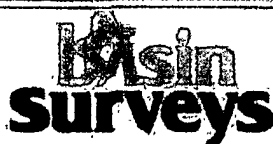
Sheet 2 of 6 Sheets



# **POKER LAKE UNIT #346H**

Located 2425' FSL and 1130' FWL

Section 35, Township 24 South, Range 30 East,  
N.M.P.M., Eddy County, New Mexico.



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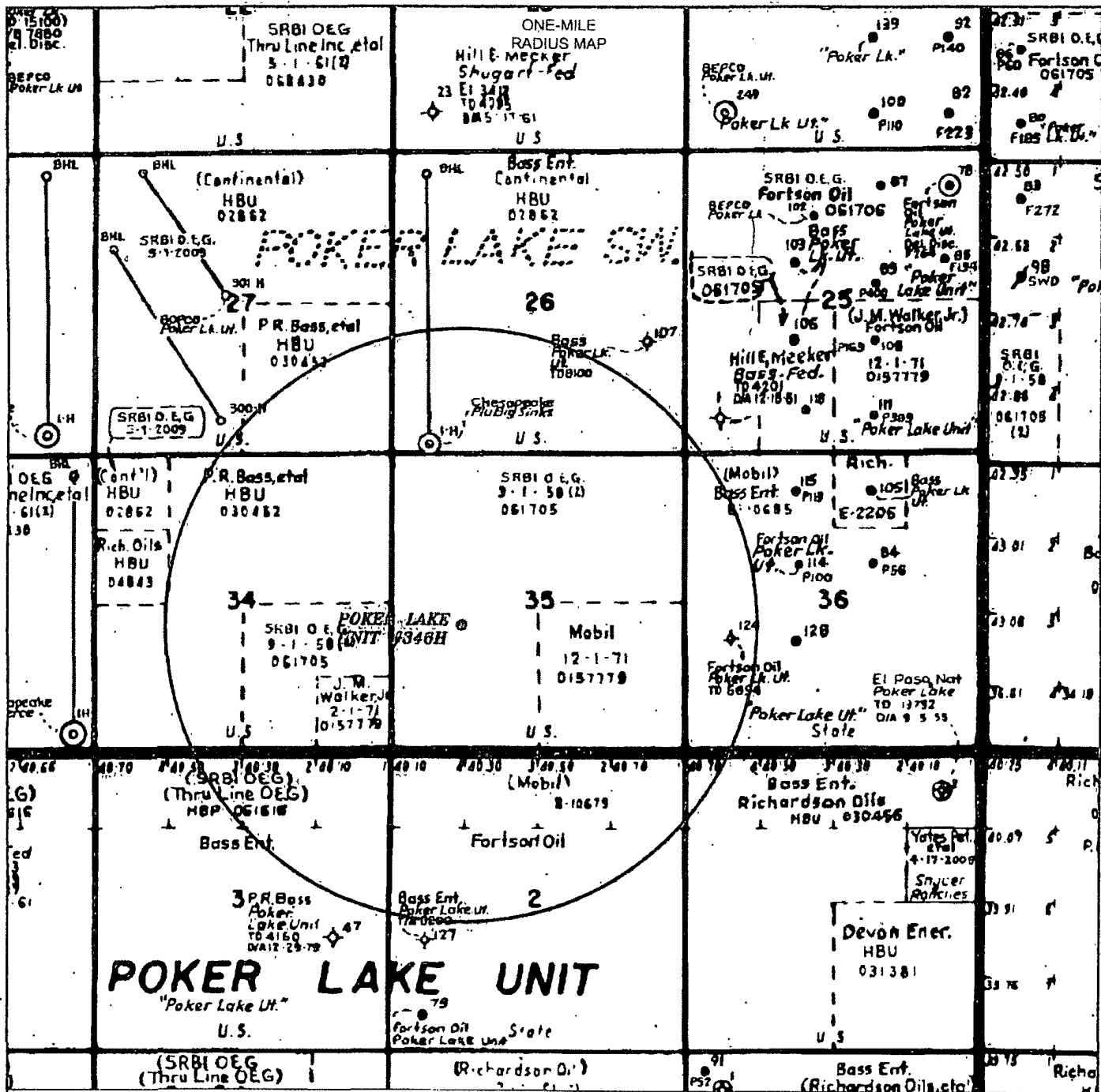
Survey Date: 03-17-2011

Scale: 1" = 2 Miles

Date: 03-24-2011

*BOPCO, L.P.*

Sheet 3 of 6 Sheets



## POKER LAKE UNIT #346H

Located 2425' FSL and 1130' FWL

Section 35, Township 24 South, Range 30 East,  
N.M.P.M.. Eddy County, New Mexico.



