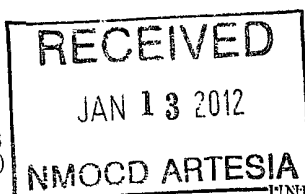


Form 3160-3  
(April 2004)



OCD-ARTESIA

R-111-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. LC 068905 (BHL), LC 068545 (SL)
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 BOPCO, L. P.		7. If Unit or CA Agreement, Name and No. Poker Lake Unit NMNM71016X
3a. Address P. O. Box 2760 Midland, TX 79702		8. Lease Name and Well No. Poker Lake Unit 332H [366402]
3b. Phone No. (include area code) 432-683-2277		9. API Well No. 30-015-39835
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWNW, UL E, 1740' FNL, 1075' FWL, Lat: N32.279164, Long: W103.873603 At proposed prod zone 1600' FNL, 900' FWL, Sec 11, T24S-R30E, Lat: N32.235081, Lg: W103.856844		10. Field and Pool, or Exploratory WILDCAT; DELAWARE [97821] 11. Sec., T R. M. or Bk. and Survey or Area Sec 3, T24S-R30E, Mer, NMP
14. Distance in miles and direction from nearest town or post office* 18 miles east of Malaga		12. County or Parish Eddy
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig unit line, if any) 1,075'		13. State NM
16. No. of acres in lease 5003.12		17. Spacing Unit dedicated to this well 360
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1446' (PLU 318H)		20. BLM/BIA Bond No. on file COB000050
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3,444'		22. Approximate date work will start* 07/01/2012
		23. Estimated duration 30 Days

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 	Name (Printed/Typed) Jeremy Braden	Date 11-17-11
Title Engineering Assistant		

Approved by (Signature) /s/ Tony J. Herrell	Name (Printed/Typed) /s/ Tony J. Herrell	Date JAN 6 2012
--	---	--------------------

FOR Title ACTING STATE DIRECTOR	Office NM STATE OFFICE
------------------------------------	---------------------------

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 USC 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)

CARLSEAD CONTROLLED WATER BASIN

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS  
ATTACHED

## DISTRICT I

1325 N. French Dr., Hobbs, NM 88240

## DISTRICT II

1301 W. Grand Avenue, Artesia, NM 88210

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102

Revised July 16, 2010

Submit one copy to appropriate  
District Office

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-015-39835</b>	Pool Code <b>97821</b>	Pool Name <b>WILDCAT; DELAWARE</b>
Property Code <b>306402</b>	Property Name <b>POKER LAKE UNIT</b>	Well Number <b>332H</b>
OGRID No. <b>260737</b>	Operator Name <b>BOPCO, L.P.</b>	Elevation <b>3444'</b>

## Surface Location

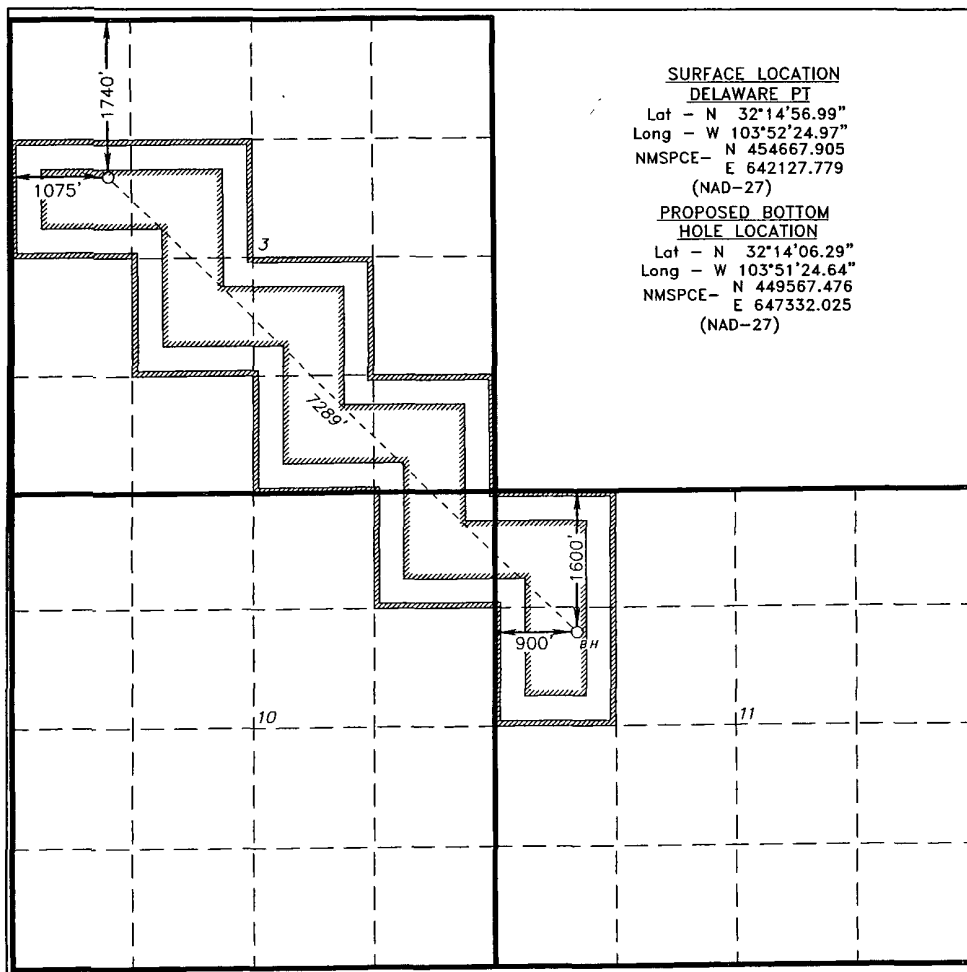
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	3	24 S	30 E		1740	NORTH	1075	WEST	EDDY

## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	11	24 S	30 E		1600	NORTH	900	WEST	EDDY

Dedicated Acres <b>3600</b>	Joint or Infill	Consolidation Code	Order No.
--------------------------------	-----------------	--------------------	-----------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



## SURFACE LOCATION

## DELAWARE PT

Lat - N 32°14'56.99"  
Long - W 103°52'24.97"  
NMSPCE - E 642127.779  
(NAD-27)

PROPOSED BOTTOM  
HOLE LOCATION

Lat - N 32°14'06.29"  
Long - W 103°51'24.64"  
NMSPCE - E 647332.025  
(NAD-27)

## OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Jeremy Braden* 10-27-11  
Signature Date

Jeremy Braden

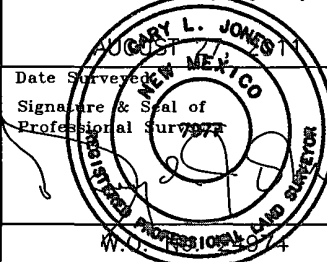
Printed Name

JDBraden@basspet.com

Email Address

## SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief



Certificate No. Gary L. Jones 7977

BASIN SURVEYS

24974

**BOPCO, L.P.**

P. O. Box 2760  
Midland, Texas 79702

432-683-2277

FAX-432-687-0329

October 26, 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

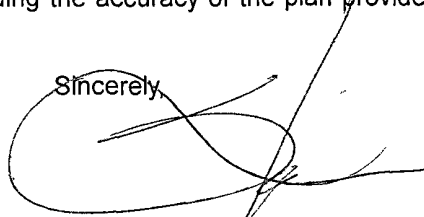
RE: APPLICATION FOR PERMIT TO DRILL  
POKER LAKE UNIT #332H  
1740' FNL, 1075' FWL, SEC. 3, T24S, R30E, EDDY COUNTY, NM

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 its 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,

A handwritten signature in black ink, appearing to be "S.M. Martinez", written over a large, loopy circular flourish.

Stephen M. Martinez  
Division Drilling Superintendent

Surface casing is to be set into the Rustler below all fresh water sands at an approximate depth of 662' and cement circulated to surface.

7" casing will be set at approximately 8,022' MD, 7,699' TVD (thru curve) and cemented in two stages with DV Tool set at approximately 5,000'. Cement will be circulated to surface.

Drilling procedure, BOP diagram, and anticipated tops are attached.

This well is located inside the R111 Potash area and Secretary's Potash area.

The surface location is nonstandard and located inside the Poker Lake Unit.

The bottom hole location is nonstandard and located inside the Poker Lake Unit.

**Surface Lease Numbers – LC- 068545**

**Bottom Hole Lease Numbers – LC - 068905**

BOPCO, L.P., at P. O. Box 2760, Midland, TX, 79702 is a subsidiary of BOPCO, L.P., 201 Main Street, Ft. Worth, TX, 76102. Bond No. COB000050 (Nationwide).

