

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
NM OIL CONSERVATION
ARTESIA DISTRICT
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised July 18, 2013

☐ AMENDED REPORT

JUL 28 2014
RECEIVED

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|---|-----------------------------------|-------------------------------|
| 1. Operator Name and Address BOPCO, L.P. P.O. Box 2760 Midland, TX | | 2. OGRID Number 260737 |
| 3. Property Code 305860 | 4. Property Name Big Eddy Unit | 5. API Number 30-015-72531 |
| | | 6. Well No. 297H |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet from | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| I | 32 | 21 S | 28 E | | 1940 | SOUTH | 330 | EAST | EDDY |

8. Proposed Bottom Hole Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet from | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| M | 32 | 21 S | 28 E | | 660 | SOUTH | 330 | WEST | EDDY |

9. Pool Information

| | |
|-------------------------------|--------------------|
| Pool Name U.S. Bone Spring | Pool Code 97077 |
|-------------------------------|--------------------|

Additional Well Information

| | | | | |
|---------------------------|----------------------|--|-------------------------|------------------------------------|
| 11. Work Type New Well | 12. Well Type Oil | 13. Cable/Rotary R | 14. Lease Type State | 15. Ground Level Elevation 3152 |
| 16. Multiple S | 17. Proposed Depth | 18. Formation Bone Spring Harkey Sand | 19. Contractor | 20. Spud Date 09/20/2014 |
| Depth to Ground water | | Distance from nearest fresh water well | | Distance to nearest surface water |

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|---------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surface | 17-1/2" | 13-3/8" | 48 | 735' | 690 | Surface |
| Int. | 12-1/4" | 9-5/8" | 40 | 2,400' | 620 | Surface |
| Prod. | 7-7/8" | 5-1/2" | 17 | 12,913' | 1,220 | 1900' TVD |

Casing/Cement Program: Additional Comments

| |
|--|
| |
|--|

22. Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Annular | 3,000 | 3,000 | Hydrill |
| Double Ram | 3,000 | 3,000 | Shaffer |

| | | | |
|--|---------------------|---|--|
| 23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/> , if applicable. Signature: <i>Whitney McKee</i> | | OIL CONSERVATION DIVISION | |
| Printed name: Whitney McKee | | Approved By: <i>T.C. Shapard</i> | |
| Title: Engineering Assistant | | Title: "Geologist" | |
| E-mail Address: wbmckee@basspet.com | | Approved Date: <i>7-29-2014</i> Expiration Date: <i>7-29-2016</i> | |
| Date: <i>7/23/14</i> | Phone: 432-221-7353 | Conditions of Approval Attached <i>Submit C103 for Proposed Depth information</i> | |

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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised August 1, 2011

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 30-015-42531 | Pool Code 97077 | Well Name CARLSBAD | Well Name R.S. EAST |
| Property Code 305860 | Property Name BIG EDDY UNIT | Well Number 297H | |
| GRID No. 260737 | Operator Name BOPCO, L.P. | Elevation 3152' | |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| I | 32 | 21 S | 28 E | | 1940 | SOUTH | 330 | EAST | EDDY |

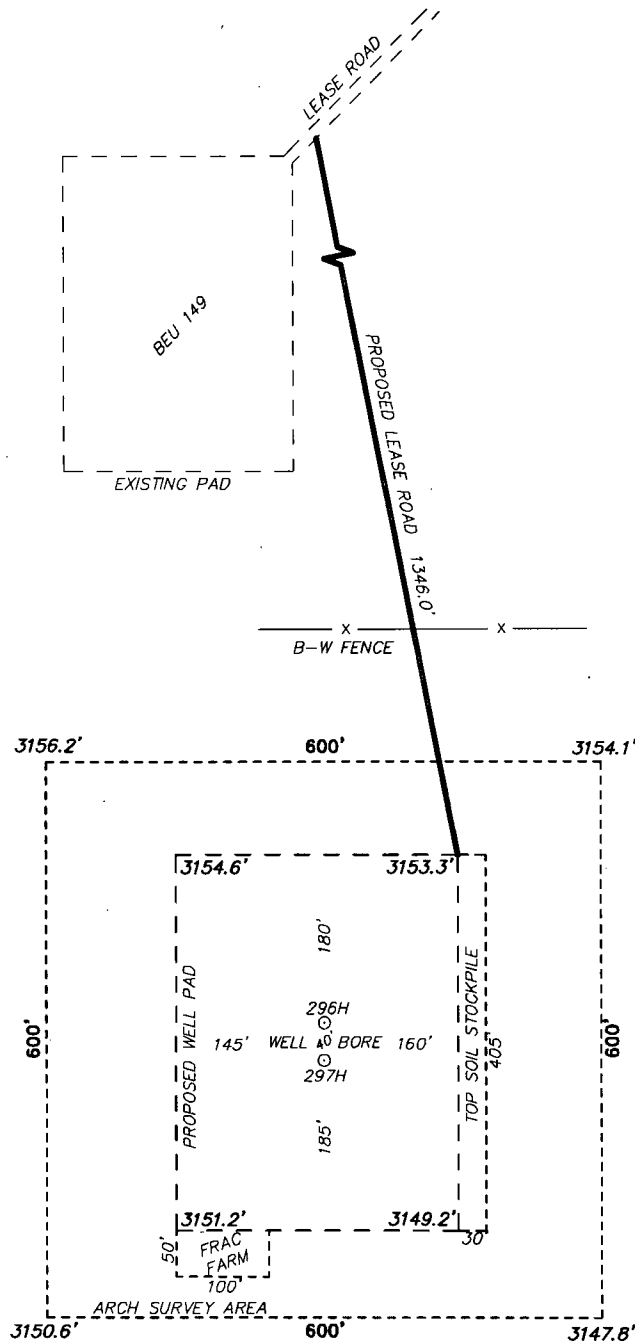
Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| M | 32 | 21 S | 28 E | | 660 | SOUTH | 330 | WEST | EDDY |
| Dedicated Acres | 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