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W.O. Number: JMS 24264

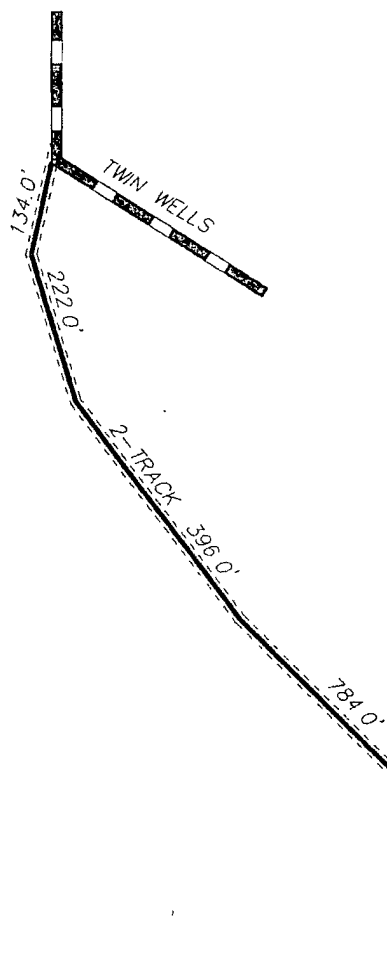
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BLUE TINT - STATE LAND  
NATURAL COLOR - FEE LAND

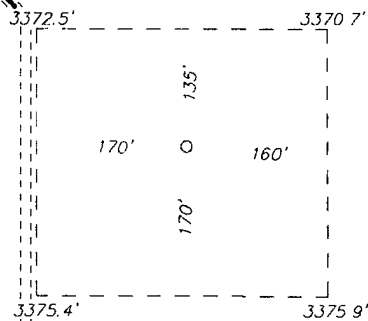
BOPCO, L.P.

Sheet 5 of 6 Sheets

SECTION 35, TOWNSHIP 24 SOUTH, RANGE 30 EAST, N.M.P.M.,  
EDDY COUNTY, WELL PAD LAYOUT NEW MEXICO.



BOPCO, L.P.  
POKER LAKE UNIT #346H  
ELEV. - 3373'  
Lat - N 32°10'25.27"  
Long - W 103°51'21.83"  
NMSPCE- N 427235.117  
E 647672.617  
(NAD-27)



200 0 200 400 FEET  
SCALE: 1" = 200'