# **EIGHT POINT DRILLING PROGRAM** **BOPCO, L.P.**

## **NAME OF WELL: Poker Lake Unit 332H**

LEGAL DESCRIPTION - SURFACE: 1740' FNL, 1075' FWL, Section 3, T24S, R30E, Eddy County, NM.  
BHL: 1600' FNL, 900' FWL, Section 11, 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 3466' (estimated)  
GL 3444'

<u>FORMATION</u>	<u>ESTIMATED TOP FROM KB</u>		<u>ESTIMATED SUB-SEA TOP</u>	<u>BEARING</u>
	<u>TVD</u>	<u>MD</u>		
T/Fresh Water	440'	440'	+ 3,026'	Fresh Water
T/Rustler	346'	346'	+ 3,120'	Barren
T/Salado	506'	506'	+ 2,960'	Barren
T/Salt	672'	672'	+ 2,794'	Barren
B/Salt	3,675'	3,675'	- 209'	Barren
T/Lamar	3,897'	3,897'	- 431'	Barren
T/Ramsey	3,947'	3,947'	- 481'	Oil/Gas
T/Lower Cherry Canyon	5,925'	5,925'	- 2,459'	Oil/Gas
KOP	7,222'	7,222'	- 3,756'	Oil/Gas
Lower Brushy Canyon Sand	7,485'	7,500'	- 4,019'	Oil/Gas
Target #1	7,699'	8,410'	- 4,233'	Oil/Gas
EOC	7,699'	7,971'	- 4,233'	Oil/Gas
TD Horizontal Hole	7,753'	14,781'	- 4,287'	Oil/Gas

## **POINT 3: CASING PROGRAM**

<u>TYPE</u>	<u>INTERVALS (MD)</u>	<u>Hole Size</u>	<u>PURPOSE</u>	<u>CONDITION</u>
20"	0' - 80'	24"	Conductor	Contractor Discretion
13-3/8", 48#, H-40, or 54.5#, J-55 8rd, ST&C*	0' - 662'	17-1/2"	Surface	New
9-5/8", 40#, N-80, 8rd, LT&C	0' - 3,917'	12-1/4"	Intermediate	New
7", 26#, N-80, Buttress or 8rd LTC*	0' - 8,022'	8-3/4"	Production	New

### **Completion System**

4-1/2", 11.6#, HCP-110 8rd. LT&C*	7,972' - 14,781'	6-1/8"	Completion System	New
4-1/2", 11.6#, N-80, 8rd, LT&C*	7,972' - 14,781'	6-1/8"	Completion System	New

### **CASING DESIGN SAFETY FACTORS:**

<u>TYPE</u>	<u>TENSION</u>	<u>COLLAPSE</u>	<u>BURST</u>
13-3/8", 48#, H-40, 8rd, ST&C*	11.72	2.26	4.68
13-3/8", 54.5#, J-55, 8rd, STC*	27.51	3.53	7.39
9-5/8", 40#, N-80, 8rd, LT&C	5.57	1.38	2.63
7", 26#, N-80, Buttress*	3.50	1.29	1.69
7", 26#, N-80, 8rd, LTC*	3.01	1.24	1.69

### **Completion System**

4-1/2", 11.6#, HCP-110 8rd. LT&C*	3.60	2.07	2.47
4-1/2", 11.6#, N-80, 8rd, LT&C*	2.87	1.43	1.80

\* 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.  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.

### Production 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.

### Completion System - (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 1 & 2)

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.

Please refer to diagram 2 for choke manifold and closed loop system layout.

#### POINT 5: MUD PROGRAM

DEPTH	MUD TYPE	WEIGHT	FV	PV	YP	FL	Ph
0' - 662'	FW Spud Mud	8.5 - 9.2	38-70	NC	NC	NC	10.0
662' - 3,917'	Brine Water	9.8 - 10.2	28-30	NC	NC	NC	9.5 - 10.5
3,917' - 8,022'	FW/Gel	8.7 - 9.0	28-36	NC	NC	NC	9.5 - 10.0
8,022' - 14,781'	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.

*See  
not*

##### 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

## D) CEMENT

<u>INTERVAL</u>	<u>AMOUNT SXS</u>	<u>FT OF FILL</u>	<u>TYPE</u>	<u>GALS/SX</u>	<u>PPG</u>	<u>FT<sup>3</sup>/SX</u>
<b>SURFACE:</b>						
Lead: 0' – 362'	310	362	ExtendaCem CZ	8.72	13.70	1.68
Tail: 362' – 662'	280	300	ExtendaCem CZ	8.72	13.70	1.68
<b>INTERMEDIATE:</b>						
Lead: 0' – 3,417'	1080	3417	EconoCem HLC 5% CaCl + 5 #/sk Gilsonite	9.32	12.90	1.85
Tail: 3,417' – 3,917'	280	500	HalCem C	6.34	14.80	1.33
<b>Production</b>						
Stage 1:						
Lead: 5,000' – 7,122'	180	2122	Tuned Light + 0.75% CFR-3 + 1.5#/sk CaCl	12.41	10.20	2.76
Tail: 7,122' – 8,022'	140	900	VersaCem-PBSH2 + 0.4% Halad-9	8.76	13.0	1.65
DV Tool @ 5,000'						
Stage 2:						
Lead: 0' – 4,500'	380	4500	EconoCem HLC + 1% Econolite + 5% CaCl + 5#/sk Gilsonite	10.71	12.60	2.04
Tail: 4,500' – 5,000'	100	500	HalCem C	6.34	14.80	1.33

Cement excesses will be as follows:

Surface – 100% excess with cement circulated to surface.

1<sup>st</sup> Intermediate – 50% excess above fluid caliper with cement circulated to surface.

Production – 50% above gauge hole or 35% above electric log caliper with cement circulated 500' up into the 9-5/8" 1<sup>st</sup> intermediate casing in areas outside the SOPA. **Cement will be circulated to surface on areas inside the SOPA.**

Cement volumes will be adjusted proportionately for depth changes of the multi stage tool.



#### E) COMPLETIONS SYSTEM

A 4-1/2" completion system with open hole packers will be run in the producing lateral to a depth of 14,781'. The top of the Completion System will be set at approximately 7,972'. Cement will not be required for this system.

#### F) 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 7,222' at which point a directional hole will be kicked off and drilled at an azimuth of 134.420 degrees, building angle at 12.01 deg/100' to 90 degrees at a TVD of 7,699' (MD 7,971'). This angle and azimuth will be maintained for 101' to a measured depth of 8,022' (7,699' TVD). At this depth 7", 26#, N80, Buttress, or 8rd LTC casing will be installed and cemented in two stages (DV Tool @ approximately 5000') with cement circulated to surface. A 6-1/8" open hole lateral will then be drilled out from 7" casing at an azimuth of 134.423 degrees, inclination of 89.513 degrees to a measured depth of 14,781', TVD 7,972'. At this depth a 4-1/2" Completion System with packers installed for zone isolation will be run into the producing lateral.

#### G) H<sub>2</sub>S SAFETY EQUIPMENT

As stated in the BLM Onshore Order 6, for wells located in the SOPA, H<sub>2</sub>S equipment will be rigged up after setting surface casing. For the wells located inside the SOPA the flare pit or 1/2 steel pits will be located 150' from the location. For wells located outside the SOPA the flare pit or 1/2 steel pit will be located 100' away from the location. **(See page 6 of Survey plat package and diagram 2)** There is not any H<sub>2</sub>S anticipated in the area, although in the event that H<sub>2</sub>S is encountered, the H<sub>2</sub>S contingency plan attached will be implemented. **(Please refer to diagram 2 for choke manifold and closed loop system layout.)**

#### H) CLOSED LOOP AND CHOKE MANIFOLD

**Please see diagram 2.**

### POINT 7: ANTICIPATED RESERVOIR CONDITIONS

Normal pressures are anticipated throughout Delaware section. A BHP of 3628 psi (max) or MWE of 9.0 ppg is expected. Lost circulation may exist in the Delaware Section from 3,897'-7,753' TVD.

**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

JDB



# BOPCO, L.P.

Location Eddy County, NM  
Field Poker Lake Unit  
Facility Poker Lake Unit No. 332H