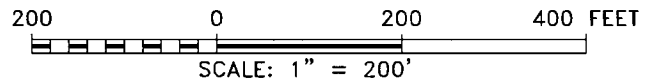
| | | |
|---|---|---|
| <p>N: 523445.7 E: 569777.5 NAD 27</p> <p>N: 523254.8 E: 569427.5 NAD 27</p> <p>N: 523262.8 E: 572077.8 NAD 27</p> <p>N: 522698.2 E: 568730.5 NAD 27</p> <p>N: 519961.9 E: 569308.6 NAD 27</p> <p>N: 519979.0 E: 572042.2 NAD 27</p> <p>N: 519955.0 E: 568722.4 NAD 27</p> | <p>PROPOSED BOTTOM HOLE LOCATION Lat - N 32°25'51.95" Long - W 104°06'57.61" NMSPCE - N 520615.8 E 567054.4 (NAD-27)</p> <p>SURFACE HOLE LOCATION Lat - N 32°25'04.73" Long - W 104°06'03.07" NMSPCE - N 521916.6 E 571725.4 (NAD-27)</p> | <p>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.</p> <p><i>Whitney McKee</i> 7/23/14 Signature Date Whitney McKee Printed Name wbmckee@basspet.com Email Address</p> <p>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.</p> <p>Date <i>7/23/14</i> Signature <i>[Signature]</i> Seal of Professional Surveyor Certificate <i>7977</i> Jones BASIN SURVEYS</p> <p>0' 500' 1000' 1500' 2000' SCALE: 1" = 1000' WO Num.: 30661</p> |
|---|---|---|

SECTION 32, TOWNSHIP 21 SOUTH, RANGE 28 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



BOPCO, L.P.
BIG EDDY UNIT 297H
ELEV. - 3152'
Lat - N 32°26'04.73"
Long - W 104°06'03.07"
NMSPCE- N 521916.6
E 571725.4
(NAD-27)

CARLSBAD, NM IS ±7 MILES TO THE WEST OF LOCATION.



Directions to Location:

FROM MILE MARKER 43 OF HWY 62-180, GO WEST
0.4 MILES TO LEASE ROAD, GO SOUTH ON LEASE
ROAD FOR 2.7 MILES THEN TURN WEST ON LEASE
ROAD FOR 0.2 MILES TO BEU 149 AND PROPOSED
LEASE ROAD.

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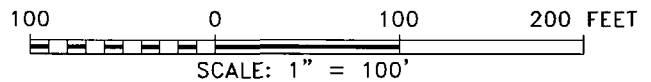
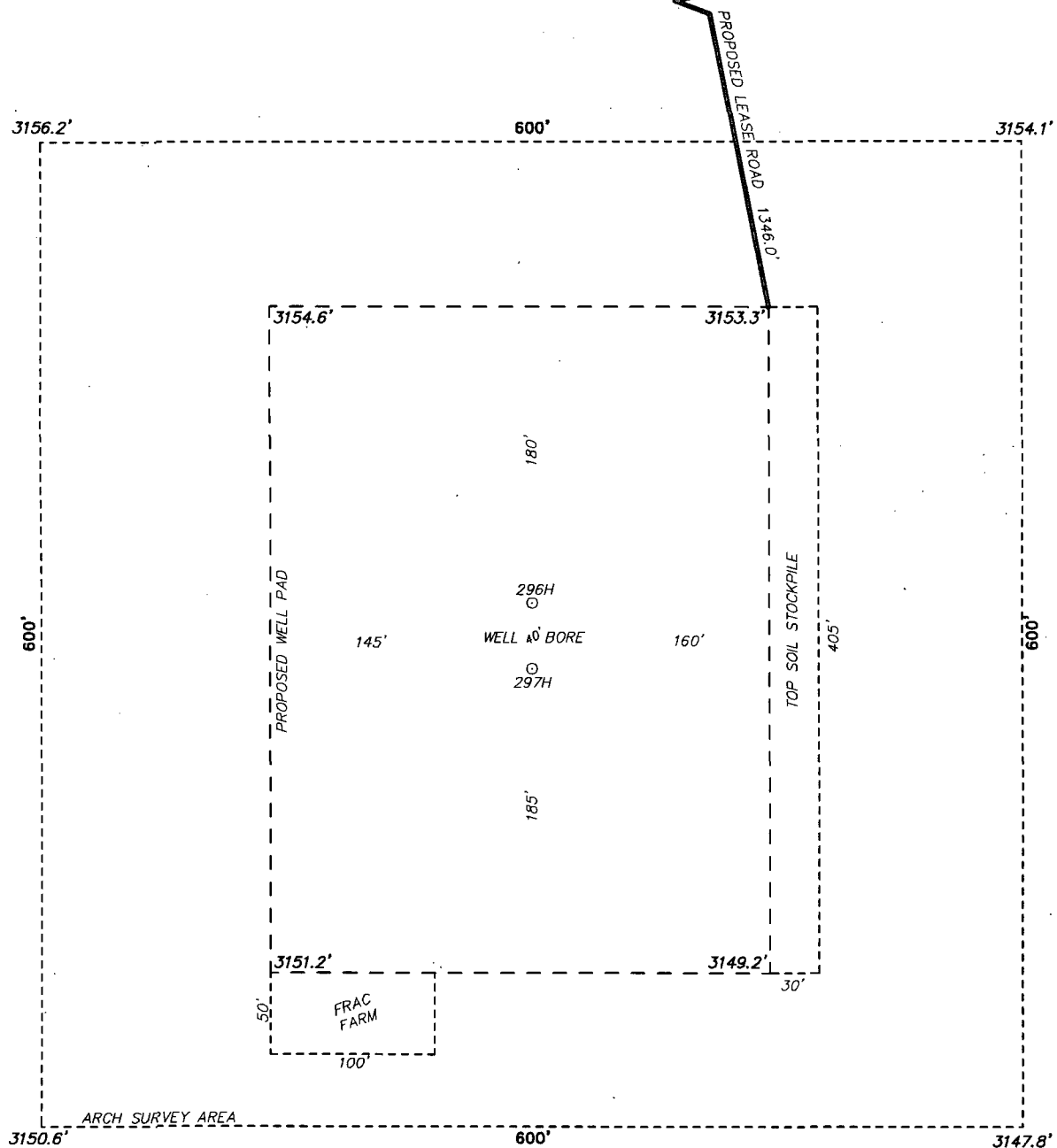
P.O. Box 1786 (575) 393-7316 - Office
1120 N. West County Rd. (575) 392-2206 - Fax
Hobbs, New Mexico 88241 basinsurveys.com

BOPCO, L.P.