Directions to Location

FROM THE JUNCTION OF TWIN WELLS AND BUCK  
JACKSON, GO NORTH ON TWIN WELLS FOR 1.6 MILES  
TO PROPOSED LEASE ROAD

**BASIN SURVEYS** P O BOX 1786-HOBBS, NEW MEXICO

W.O. Number. 24264 Drawn By J. SMALL

Date: 03-24-2011 Disk: JMS 24264

**BOPCO, L.P.**

REF POKER LAKE UNIT #346H / WELL PAD TOPO

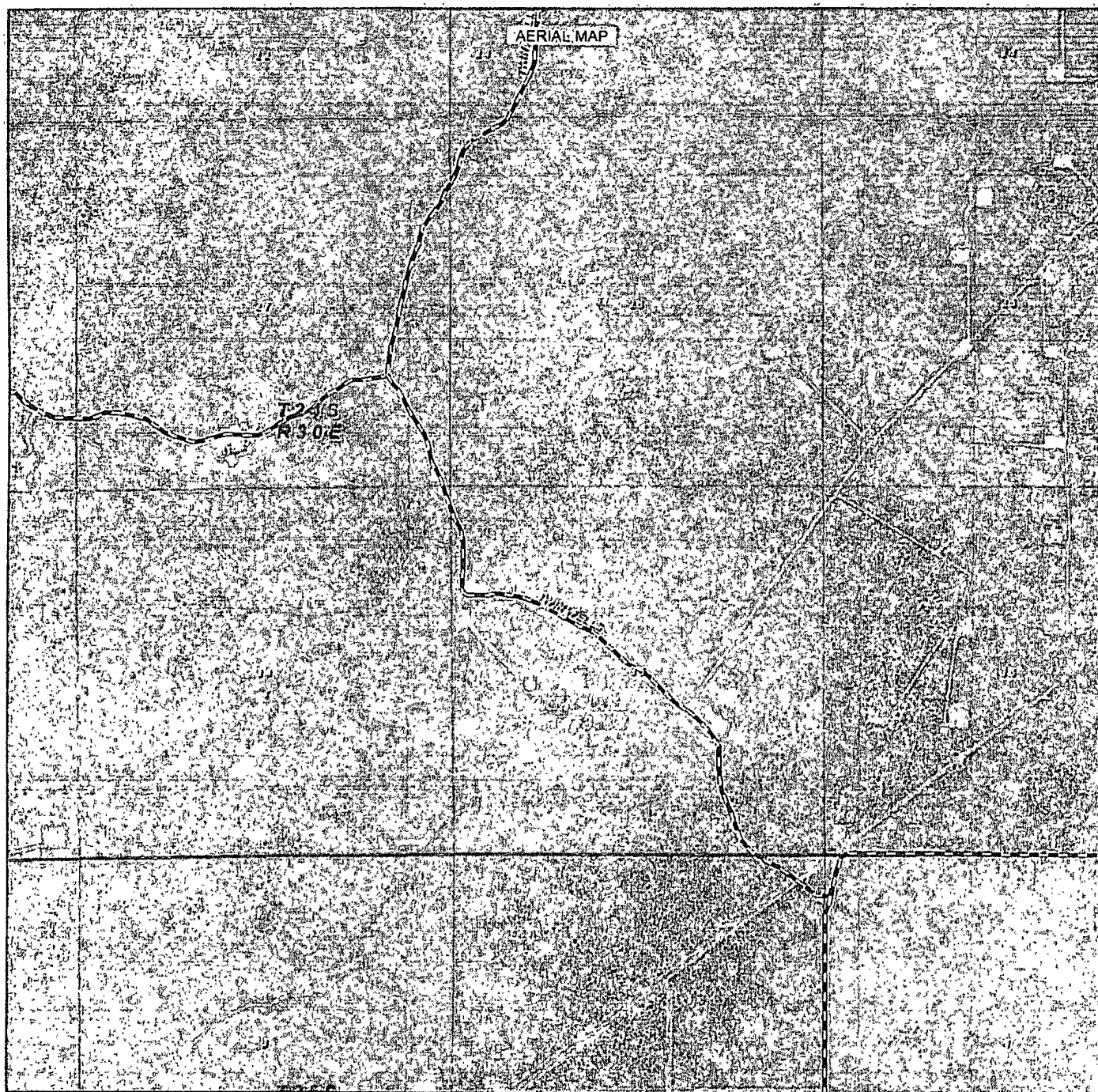
THE POKER LAKE UNIT #346H LOCATED 2425'

FROM THE SOUTH LINE AND 1130' FROM THE WEST LINE OF

SECTION 35, TOWNSHIP 24 SOUTH, RANGE 30 EAST,

N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date. 03-17-2011 Sheet 1 of 6 Sheets



**POKER LAKE UNIT #346H**

Located 2425' FSL and 1130' FWL

Section 35, Township 24 South, Range 30 East,  
N.M.P.M., Eddy County, New Mexico.

**basin**  
**surveys**

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P.O. Box 1786  
1120 N. West County Rd.  
Hobbs, New Mexico 88241  
(575) 393-7316 - Office  
(575) 392-2206 - Fax  
basinsurveys.com

W.O. Number: JMS 24264

Scale: 1" = 2000'