Slot No 332H SHL  
Well No 332H  
Wellbore No 332H PWB

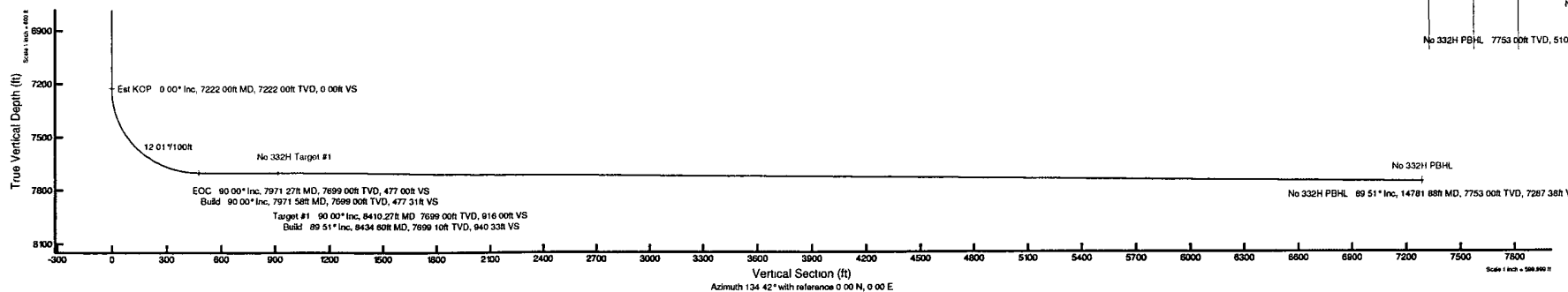
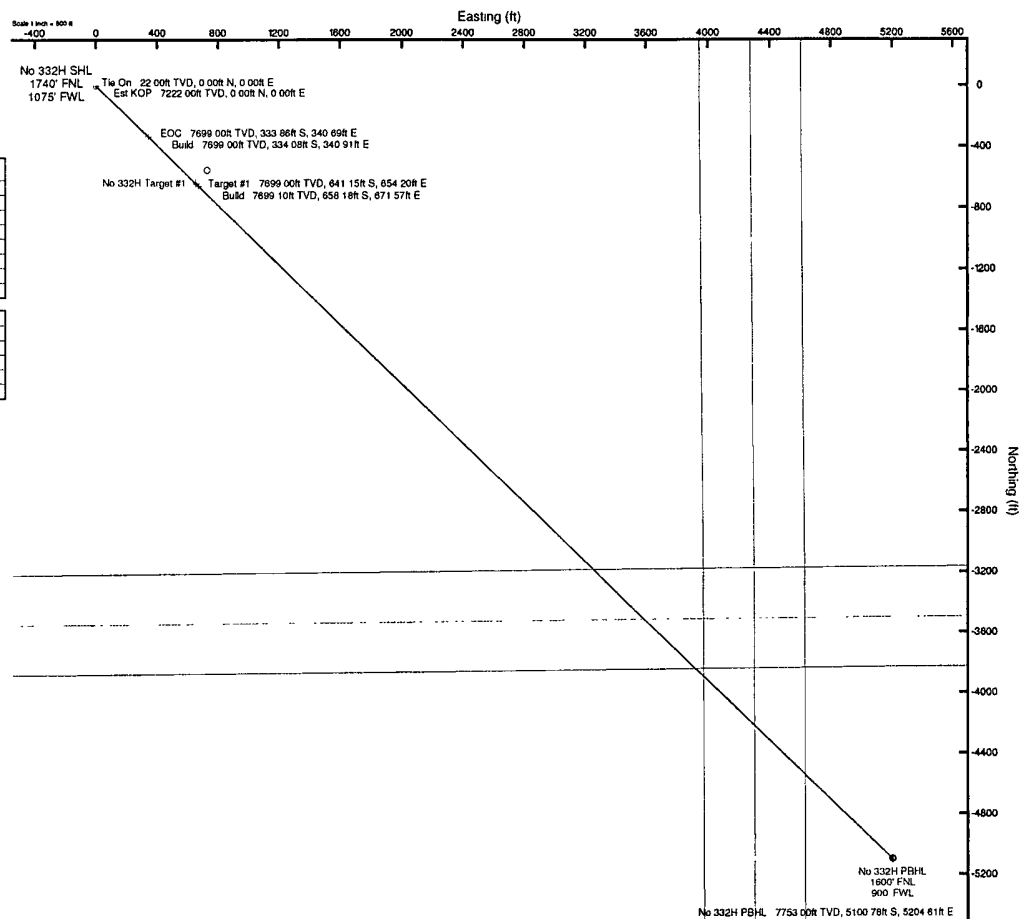


Well Profile Data								
Design Comment	MD (ft)	Inc (°)	Az (°)	TVD (ft)	Local N (ft)	Local E (ft)	DLS (ft/100ft)	VS (ft)
Tie On	22.00	0.000	134.420	22.00	0.00	0.00	0.00	0.00
Est KOP	7222.00	0.000	134.420	7222.00	0.00	0.00	0.00	0.00
EOC	7971.27	90.000	134.420	7699.00	-333.86	340.69	12.01	477.00
Build	7971.58	90.000	134.428	7699.00	-334.08	340.91	2.00	477.31
Target #1	8410.27	90.000	134.426	7699.00	-641.15	654.20	0.00	916.00
Build	8434.60	89.513	134.423	7699.10	-658.18	671.57	2.00	940.33
No 332H PBHL	14781.88	89.513	134.423	7753.00	5100.78	5204.61	0.00	7287.38

Plot reference wellpath is Prelim_2	
True vertical depths are referenced to Rig on No 332H SHL (KB)	Grid System: NAD27 / TM New Mexico SP Eastern Zone (3001), US feet
Measured depths are referenced to Rig on No 332H SHL (KB)	North Reference: Grid north
Rig on No 332H SHL (KB) to Mean Sea Level: 3466 feet	Scale: True distance
Mean Sea Level to Mud line (At Slot No 332H SHL): 3444 feet	Depths are in feet
Coordinates are in feet referenced to Slot	Created by: guntbry on 10/13/2011



BGM (1945 to 2012) Dip 90.18° Field 48503.6 nT  
Magnetic North is 7.75 degrees East of True North (at 8/31/2011)  
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 7.50 degrees  
For example if the Magnetic North Azimuth = 90 degree then the Grid North Azimuth = 90 + 7.50 = 97.50





# Planned Wellpath Report

Prelim\_2

Page 1 of 6



## REFERENCE WELLPATH IDENTIFICATION

Operator	BOPCO, L.P.	Slot	No.332H SHL
Area	Eddy County, NM	Well	No.332H
Field	Poker Lake Unit	Wellbore	No.332H PWB
Facility	Poker Lake Unit No. 332H		

## REPORT SETUP INFORMATION

Projection System	NAD27 / TM New Mexico SP, Eastern Zone (3001), US feet	Software System	WellArchitect® 3.0.0
North Reference	Grid	User	Gentbry
Scale	0.999932	Report Generated	10/13/2011 at 10:32:10 AM
Convergence at slot	0.25° East	Database/Source file	WA Midland/No.332H_PWB.xml

## WELLPATH LOCATION

	Local coordinates		Grid coordinates		Geographic coordinates	
	North[ft]	East[ft]	Easting[US ft]	Northing[US ft]	Latitude	Longitude
Slot Location	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W
Facility Reference Pt			642127.78	454667.91	32°14'56.986"N	103°52'24.972"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.332H SHL (KB) to Facility Vertical Datum	22.00ft
Horizontal Reference Pt	Slot	Rig on No.332H SHL (KB) to Mean Sea Level	3466.00ft
Vertical Reference Pt	Rig on No.332H SHL (KB)	Rig on No.332H SHL (KB) to Mud Line at Slot (No.332H SHL)	22.00ft
MD Reference Pt	Rig on No.332H SHL (KB)	Section Origin	N 0.00, E 0.00 ft
Field Vertical Reference	Mean Sea Level	Section Azimuth	134.42°



# Planned Wellpath Report

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## REFERENCE WELLPATH IDENTIFICATION

Operator	BOPCO, L.P.	Slot	No.332H SHL
Area	Eddy County, NM	Well	No.332H
Field	Poker Lake Unit	Wellbore	No.332H PWB
Facility	Poker Lake Unit No. 332H		

## WELLPATH DATA (162 stations) † = interpolated/extrapolated station

MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [US ft]	Grid North [US ft]	Latitude	Longitude	DLS [°/100ft]	Comments
0.00†	0.000	134.420	0.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
22.00	0.000	134.420	22.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	Tie On
122.00†	0.000	134.420	122.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
222.00†	0.000	134.420	222.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
322.00†	0.000	134.420	322.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
346.00†	0.000	134.420	346.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	Rustler
422.00†	0.000	134.420	422.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
506.00†	0.000	134.420	506.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	Salado
522.00†	0.000	134.420	522.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
622.00†	0.000	134.420	622.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
672.00†	0.000	134.420	672.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	Salt
722.00†	0.000	134.420	722.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
822.00†	0.000	134.420	822.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
922.00†	0.000	134.420	922.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
1022.00†	0.000	134.420	1022.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
1122.00†	0.000	134.420	1122.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
1222.00†	0.000	134.420	1222.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
1322.00†	0.000	134.420	1322.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
1422.00†	0.000	134.420	1422.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
1522.00†	0.000	134.420	1522.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
1622.00†	0.000	134.420	1622.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
1722.00†	0.000	134.420	1722.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
1822.00†	0.000	134.420	1822.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
1922.00†	0.000	134.420	1922.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
2022.00†	0.000	134.420	2022.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
2122.00†	0.000	134.420	2122.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
2222.00†	0.000	134.420	2222.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
2322.00†	0.000	134.420	2322.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
2422.00†	0.000	134.420	2422.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
2522.00†	0.000	134.420	2522.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
2622.00†	0.000	134.420	2622.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
2722.00†	0.000	134.420	2722.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
2822.00†	0.000	134.420	2822.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
2922.00†	0.000	134.420	2922.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
3022.00†	0.000	134.420	3022.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
3122.00†	0.000	134.420	3122.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
3222.00†	0.000	134.420	3222.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
3322.00†	0.000	134.420	3322.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
3422.00†	0.000	134.420	3422.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
3522.00†	0.000	134.420	3522.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
3622.00†	0.000	134.420	3622.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
3675.00†	0.000	134.420	3675.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	Base/Salt
3722.00†	0.000	134.420	3722.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
3822.00†	0.000	134.420	3822.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
3897.00†	0.000	134.420	3897.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	Lamar



# Planned Wellpath Report

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## REFERENCE WELLPATH IDENTIFICATION

Operator	BOPCO, L.P.	Slot	No.332H SHL
Area	Eddy County, NM	Well	No.332H
Field	Poker Lake Unit	Wellbore	No.332H PWB
Facility	Poker Lake Unit No. 332H		