REF: BIG EDDY UNIT 297H / WELL PAD TOPO

THE BIG EDDY UNIT 297H LOCATED 1940' FROM
THE SOUTH LINE AND 330' FROM THE EAST LINE OF
SECTION 32, TOWNSHIP 21 SOUTH, RANGE 28 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

SECTION 32, TOWNSHIP 21 SOUTH, RANGE 28 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



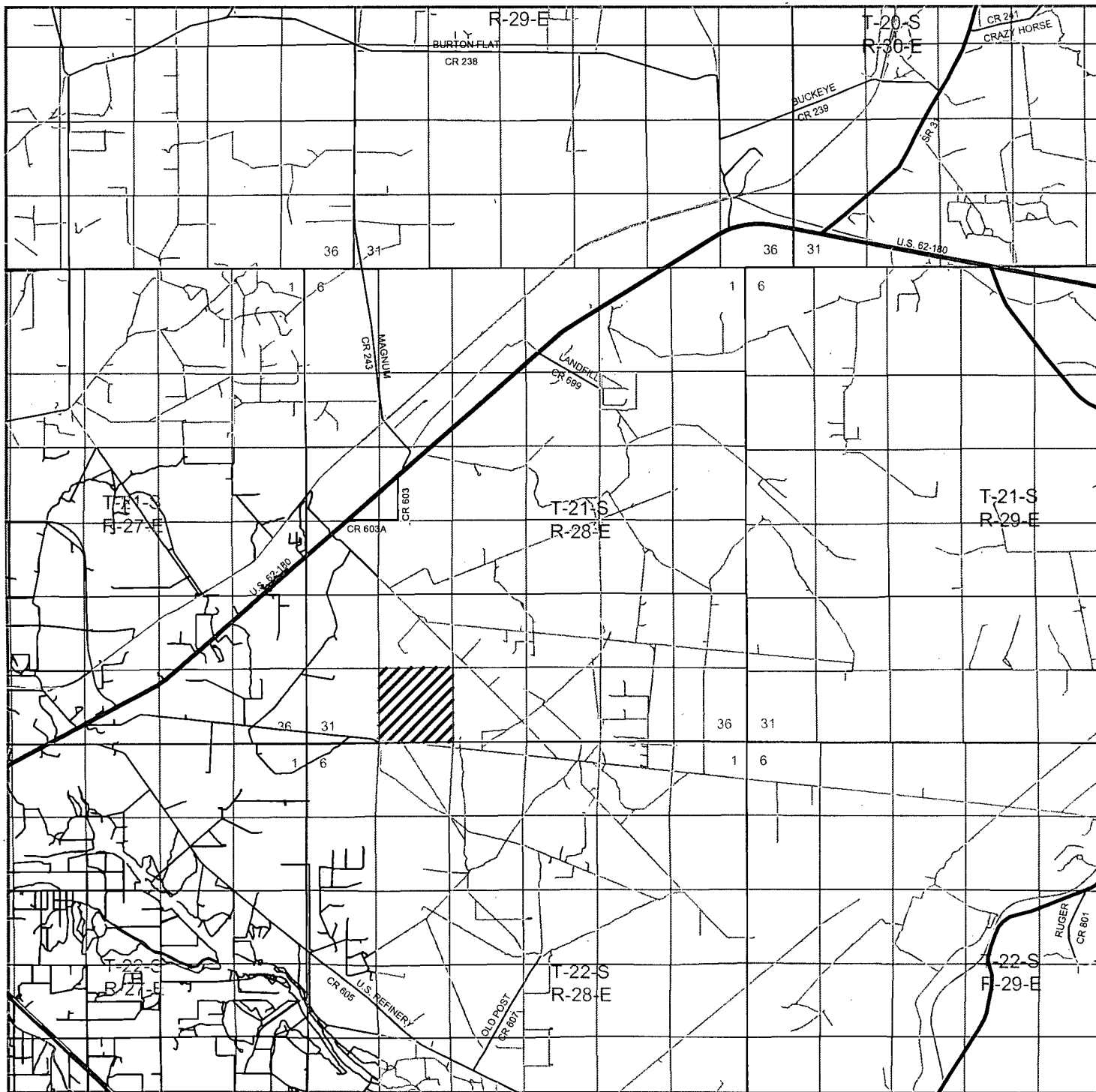
BOPCO, L.P.

REF: BIG EDDY UNIT 297H / WELL PAD TOPO

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SECTION 32, TOWNSHIP 21 SOUTH, RANGE 28 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

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BIG EDDY UNIT 297H

Located 1940' FSL and 330' FEL
Section 32, Township 21 South, Range 28 East,
N.M.P.M., Eddy County, New Mexico.