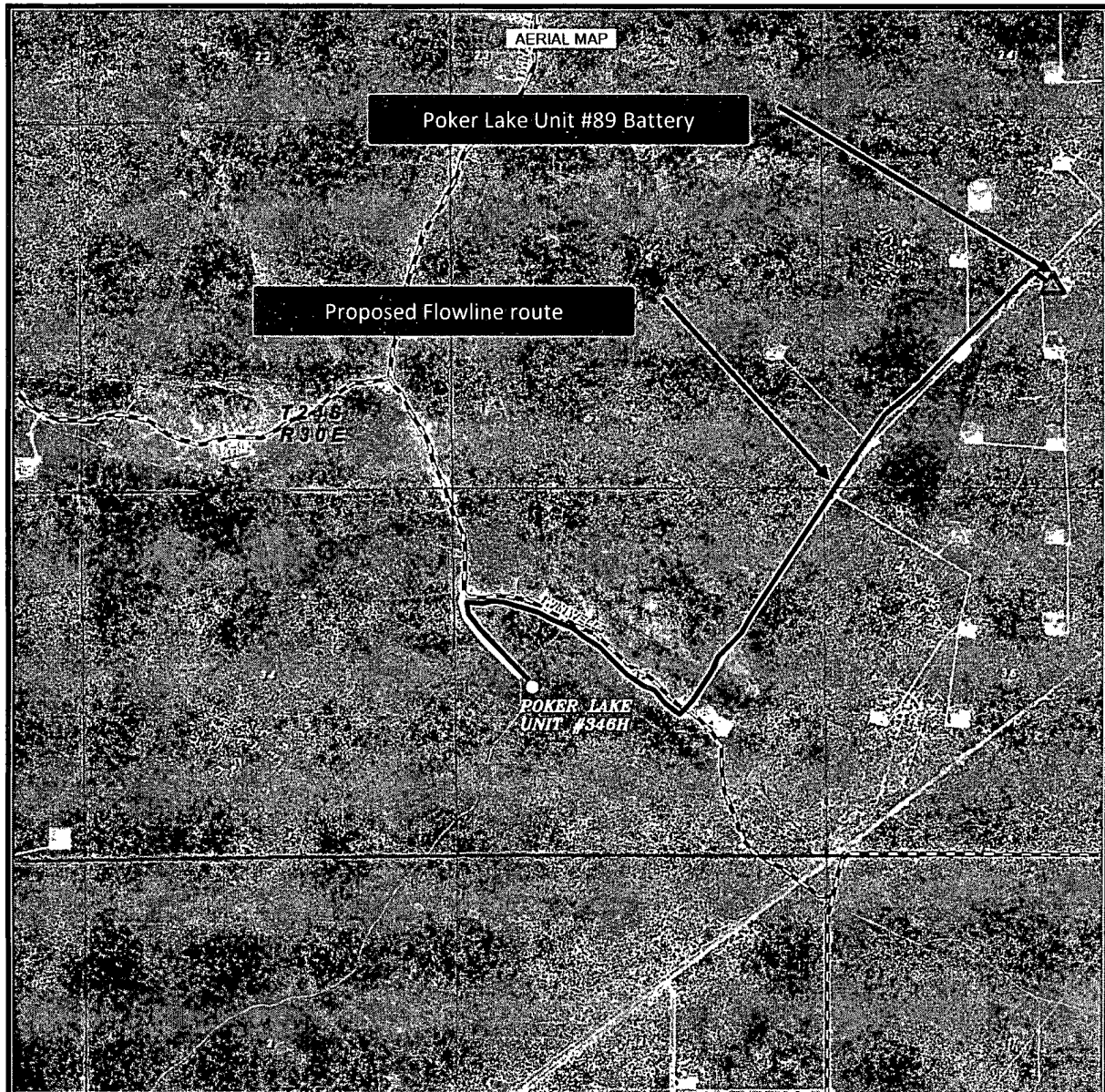
YELLOW TINT - USA LAND  
BLUE TINT - STATE LAND  
NATURAL COLOR - FEE LAND

*BOPCO, L.P.*

Sheet 4 of 6 Sheets



Poker Lake Unit #346H  
Diagram #3



POKER LAKE UNIT #346H  
Located 2425' FSL and 1130' FWL  
Section 35, Township 24 South, Range 30 East,  
N.M.P.M., Eddy County, New Mexico.