## WELLPATH DATA (162 stations) † = interpolated/extrapolated station

MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [US ft]	Grid North [US ft]	Latitude	Longitude	DLS [°/100ft]	Comments
3922.00†	0.000	134.420	3922.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
3947.00†	0.000	134.420	3947.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	Ramsey
4022.00†	0.000	134.420	4022.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
4122.00†	0.000	134.420	4122.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
4222.00†	0.000	134.420	4222.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
4322.00†	0.000	134.420	4322.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
4422.00†	0.000	134.420	4422.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
4522.00†	0.000	134.420	4522.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
4622.00†	0.000	134.420	4622.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
4722.00†	0.000	134.420	4722.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
4822.00†	0.000	134.420	4822.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
4922.00†	0.000	134.420	4922.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
5022.00†	0.000	134.420	5022.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
5122.00†	0.000	134.420	5122.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
5222.00†	0.000	134.420	5222.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
5322.00†	0.000	134.420	5322.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
5422.00†	0.000	134.420	5422.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
5522.00†	0.000	134.420	5522.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
5622.00†	0.000	134.420	5622.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
5722.00†	0.000	134.420	5722.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
5822.00†	0.000	134.420	5822.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
5922.00†	0.000	134.420	5922.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
5925.00†	0.000	134.420	5925.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	LCC
6022.00†	0.000	134.420	6022.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
6122.00†	0.000	134.420	6122.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
6222.00†	0.000	134.420	6222.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
6322.00†	0.000	134.420	6322.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
6422.00†	0.000	134.420	6422.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
6522.00†	0.000	134.420	6522.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
6622.00†	0.000	134.420	6622.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
6722.00†	0.000	134.420	6722.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
6822.00†	0.000	134.420	6822.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
6922.00†	0.000	134.420	6922.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
7022.00†	0.000	134.420	7022.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
7122.00†	0.000	134.420	7122.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	
7222.00	0.000	134.420	7222.00	0.00	0.00	0.00	642127.78	454667.91	32°14'56.986"N	103°52'24.972"W	0.00	Est KOP
7322.00†	12.012	134.420	7321.27	10.44	-7.31	7.46	642135.24	454660.60	32°14'56.913"N	103°52'24.886"W	12.01	
7422.00†	24.023	134.420	7416.19	41.32	-28.92	29.51	642157.29	454638.99	32°14'56.698"N	103°52'24.630"W	12.01	
7500.57†	33.461	134.420	7485.00	79.06	-55.33	56.46	642184.24	454612.58	32°14'56.436"N	103°52'24.317"W	12.01	LBC 8A
7522.00†	36.035	134.420	7502.61	91.27	-63.88	65.19	642192.96	454604.03	32°14'56.351"N	103°52'24.216"W	12.01	
7622.00†	48.047	134.420	7576.74	158.11	-110.67	112.93	642240.70	454557.25	32°14'55.886"N	103°52'23.663"W	12.01	
7722.00†	60.058	134.420	7635.34	238.92	-167.22	170.64	642298.41	454500.69	32°14'55.324"N	103°52'22.994"W	12.01	
7822.00†	72.070	134.420	7675.83	330.15	-231.08	235.81	642363.57	454436.84	32°14'54.689"N	103°52'22.238"W	12.01	
7922.00†	84.082	134.420	7696.46	427.82	-299.44	305.56	642433.32	454368.49	32°14'54.010"N	103°52'21.429"W	12.01	
7971.27	90.000	134.420	7699.00	477.00	-333.86	340.69	642468.44	454334.07	32°14'53.667"N	103°52'21.022"W	12.01	EOC



# Planned Wellpath Report

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## REFERENCE WELLPATH IDENTIFICATION

Operator	BOPCO, L.P.	Slot	No.332H SHL
Area	Eddy County, NM	Well	No.332H
Field	Poker Lake Unit	Wellbore	No.332H PWB
Facility	Poker Lake Unit No. 332H		

## WELLPATH DATA (162 stations) † = interpolated/extrapolated station

MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [US ft]	Grid North [US ft]	Latitude	Longitude	DLS [°/100ft]	Comments
7971.58	90.000	134.426	7699.00	477.31	-334.08	340.91	642468.67	454333.85	32°14'53.665"N	103°52'21.019"W	2.00	Build
8022.00†	90.000	134.426	7699.00	527.73	-369.37	376.92	642504.67	454298.56	32°14'53.314"N	103°52'20.602"W	0.00	
8122.00†	90.000	134.426	7699.00	627.73	-439.37	448.33	642576.08	454228.57	32°14'52.619"N	103°52'19.774"W	0.00	
8222.00†	90.000	134.426	7699.00	727.73	-509.37	519.75	642647.49	454158.57	32°14'51.923"N	103°52'18.946"W	0.00	
8322.00†	90.000	134.426	7699.00	827.73	-579.37	591.16	642718.90	454088.58	32°14'51.227"N	103°52'18.118"W	0.00	
8410.27	90.000	134.426	7699.00 <sup>1</sup>	916.00	-641.15	654.20	642781.93	454026.80	32°14'50.613"N	103°52'17.387"W	0.00	Target #1
8422.00†	89.765	134.425	7699.02	927.73	-649.37	662.58	642790.31	454018.59	32°14'50.532"N	103°52'17.290"W	2.00	
8434.60	89.513	134.423	7699.10	940.33	-658.18	671.57	642799.31	454009.77	32°14'50.444"N	103°52'17.186"W	2.00	Build
8522.00†	89.513	134.423	7699.85	1027.73	-719.36	733.99	642861.72	453948.60	32°14'49.836"N	103°52'16.462"W	0.00	
8622.00†	89.513	134.423	7700.69	1127.72	-789.35	805.41	642933.13	453878.61	32°14'49.140"N	103°52'15.634"W	0.00	
8722.00†	89.513	134.423	7701.54	1227.72	-859.34	876.83	643004.55	453808.62	32°14'48.445"N	103°52'14.806"W	0.00	
8822.00†	89.513	134.423	7702.39	1327.72	-929.33	948.24	643075.96	453738.64	32°14'47.749"N	103°52'13.978"W	0.00	
8922.00†	89.513	134.423	7703.24	1427.71	-999.33	1019.66	643147.37	453668.65	32°14'47.053"N	103°52'13.150"W	0.00	
9022.00†	89.513	134.423	7704.09	1527.71	-1069.32	1091.08	643218.78	453598.66	32°14'46.358"N	103°52'12.322"W	0.00	
9122.00†	89.513	134.423	7704.94	1627.71	-1139.31	1162.50	643290.19	453528.67	32°14'45.662"N	103°52'11.494"W	0.00	
9222.00†	89.513	134.423	7705.79	1727.70	-1209.30	1233.91	643361.61	453458.69	32°14'44.967"N	103°52'10.666"W	0.00	
9322.00†	89.513	134.423	7706.64	1827.70	-1279.29	1305.33	643433.02	453388.70	32°14'44.271"N	103°52'09.838"W	0.00	
9422.00†	89.513	134.423	7707.49	1927.69	-1349.29	1376.75	643504.43	453318.71	32°14'43.575"N	103°52'09.010"W	0.00	
9522.00†	89.513	134.423	7708.34	2027.69	-1419.28	1448.16	643575.84	453248.72	32°14'42.880"N	103°52'08.182"W	0.00	
9622.00†	89.513	134.423	7709.19	2127.69	-1489.27	1519.58	643647.25	453178.74	32°14'42.184"N	103°52'07.354"W	0.00	
9722.00†	89.513	134.423	7710.04	2227.68	-1559.26	1591.00	643718.66	453108.75	32°14'41.488"N	103°52'06.526"W	0.00	
9822.00†	89.513	134.423	7710.88	2327.68	-1629.26	1662.41	643790.08	453038.76	32°14'40.793"N	103°52'05.698"W	0.00	
9922.00†	89.513	134.423	7711.73	2427.68	-1699.25	1733.83	643861.49	452968.78	32°14'40.097"N	103°52'04.870"W	0.00	
10022.00†	89.513	134.423	7712.58	2527.67	-1769.24	1805.25	643932.90	452898.79	32°14'39.401"N	103°52'04.042"W	0.00	
10122.00†	89.513	134.423	7713.43	2627.67	-1839.23	1876.66	644004.31	452828.80	32°14'38.706"N	103°52'03.214"W	0.00	
10222.00†	89.513	134.423	7714.28	2727.67	-1909.22	1948.08	644075.72	452758.81	32°14'38.010"N	103°52'02.386"W	0.00	
10322.00†	89.513	134.423	7715.13	2827.66	-1979.22	2019.50	644147.14	452688.83	32°14'37.314"N	103°52'01.558"W	0.00	
10422.00†	89.513	134.423	7715.98	2927.66	-2049.21	2090.92	644218.55	452618.84	32°14'36.619"N	103°52'00.730"W	0.00	
10522.00†	89.513	134.423	7716.83	3027.65	-2119.20	2162.33	644289.96	452548.85	32°14'35.923"N	103°51'59.902"W	0.00	
10622.00†	89.513	134.423	7717.68	3127.65	-2189.19	2233.75	644361.37	452478.86	32°14'35.227"N	103°51'59.074"W	0.00	
10722.00†	89.513	134.423	7718.53	3227.65	-2259.19	2305.17	644432.78	452408.88	32°14'34.532"N	103°51'58.246"W	0.00	
10822.00†	89.513	134.423	7719.38	3327.64	-2329.18	2376.58	644504.20	452338.89	32°14'33.836"N	103°51'57.418"W	0.00	
10922.00†	89.513	134.423	7720.22	3427.64	-2399.17	2448.00	644575.61	452268.90	32°14'33.140"N	103°51'56.591"W	0.00	
11022.00†	89.513	134.423	7721.07	3527.64	-2469.16	2519.42	644647.02	452198.92	32°14'32.445"N	103°51'55.763"W	0.00	
11122.00†	89.513	134.423	7721.92	3627.63	-2539.15	2590.83	644718.43	452128.93	32°14'31.749"N	103°51'54.935"W	0.00	
11222.00†	89.513	134.423	7722.77	3727.63	-2609.15	2662.25	644789.84	452058.94	32°14'31.053"N	103°51'54.107"W	0.00	
11322.00†	89.513	134.423	7723.62	3827.63	-2679.14	2733.67	644861.26	451988.95	32°14'30.358"N	103°51'53.279"W	0.00	
11422.00†	89.513	134.423	7724.47	3927.62	-2749.13	2805.08	644932.67	451918.97	32°14'29.662"N	103°51'52.451"W	0.00	
11522.00†	89.513	134.423	7725.32	4027.62	-2819.12	2876.50	645004.08	451848.98	32°14'28.966"N	103°51'51.623"W	0.00	
11622.00†	89.513	134.423	7726.17	4127.61	-2889.11	2947.92	645075.49	451778.99	32°14'28.271"N	103°51'50.795"W	0.00	
11722.00†	89.513	134.423	7727.02	4227.61	-2959.11	3019.34	645146.90	451709.00	32°14'27.575"N	103°51'49.967"W	0.00	
11822.00†	89.513	134.423	7727.87	4327.61	-3029.10	3090.75	645218.32	451639.02	32°14'26.879"N	103°51'49.139"W	0.00	
11922.00†	89.513	134.423	7728.72	4427.60	-3099.09	3162.17	645289.73	451569.03	32°14'26.184"N	103°51'48.311"W	0.00	
12022.00†	89.513	134.423	7729.57	4527.60	-3169.08	3233.59	645361.14	451499.04	32°14'25.488"N	103°51'47.483"W	0.00	
12122.00†	89.513	134.423	7730.41	4627.60	-3239.08	3305.00	645432.55	451429.06	32°14'24.792"N	103°51'46.656"W	0.00	