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0 1 MI 2 MI 3 MI 4 MI

SCALE: 1" = 2 MILES

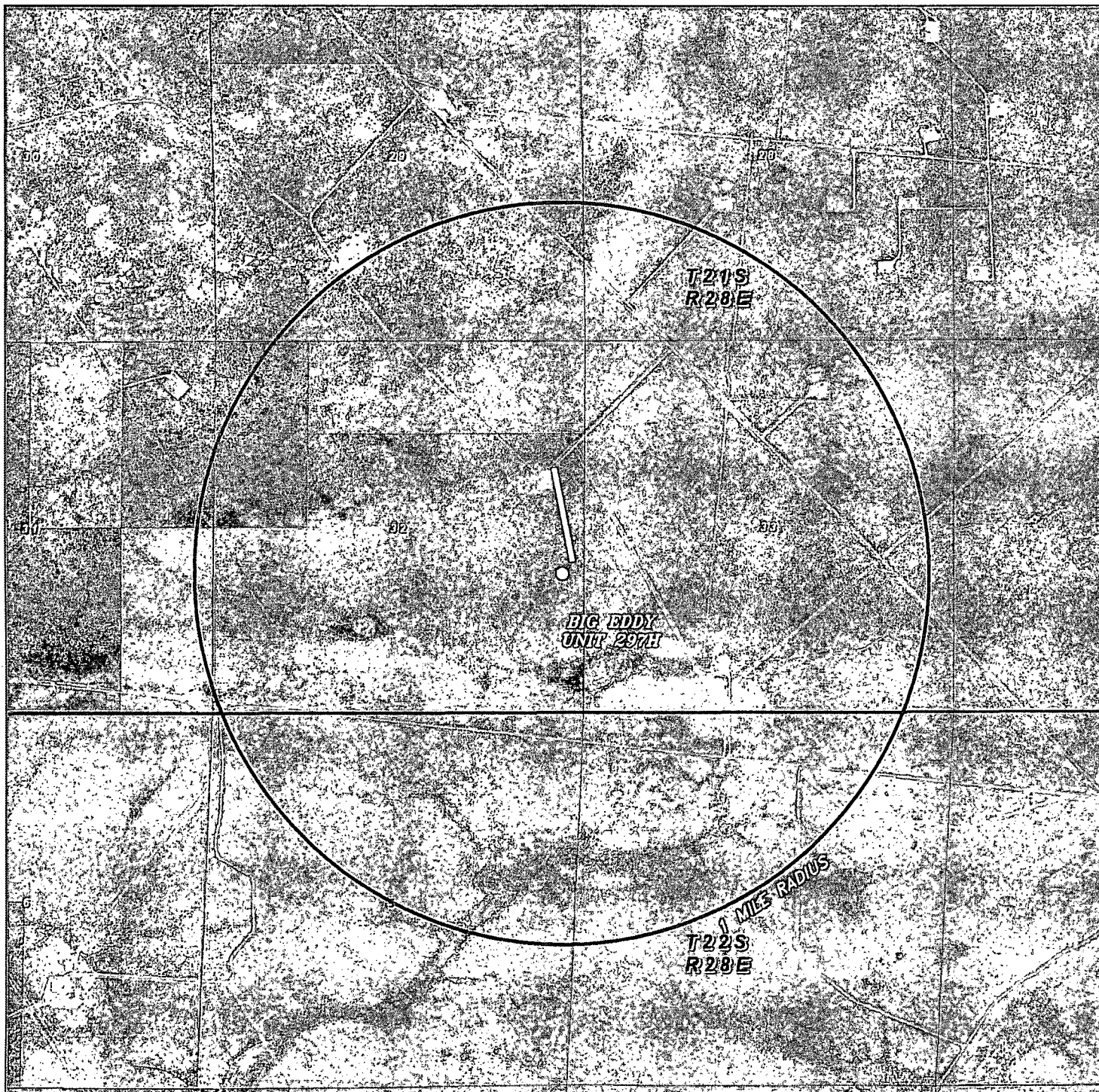
W.O. Number: JMS 30661

Survey Date: 07-10-2014

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



BOPCO, L.P.



BIG EDDY UNIT 297H

Located 1940' FSL and 330' FEL
 Section 32, Township 21 South, Range 28 East,
 N.M.P.M., Eddy County, New Mexico.



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 1120 N. West County Rd.
 Hobbs, New Mexico 88241
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0' 1000' 2000' 3000' 4000'

SCALE: 1" = 2000'

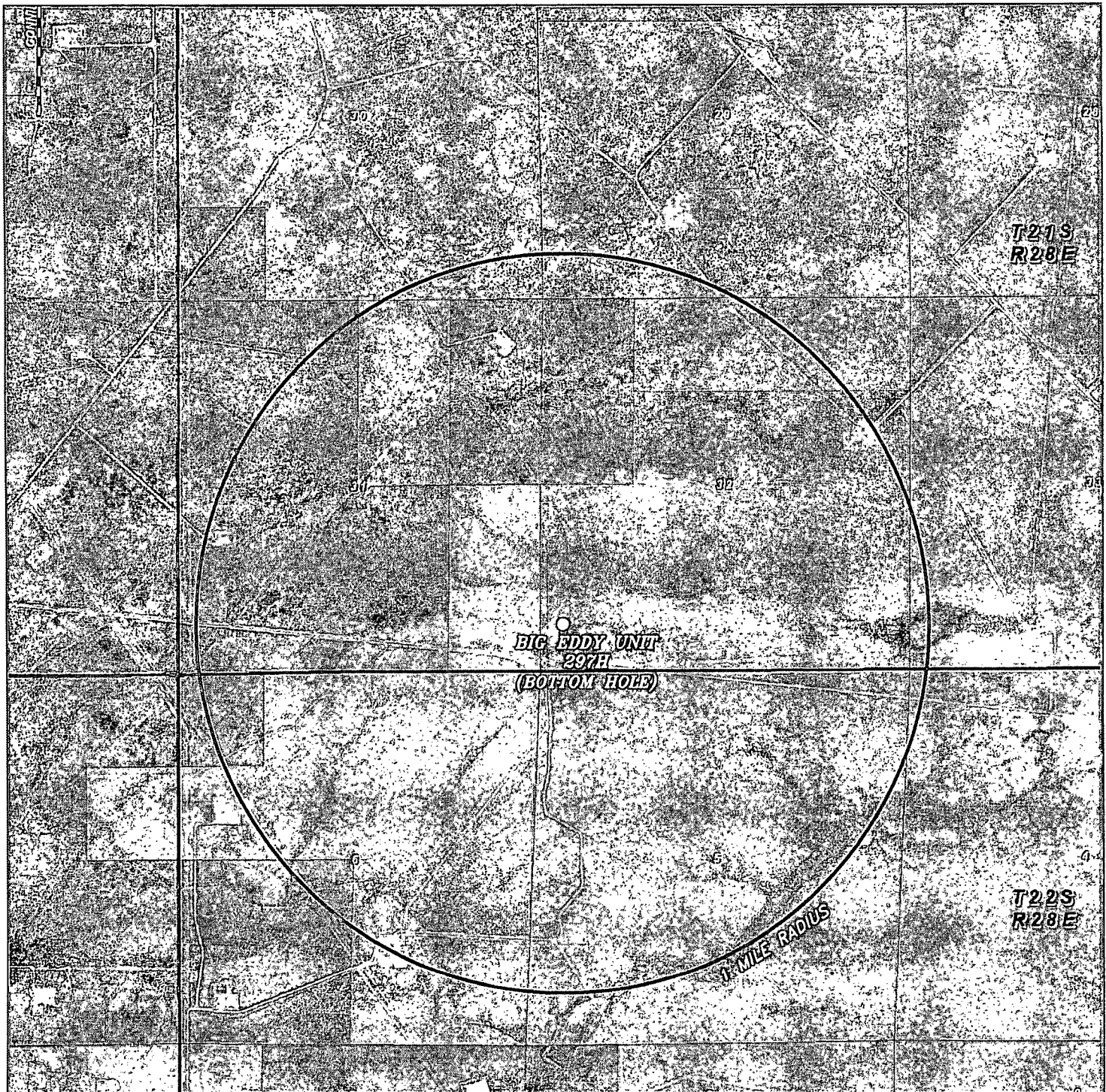
W.O. Number: JMS 30661

Survey Date: 07-10-2014

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



BOPCO, L.P.



BIG EDDY UNIT 297H (BOTTOM HOLE)
 Located 660' FSL and 330' FWL
 Section 32, Township 21 South, Range 28 East,
 N.M.P.M., Eddy County, New Mexico.