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YELLOW TINT - USA LAND  
BLUE TINT - STATE LAND  
NATURAL COLOR - FEE LAND

*BOPCO, L.P.*

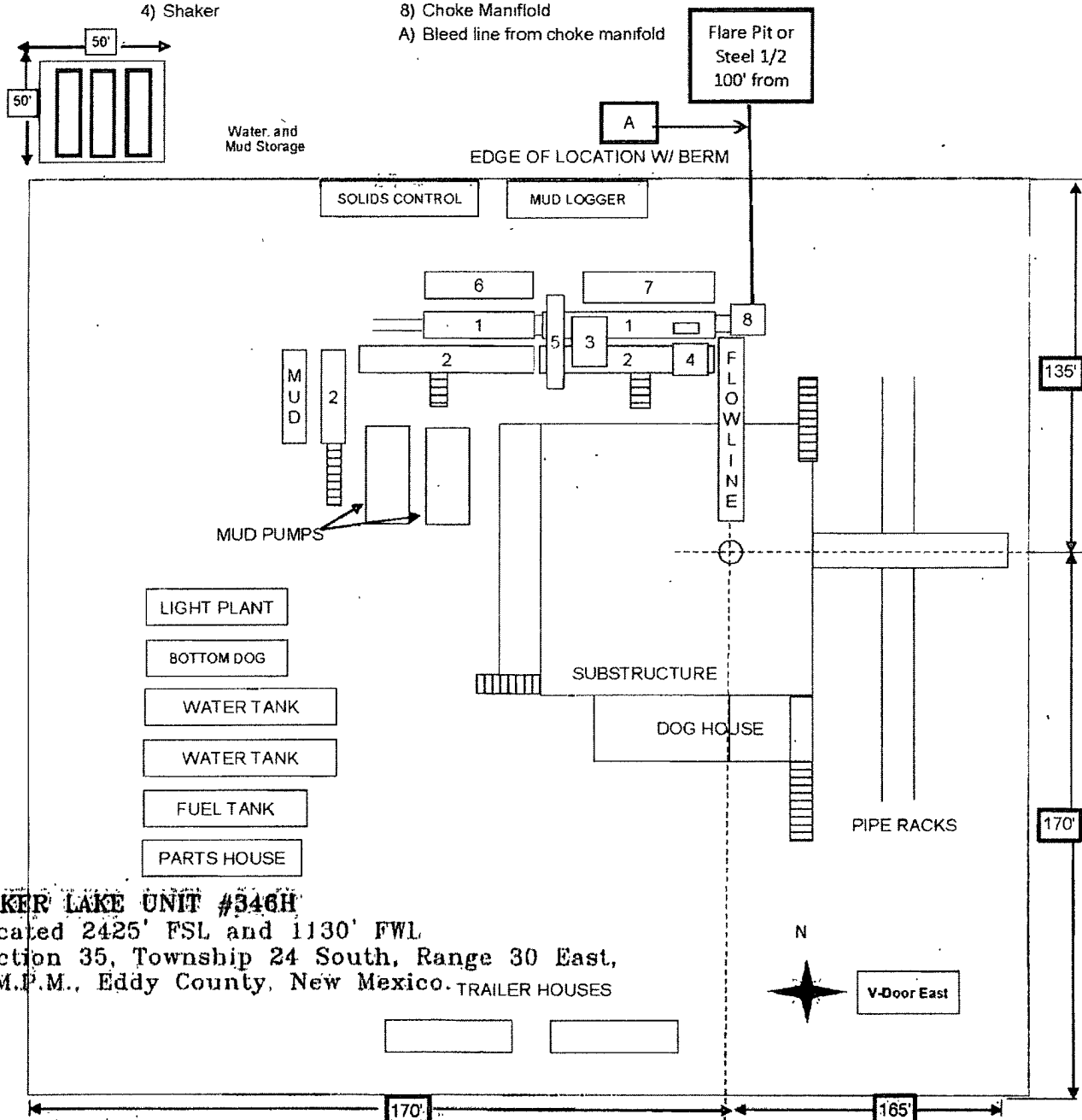
Sheet 4 of 6 Sheets

# 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 #346H

Located 2425' FSL and 1130' FWL  
Section 35, Township 24 South, Range 30 East,  
N.M.P.M., Eddy County, New Mexico. TRAILER HOUSES

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1120 N. West County Rd.  
Hobbs, New Mexico 88241  
(575) 393-7316 - Office  
(575) 392-2206 - Fax  
basinsurveys.com

W.O. Number: JMS 24264

Survey Date: 03-17-2011

Scale: 1" = 2000'

Date: 03-24-2011

**BOPCO, L.P.**

Sheet 6 of 6 Sheets

Diagram 2

BOPCO, Poker Lake Unit #346H

Interim Reclamation Well Pad Layout

North

Access road