# Planned Wellpath Report

Prelim\_2  
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## REFERENCE WELLPATH IDENTIFICATION

Operator	BOPCO, L.P.	Slot	No.332H SHL
Area	Eddy County, NM	Well	No.332H
Field	Poker Lake Unit	Wellbore	No.332H PWB
Facility	Poker Lake Unit No. 332H		

## WELLPATH DATA (162 stations) † = interpolated/extrapolated station

MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Grid East [US ft]	Grid North [US ft]	Latitude	Longitude	DLS [°/100ft]	Comments
12222.00†	89.513	134.423	7731.26	4727.59	-3309.07	3376.42	645503.96	451359.07	32°14'24.096"N	103°51'45.828"W	0.00	
12322.00†	89.513	134.423	7732.11	4827.59	-3379.06	3447.84	645575.38	451289.08	32°14'23.401"N	103°51'45.000"W	0.00	
12422.00†	89.513	134.423	7732.96	4927.59	-3449.05	3519.25	645646.79	451219.09	32°14'22.705"N	103°51'44.172"W	0.00	
12522.00†	89.513	134.423	7733.81	5027.58	-3519.04	3590.67	645718.20	451149.11	32°14'22.009"N	103°51'43.344"W	0.00	
12622.00†	89.513	134.423	7734.66	5127.58	-3589.04	3662.09	645789.61	451079.12	32°14'21.314"N	103°51'42.516"W	0.00	
12722.00†	89.513	134.423	7735.51	5227.58	-3659.03	3733.50	645861.02	451009.13	32°14'20.618"N	103°51'41.688"W	0.00	
12822.00†	89.513	134.423	7736.36	5327.57	-3729.02	3804.92	645932.43	450939.14	32°14'19.922"N	103°51'40.860"W	0.00	
12922.00†	89.513	134.423	7737.21	5427.57	-3799.01	3876.34	646003.85	450869.16	32°14'19.227"N	103°51'40.033"W	0.00	
13022.00†	89.513	134.423	7738.06	5527.56	-3869.00	3947.76	646075.26	450799.17	32°14'18.531"N	103°51'39.205"W	0.00	
13122.00†	89.513	134.423	7738.91	5627.56	-3939.00	4019.17	646146.67	450729.18	32°14'17.835"N	103°51'38.377"W	0.00	
13222.00†	89.513	134.423	7739.75	5727.56	-4008.99	4090.59	646218.08	450659.20	32°14'17.139"N	103°51'37.549"W	0.00	
13322.00†	89.513	134.423	7740.60	5827.55	-4078.98	4162.01	646289.49	450589.21	32°14'16.444"N	103°51'36.721"W	0.00	
13422.00†	89.513	134.423	7741.45	5927.55	-4148.97	4233.42	646360.91	450519.22	32°14'15.748"N	103°51'35.893"W	0.00	
13522.00†	89.513	134.423	7742.30	6027.55	-4218.97	4304.84	646432.32	450449.23	32°14'15.052"N	103°51'35.065"W	0.00	
13622.00†	89.513	134.423	7743.15	6127.54	-4288.96	4376.26	646503.73	450379.25	32°14'14.357"N	103°51'34.238"W	0.00	
13722.00†	89.513	134.423	7744.00	6227.54	-4358.95	4447.67	646575.14	450309.26	32°14'13.661"N	103°51'33.410"W	0.00	
13822.00†	89.513	134.423	7744.85	6327.54	-4428.94	4519.09	646646.55	450239.27	32°14'12.965"N	103°51'32.582"W	0.00	
13922.00†	89.513	134.423	7745.70	6427.53	-4498.93	4590.51	646717.97	450169.28	32°14'12.269"N	103°51'31.754"W	0.00	
14022.00†	89.513	134.423	7746.55	6527.53	-4568.93	4661.92	646789.38	450099.30	32°14'11.574"N	103°51'30.926"W	0.00	
14122.00†	89.513	134.423	7747.40	6627.52	-4638.92	4733.34	646860.79	450029.31	32°14'10.878"N	103°51'30.098"W	0.00	
14222.00†	89.513	134.423	7748.25	6727.52	-4708.91	4804.76	646932.20	449959.32	32°14'10.182"N	103°51'29.271"W	0.00	
14322.00†	89.513	134.423	7749.09	6827.52	-4778.90	4876.18	647003.61	449889.34	32°14'09.487"N	103°51'28.443"W	0.00	
14422.00†	89.513	134.423	7749.94	6927.51	-4848.90	4947.59	647075.03	449819.35	32°14'08.791"N	103°51'27.615"W	0.00	
14522.00†	89.513	134.423	7750.79	7027.51	-4918.89	5019.01	647146.44	449749.36	32°14'08.095"N	103°51'26.787"W	0.00	
14622.00†	89.513	134.423	7751.64	7127.51	-4988.88	5090.43	647217.85	449679.37	32°14'07.399"N	103°51'25.959"W	0.00	
14722.00†	89.513	134.423	7752.49	7227.50	-5058.87	5161.84	647289.26	449609.39	32°14'06.704"N	103°51'25.132"W	0.00	
14781.88	89.513	134.423	7753.00†	7287.38	-5100.78	5204.61	647332.03	449567.48	32°14'06.287"N	103°51'24.636"W	0.00	No.332H PBHL





# Planned Wellpath Report

Prelim\_2

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## REFERENCE WELLPATH IDENTIFICATION

Operator	BOPCO, L.P.	Slot	No.332H SHL
Area	Eddy County, NM	Well	No.332H
Field	Poker Lake Unit	Wellbore	No.332H PWB
Facility	Poker Lake Unit No. 332H		

## TARGETS

Name	MD [ft]	TVD [ft]	North [ft]	East [ft]	Grid East [US ft]	Grid North [US ft]	Latitude	Longitude	Shape
1) No.332H Target #1	8410.27	7699.00	-641.15	654.20	642781.93	454026.80	32°14'50.613"N	103°52'17.387"W	point
2) No.332H PBHL	14781.88	7753.00	-5100.78	5204.61	647332.03	449567.48	32°14'06.287"N	103°51'24.636"W	point

## SURVEY PROGRAM - Ref Wellbore: No.332H PWB Ref Wellpath: Prelim\_2

Start MD [ft]	End MD [ft]	Positional Uncertainty Model	Log Name/Comment	Wellbore
22.00	14781.88	NaviTrak (Standard)		No.332H PWB

5 M CHOKE MANIFOLD EQUIPMENT-CONFIGURATION MAY VARY



- ## DIAGRAM 1

## HYDROGEN SULFIDE (H<sub>2</sub>S) CONTINGENCY PLAN

Assumed 100 ppm ROE = 3000'

100 ppm H<sub>2</sub>S concentration shall trigger activation of this plan.

### Emergency Procedures

In the event of a release of gas containing H<sub>2</sub>S, the first responder(s) must

- Isolate the area and prevent entry by other persons into the 100 ppm ROE.
- Evacuate any public places encompassed by the 100 ppm ROE.
- Be equipped with H<sub>2</sub>S monitors and air packs in order to control the release.
- Use the "buddy system" to ensure no injuries occur during the response
- Take precautions to avoid personal injury during this operation.
- Contact operator and/or local officials to aid in operation. See list of phone numbers attached.
- Have received training in the
  - Detection of H<sub>2</sub>S, and
  - Measures for protection against the gas,
  - Equipment used for protection and emergency response.