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0' 1000' 2000' 3000' 4000'
 SCALE: 1" = 2000'

W.O. Number: JMS 30661

Survey Date: 07-10-2014

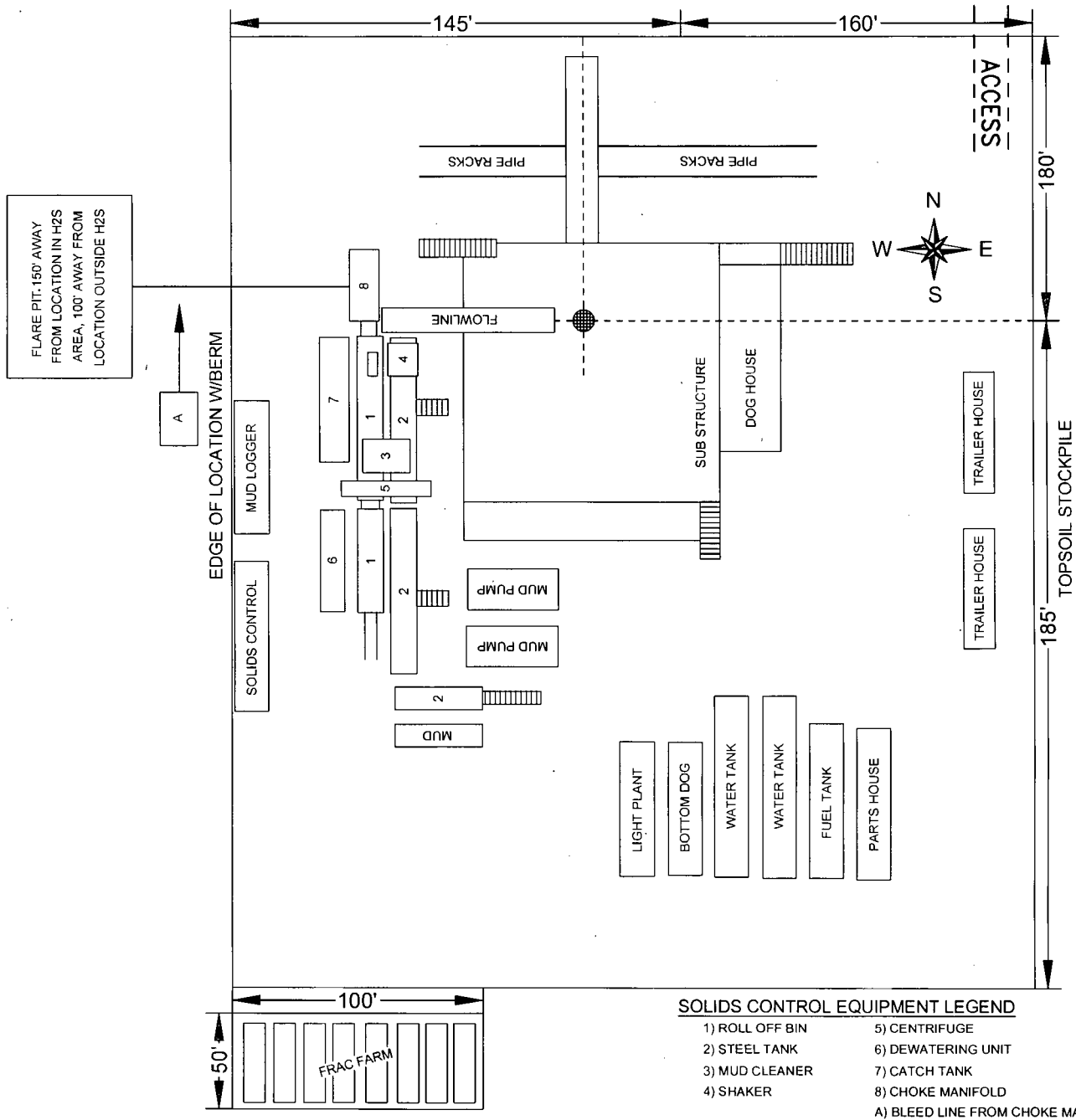
YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND



BOPCO, L.P.

EXHIBIT "D"

RIG LAYOUT SCHEMATIC
INCLUSIVE OF CLOSED-LOOP DESIGN PLAN



BIG EDDY UNIT 297H

Located 1940' FSL and 330' FEL
Section 32, Township 21 South, Range 28 East,
N.M.P.M., Eddy County, New Mexico.

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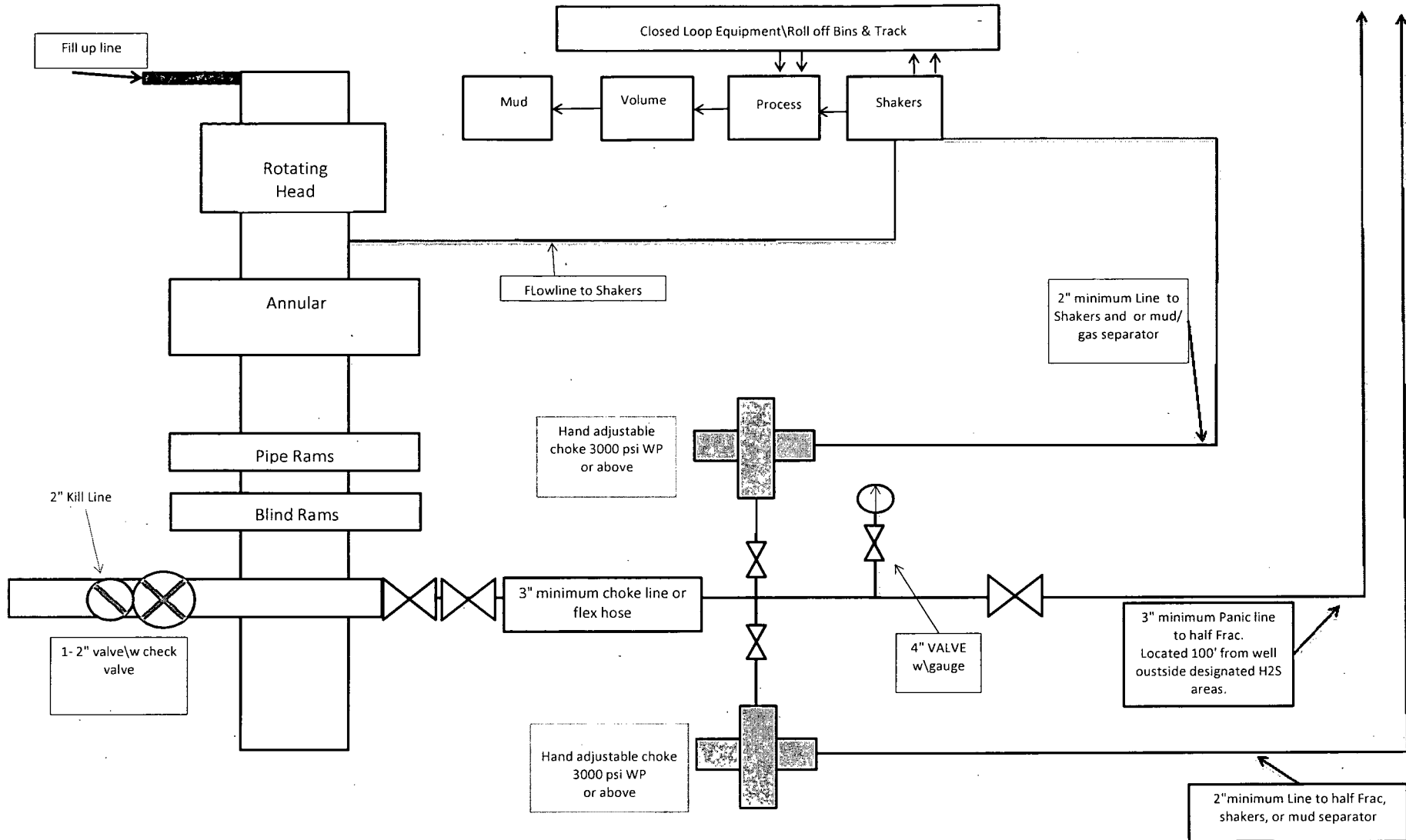
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Hobbs, New Mexico 88241
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SCALE: NONE

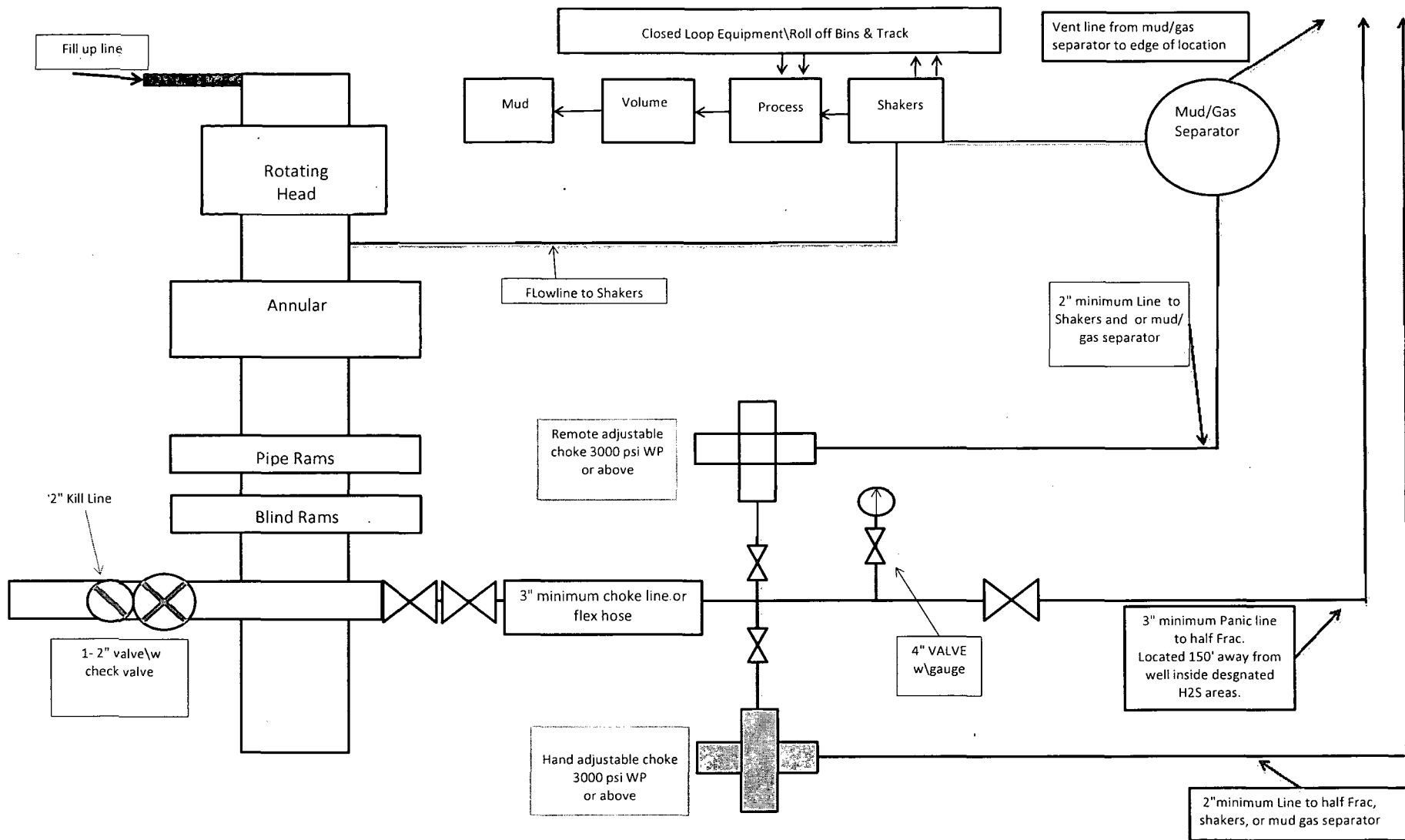
W.O. Number: JMS 30661

Survey Date: 07-10-2014

BOPCO, L.P.