### Ignition of Gas source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO<sub>2</sub>). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever this is an ignition of the gas.

### **Characteristics of H<sub>2</sub>S and SO<sub>2</sub>**

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H <sub>2</sub> S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO <sub>2</sub>	2.21 Air = 1	2 ppm	N/A	1000 ppm

### **Contacting Authorities**

BOPCO L.P. personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available including directions to site. The following call list of essential and potential responders has been prepared for use during a release. (Operator Name)'s response must be in coordination with the State of New Mexico's "Hazardous Materials Emergency Response Plan" (HMER).

## H<sub>2</sub>S CONTINGENCY PLAN EMERGENCY CONTACTS

### BOPCO L.P. Midland Office

432-683-2277

#### Key Personnel

<u>Name</u>	<u>Title</u>	<u>Cell Phone Number</u>
Stephen Martinez	Drilling Supt.	432-556-0262
Buddy Jenkins	Assistant Supt.	432-238-3295
Bill Dannels	Engineer	432-638-9463
Pete Lensing	Engineer	432-557-7157
Charles Warne	Engineer	432-894-1392

Ambulance	911
State Police	575-746-2703
City Police	575-746-2703
Sheriff's Office	575-746-9888
Fire Department	575-746-2701
Local Emergency Planning Committee	575-746-2122
New Mexico Oil Conservation Division	575-748-1283

#### Carlsbad

Ambulance	911
State Police	575-885-3137
City Police	575-885-2111
Sheriff's Office	575-887-7551
Fire Department	575-887-3798
Local Emergency Planning Committee	575-887-6544
US Bureau of Land Management	575-887-6544

New Mexico Emergency Response Commission (Santa Fe)	505-476-9600
24 Hour	505-827-9126
New Mexico State Emergency Operations Center	505-476-9635
National Emergency Response Center (Washington, DC)	800-424-8802

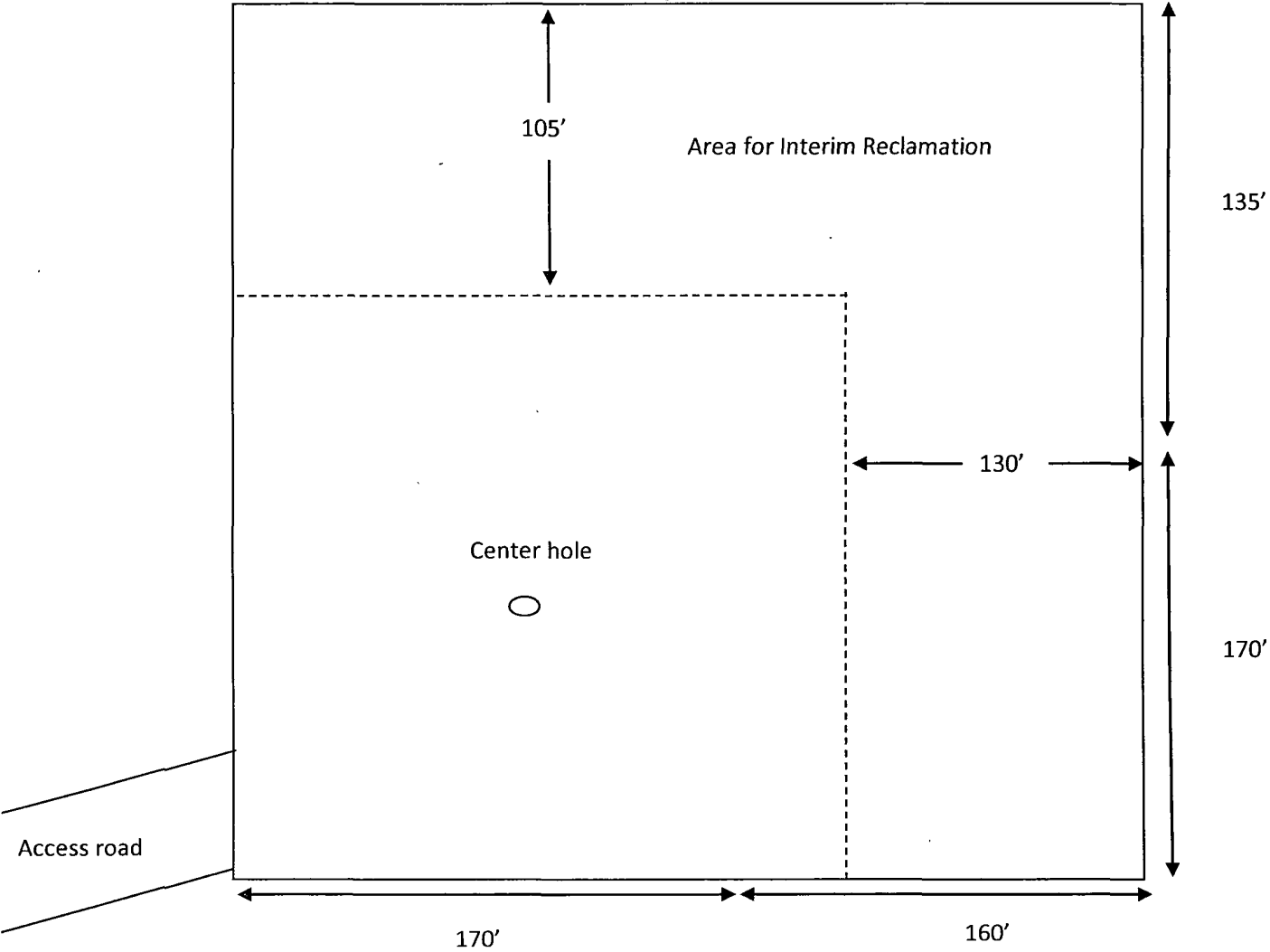
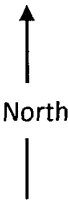
#### Other

Boots & Coots IWC	800-256-9688 or 281-931-8884
Cudd PressureControl	432-580-3544 or 432-570-5300
Halliburton	575-746-2757
B. J. Services	575-746-3569
Flight For Life – 4000 24 <sup>th</sup> St. Lubbock, Texas	806-743-9911
Aerocare – R3, Box 49F, Lubbock, Texas	806-747-8923
Med Flight Air Amb – 2301 Yale Blvd SE #D3, Albuquerque, NM	505-842-4433
S B Air Med Service – 2505 Clark Carr Loop SE, Albuquerque, NM	505-842-4949

Diagram 2

BOPCO, Poker Lake Unit 332H

Interim Reclamation Well Pad Layout



# PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	BOPCO, L.P.
LEASE NO.:	LC-068905
WELL NAME & NO.:	Poker Lake Unit #332H
SURFACE HOLE FOOTAGE:	1740' FNL & 1075' FWL
BOTTOM HOLE FOOTAGE:	1600' FNL & 0900' FWL (Sec. 11)
LOCATION:	Section 3, T. 24 S., R. 30 E., NMPM
COUNTY:	Eddy County, New Mexico

## TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

- ☐ **General Provisions**
- ☐ **Permit Expiration**
- ☐ **Archaeology, Paleontology, and Historical Sites**
- ☐ **Noxious Weeds**
- ☒ **Special Requirements**
  - Lesser Prairie-Chicken Timing Stipulations
  - Ground-level Abandoned Well Marker
  - Rancher's fresh water line avoidance
  - Commercial Well Determination
- ☐ **Construction**
  - Notification
  - Topsoil
  - Closed Loop System
  - Federal Mineral Material Pits
  - Well Pads
  - Roads
- ☐ **Road Section Diagram**
- ☒ **Drilling**
  - R-111-P Potash
  - Logging Requirements
  - Waste Material and Fluids
- ☐ **Production (Post Drilling)**
  - Well Structures & Facilities
  - Pipelines
  - Electric Lines
- ☐ **Interim Reclamation**
- ☐ **Final Abandonment & Reclamation**

## **I. GENERAL PROVISIONS**

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

## **II. PERMIT EXPIRATION**

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

## **III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES**

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

## **IV. NOXIOUS WEEDS**

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

## **V. SPECIAL REQUIREMENT(S)**

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken:

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

Avoid range waterline. Where road-route lies near the existing rancher's waterline, the road will be constructed to lie alongside the waterline and is not to be placed directly atop the waterline.

### **Commercial Well Determination**

Well is outside Delaware participating area. A commercial well determination will need to be submitted.



## **VI. CONSTRUCTION**

### **A. NOTIFICATION**

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5972 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

### **B. TOPSOIL**

The operator shall stockpile the topsoil in a low profile manner in order to prevent wind/water erosion of the topsoil. The topsoil to be stripped is approximately 4 inches in depth. The topsoil will be used for interim and final reclamation.

### **C. CLOSED LOOP SYSTEM**

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

### **D. FEDERAL MINERAL MATERIALS PIT**

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

### **E. WELL PAD SURFACING**

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation.

The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

### **F. ON LEASE ACCESS ROADS**

#### **Road Width**

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty (20) feet.