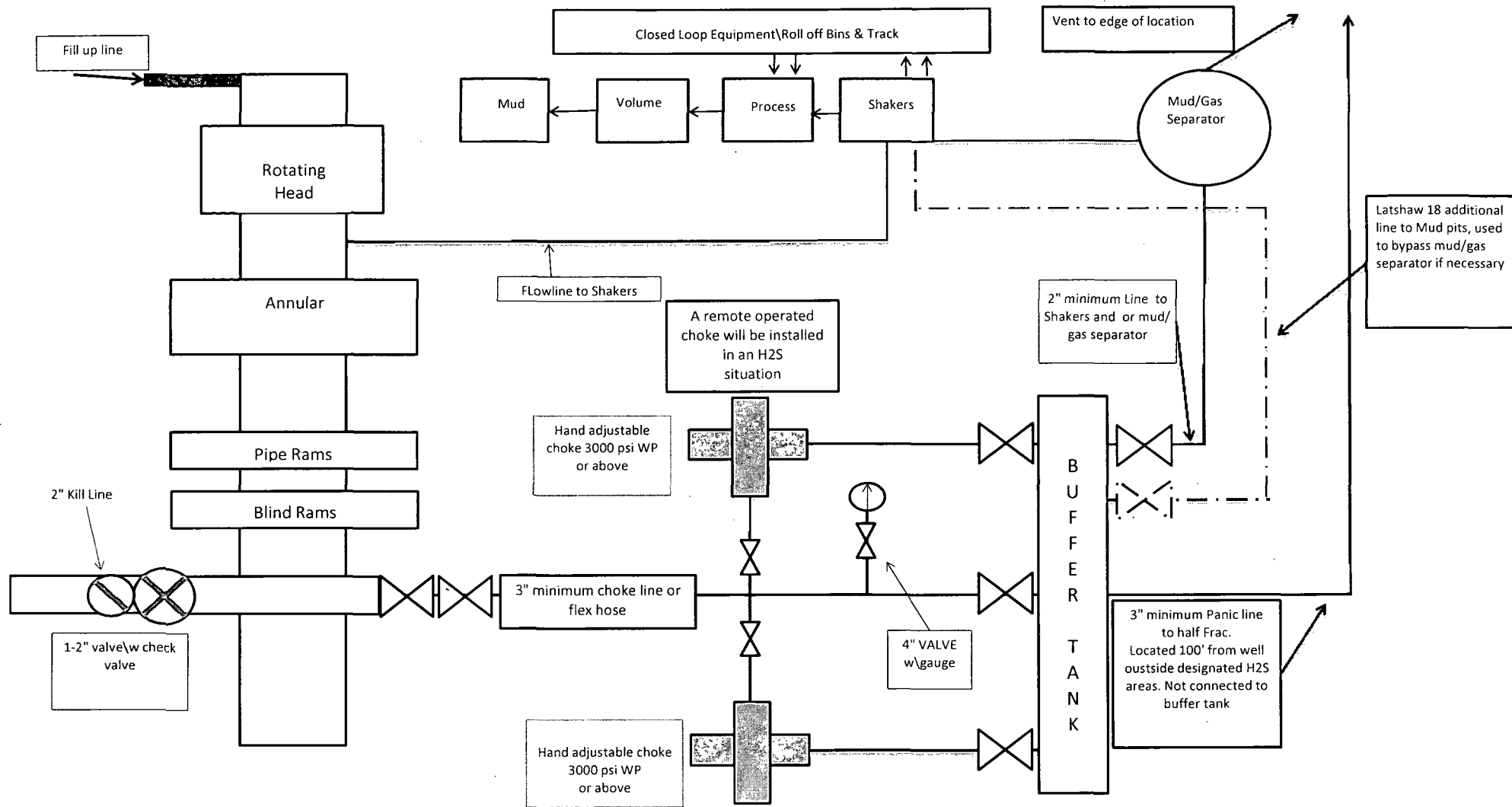


13-5/8" X 3-M BOPE (2 Rams and Rotating Head) & Closed Loop System Equipment Schematic Diagram A



**13-5/8" X 3-M BOPE (2 Rams and Rotating Head) &
Closed Loop System Equipment Schematic
H2S contingency
Diagram B**

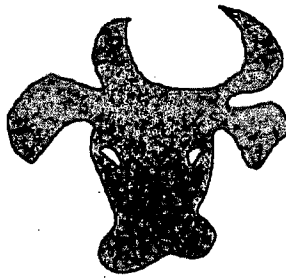
Note: all valves & lines on choke manifold are 3" unless otherwise noted. Exact manifold configuration may vary.



Latshaw 4 closed loop system, with Latshaw 18 addition "clouded."

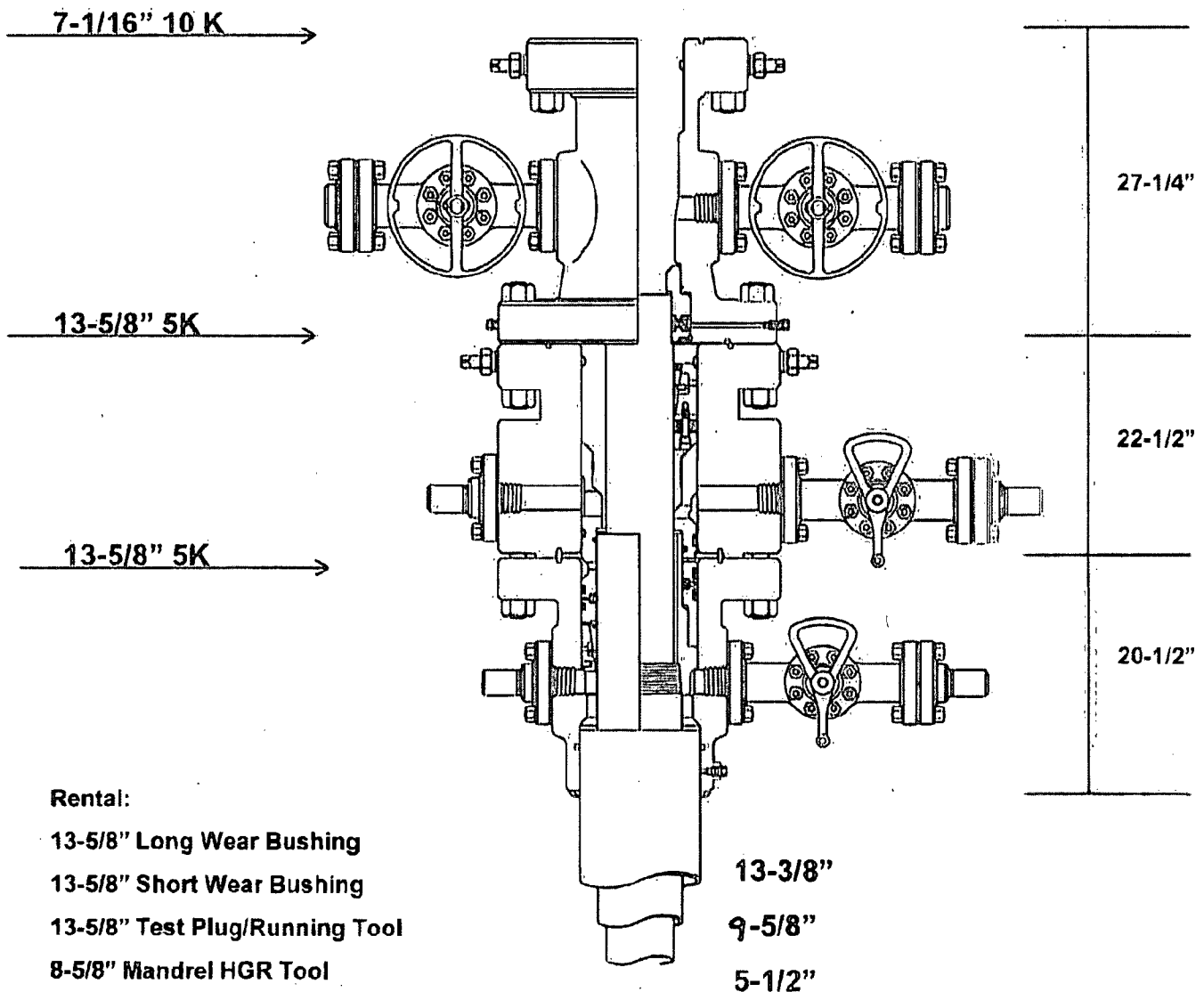
Latshaw 13-5/8" X 3-M BOPE (2 Rams and Rotating Head) & Closed Loop System Equipment Schematic Diagram C

Note: all valves & lines on choke manifold are 3" unless otherwise noted. Exact manifold configuration may vary.



CUSTOMER: BOPCO

Diagram "Z"



Rental:

13-5/8" Long Wear Bushing

13-5/8" Short Wear Bushing

13-5/8" Test Plug/Running Tool

8-5/8" Mandrel HGR Tool

Packoff Support Bushing Running Tool

Jetting/Wash Tool





Midwest Hose
& Specialty, Inc.

Internal Hydrostatic Test Graph

April 4, 2012

Customer: Latshaw

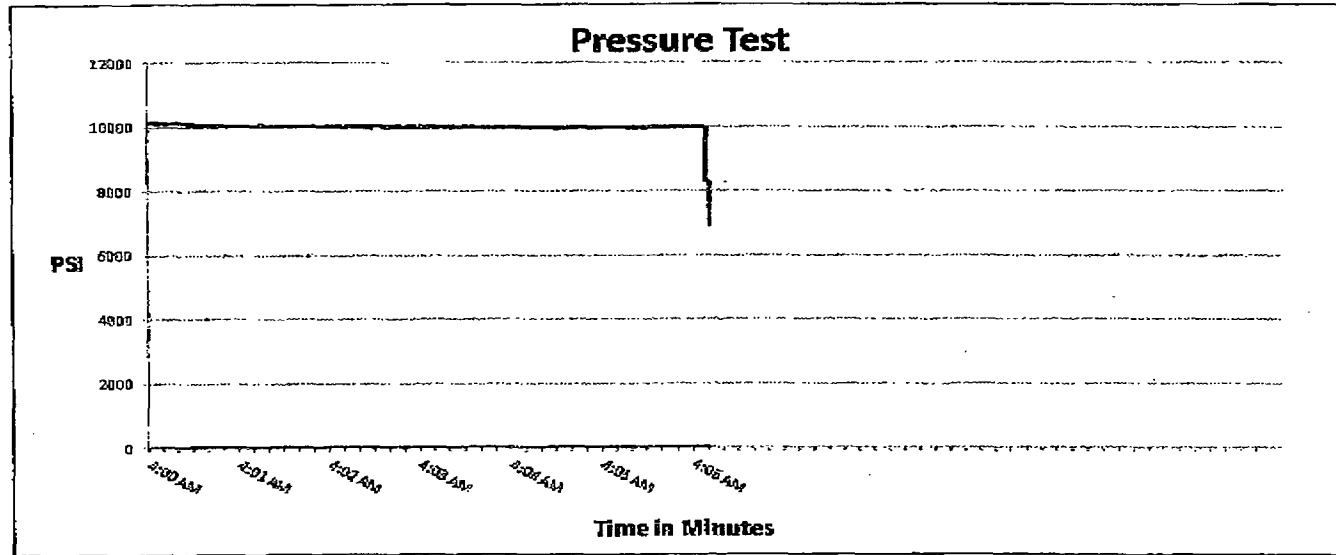
Pick Ticket #: 81610

Hose Specifications

| | |
|-------------------------|------------------------------------|
| <u>Hose Type</u> | <u>Length</u> |
| D | 30' |
| <u>I.D.</u> | <u>O.D.</u> |
| 3" | 4 15/32 |
| <u>Working Pressure</u> | <u>Burst Pressure</u> |
| 5000 PSI | Standard Safety Multiplier Applies |

Verification

| | |
|------------------------|-------------------------------|
| <u>Type of Fitting</u> | <u>Coupling Method</u> |
| 41/16 SK | Swage |
| <u>Die Size</u> | <u>Final O.D.</u> |
| 5.12" | 5.16" |
| <u>Hose Serial #</u> | <u>Hose Assembly Serial #</u> |
| 6884 | 81610 |



Test Pressure
10000 PSI

Time Held at Test Pressure
6 1/4 Minutes

Actual Burst Pressure

Peak Pressure
10195 PSI

Comments: Hose assembly pressure tested with water at ambient temperature.

Tested By: Donnie Mclemore

Approved By: Bobby Fink

Donnie Mclemore

Bobby Fink

M I D W E S T
HOSE AND SPECIALTY INC.

| INTERNAL HYDROSTATIC TEST REPORT | | | | | | |
|--|-----------------------------|---|----------------------------|------------------------|--------|-------|
| Customer: LATSHAW DRILLING | | P.O. Number: RIG#4 | | | | |
| HOSE SPECIFICATIONS | | | | | | |
| Type: CHOKER LINE | | Length: 30' | | | | |
| I.D. 3" INCHES | | O.D. 6" INCHES | | | | |
| WORKING PRESSURE 5,000 PSI | TEST PRESSURE 10,000 PSI | BURST PRESSURE PSI | | | | |
| COUPLINGS | | | | | | |
| Type of End Fitting 4 1/16 5K FLANGE | | | | | | |
| Type of Coupling: SWEDGED | | MANUFACTURED BY MIDWEST HOSE & SPECIALTY | | | | |
| PROCEDURE | | | | | | |
| <div style="text-align: center; font-style: italic;">Hose assembly pressure tested with water at ambient temperature.</div> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none; text-align: center;">TIME HELD AT TEST PRESSURE</td> <td style="width: 50%; border: none; text-align: center;">ACTUAL BURST PRESSURE:</td> </tr> <tr> <td style="border: none; text-align: center;">1 MIN.</td> <td style="border: none; text-align: center;">0 PSI</td> </tr> </table> | | | TIME HELD AT TEST PRESSURE | ACTUAL BURST PRESSURE: | 1 MIN. | 0 PSI |
| TIME HELD AT TEST PRESSURE | ACTUAL BURST PRESSURE: | | | | | |
| 1 MIN. | 0 PSI | | | | | |
| COMMENTS: SO#81610 Hose is covered with stainless steel armour cover and wrapped with fire resistant vermiculite coated fiberglass insulation rated for 1500 degrees complete with lifting eyes | | | | | | |
| Date: 3/2/2011 | Tested By: BOBBY FINK | Approved: MENDI JACKSON | | | | |