### **Surfacing**

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

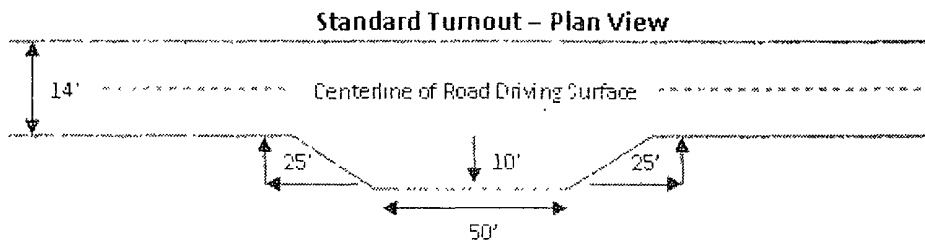
The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

### **Crowning**

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

### **Turnouts**

Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall be constructed on all blind curves. Turnouts shall conform to the following diagram:

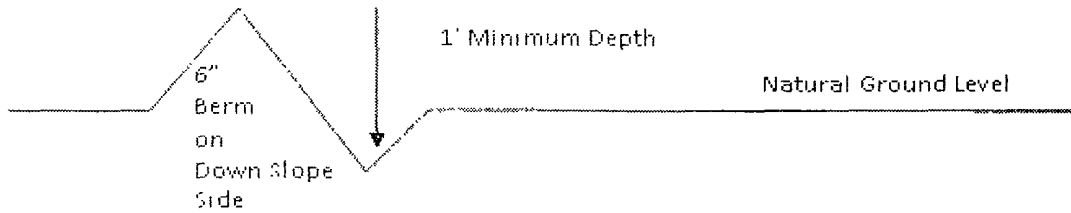


### **Drainage**

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outslowing and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

### **Cross Section of a Typical Lead-off Ditch**



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

#### **Formula for Spacing Interval of Lead-off Ditches**

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

$$400 \text{ foot road with } 4\% \text{ road slope: } \frac{400'}{4\%} + 100' = 200' \text{ lead-off ditch interval}$$

#### **Culvert Installations**

Appropriately sized culvert(s) shall be installed at the deep waterway channel flow crossing.

#### **Cattleguards**

An appropriately sized cattleguard(s) sufficient to carry out the project shall be installed and maintained at fence crossing(s).

Any existing cattleguard(s) on the access road shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattleguard(s) that are in place and are utilized during lease operations.

A gate shall be constructed and fastened securely to H-braces.

#### **Fence Requirement**

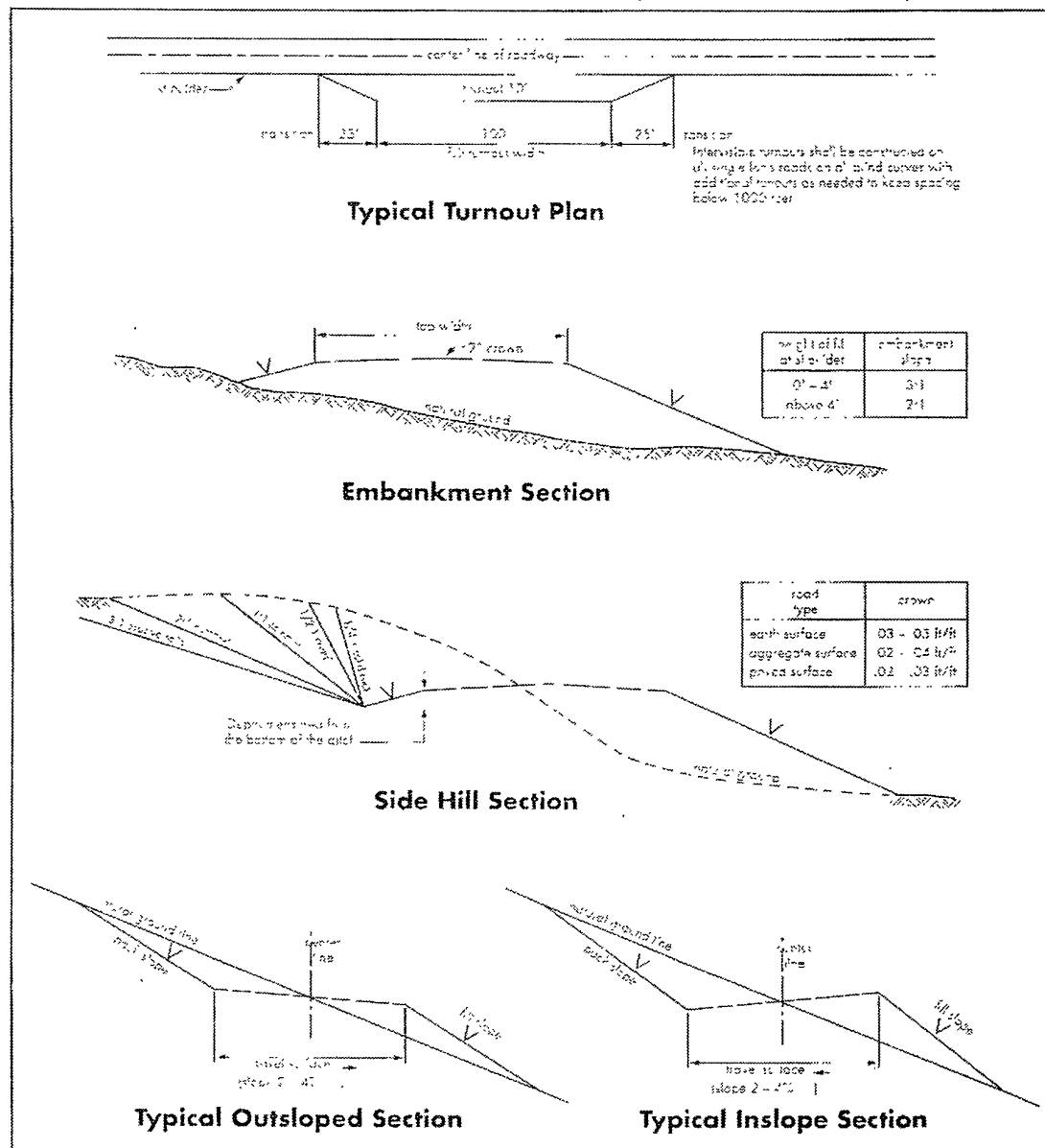
Where entry is required across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting.

The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fence(s).

#### **Public Access**

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

**Figure 1 – Cross Sections and Plans For Typical Road Sections**



## VII. DRILLING

### A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOPE tests

☒ **Eddy County**

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,  
(575) 361-2822

1. **Due to recent H<sub>2</sub>S encounters in the salt formation, it is recommended that monitoring equipment be onsite for potential Hydrogen Sulfide prior to drilling out the surface shoe. If Hydrogen Sulfide is encountered, please report measurements and formations to the BLM.**
2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. **If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a “Major” violation.**
3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
4. **The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.**

### B. CASING

**Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.**

**Centralizers required on surface casing per Onshore Order 2.III.B.1.f.**

**Wait on cement (WOC) time prior to drilling out for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.**

**No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.**

**R-111-P Potash**

**Medium Cave/Karst**

**Possible lost circulation in the Delaware.**

**Possible water flows in the Castile, Salado and Delaware.**

1. The 13-3/8 inch surface casing shall be set **at approximately 662 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt)** and cemented to the surface. **If the salt is encountered set the casing 25 feet above the top of the salt.**
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
  - b. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.**
  - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
  - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:  
☒ Cement to surface. If cement does not circulate see B.1.a, c-d above.  
**Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to potash and cave/karst.**
3. The minimum required fill of cement behind the 7 inch production casing is:

a. First stage to DV tool, cement shall:

- ☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage.

b. Second stage above DV tool, cement shall:

- ☒ Cement to surface. If cement does not circulate, contact the appropriate BLM office. **Additional cement may be required – excess calculates to 16%.**

4. Cement not required on the 4-1/2" completion assembly. **Packer system being used.**
5. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
6. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

#### C. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M) psi. Operator installing a 5M but testing as a 2M system.**
  - a. **For surface casing only:** If the BOP/BOPE is to be tested against casing, the wait on cement (WOC) time for that casing is to be met (see WOC statement at start of casing section). Independent service company required.
3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the 9-5/8 intermediate casing shoe shall be **3000 (3M) psi. Operator installing a 5M but testing as a 3M system.**
4. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.

- a. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time.
- b. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (18 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- c. The results of the test shall be reported to the appropriate BLM office.
- d. All tests are required to be recorded on a calibrated test chart. **A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.**
- e. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.

#### **D. DRILL STEM TEST**

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

#### **E. WASTE MATERIAL AND FLUIDS**

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

**CRW 121411**

### **VIII. PRODUCTION (POST DRILLING)**



## **A. WELL STRUCTURES & FACILITIES**

### **Placement of Production Facilities**

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

### **Containment Structures**

The containment structure shall be constructed to hold the capacity of the entire contents of the largest tank, plus 24 hour production, unless more stringent protective requirements are deemed necessary by the Authorized Officer.

### **Painting Requirement**

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color  
Shale Green, Munsell Soil Color Chart # 5Y 4/2

## **STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES**

**A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.**

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et

seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. The holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. The holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

- a. Activities of the holder including, but not limited to construction, operation, maintenance, and termination of the facility.
- b. Activities of other parties including, but not limited to:
  - (1) Land clearing.
  - (2) Earth-disturbing and earth-moving work.
  - (3) Blasting.
  - (4) Vandalism and sabotage.

c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve the holder of any responsibility as provided herein.

6. All construction and maintenance activity will be confined to the authorized right-of-

way width of 25 feet.

6. (a) Where a polyline is laid along a County Road, the operator will lay that polyline ten (10)

feet out from the center of the ditch to prevent obstructing County Maintenance activities.

7. No blading or clearing of any vegetation will be allowed unless approved in writing by the Authorized Officer.

8. The holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky or dune areas, the pipeline will be "snaked" around hummocks and dunes rather than suspended across these features.

9. The pipeline shall be buried with a minimum of 24 inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.

13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.

14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the

holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

16. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, powerline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

## **IX. INTERIM RECLAMATION**

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

## **X. FINAL ABANDONMENT & RECLAMATION**

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

#### Seed Mixture for LPC Sand/Shinnery Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)\* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

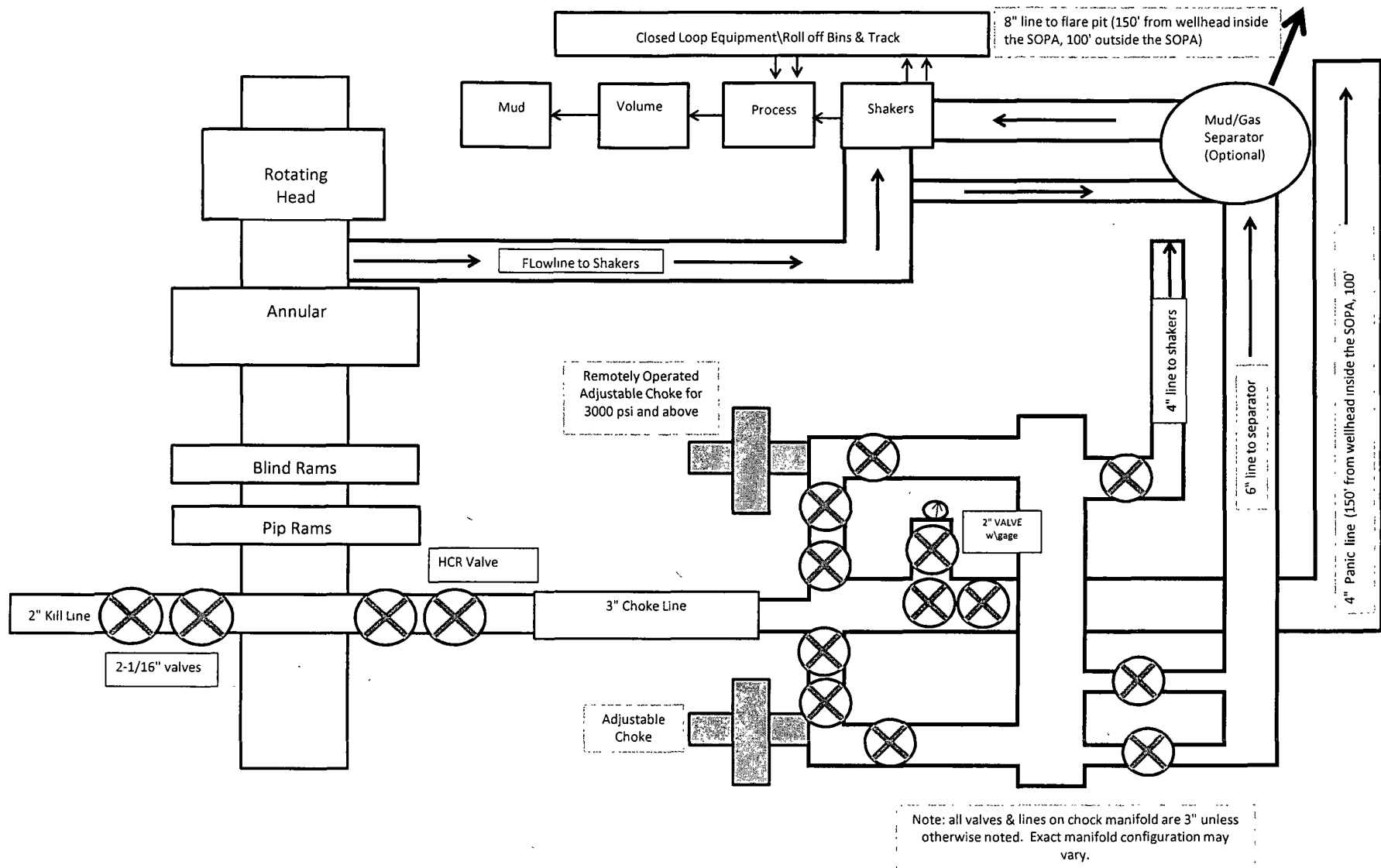
Species to be planted in pounds of pure live seed\* per acre:

<u>Species</u>	<u>lb/acre</u>
Plains Bristlegrass	5lbs/A

Sand Bluestem	5lbs/A
Little Bluestem	3lbs/A
Big Bluestem	6lbs/A
Plains Coreopsis	2lbs/A
Sand Dropseed	1lbs/A
Four-winged Saltbush	5lbs/A

\*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed



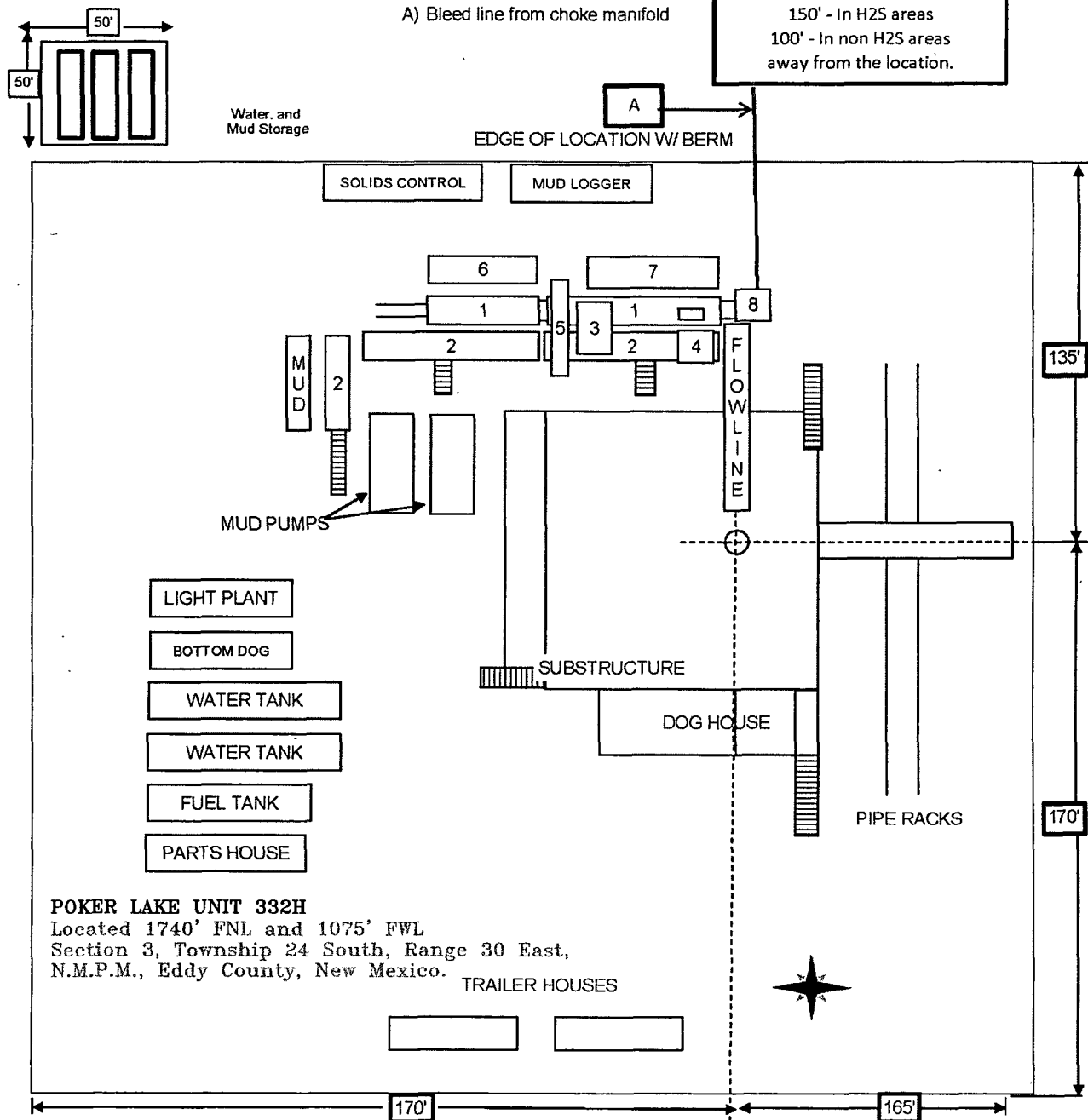
**13-5/8" X 5-M BOPE (2 Rams and Rotating Head) & Closed Loop System Equipment Schematic Diagram 2**

# 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 332H

Located 1740' FNL and 1075' FWL  
Section 3, Township 24 South, Range 30 East,  
N.M.P.M., Eddy County, New Mexico.

### TRAILER HOUSES



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 24974

Survey Date: 08-27-2011

Scale: 1" = 2000'

Date: 08-29-2011

*BOPCO, L.P.*

Sheet 6 of 6 Sheets