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orm 3160-5 pnl 2004)	UNITED STATES DEPARTMENT OF THE INTERIOR	1	FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007
	BUREAU OF LAND MANAGEMENT		5. Lease Serial No. NM-030457
	SUNDRY NOTICES AND REPORTS Of not use this form for proposals to drill or t andoned well. Use Form 3160-3 (APD) for su	to re-enter an	6 If Indian, Allottee or Tribe Name
ŞUBI	MIT IN TRIPLICATE- Other instructions on	n reverse side.	7: If Unit or CA/Agreement, Name and/or No.
Type of Well	Well⊡ Gas Well⊡ Other		Poker Lake Unit NMNM71016X
. Name of Operator			Poker Lake Unit 303H
a Address	3b. Phone No. (include area code)		9. API Well No. 30-015-37646
P. O. Box 2760	dland, TX 79702 432-683-2277 potage, Sec., T. R. M. or Survey Description)		10." Field and Pool, or Exploratory Area Poker Lake (Delaware) S.
	2310' FWL, Lat:N32.155642,Long:W103.783572		11. County or Parish, State
BHL: 300' FSL, ³	\$1890' FEL, Sec 32, T24S-R31E, Lat:N32.167642,Long;W103.796878		Eddy County, New Mexico
	CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUB			
Notice of Inter	port Casing Repair New Const	,	art/Resume) Water Shut-Off Well Integrity Other APD Extension
Final Abandon	Change Plans Plug and Al	bandon Temporarily At	vandon
determined that BOPCO L.P	f completed. Final Abandonment Notices shall be filed only after a the site is ready for final inspection) respectfully requests an extension to the expiration date the best of a years persuant Onshore Order No. 1.		
	RECEIVED	7	NMOCD
	FEB 2 8 2012 NMOCD ARTESI		APPROVED FOR 24 MONTH PER ENDING 2/23/14
14. Thereby certi Name (Print	fy that the foregoing is true and correct red/Typed)		
	te Lenjing	Title Drilling Engineer	
Signatùre	The huser	Date 2/22/201	2
	THIS SPACE FOR FEDERAL	OR STATE OFFICE	USE
Approved by	/s/Don Peterson	Title	Da SED 2 / 2014
certify that the application would entitle	val, if any, are attached Approval of this notice does not warran ceant holds legal or equitable title to those rights in the subject lea the applicant to conduct operations thereon.	ase Office	
Title 18 U.S.C. Secti States any false, fict	on 1001 and Title 43 U.S.C. Section 1212, make it a crime for any fittous or fraudulent statements or representations as to any matter	person knowingly and willfully within its jurisdiction.	to make to any department or agency of the United
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PECOS DISTRICT CONDITIONS OF APPROVAL

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OPERATOR'S NAME:	BOPCO LP
LEASE NO.:	NM030457
WELL NAME & NO.:	303H POKER LAKE UNIT
SURFACE HOLE FOOTAGE:	1264' FSL & 2310' FWL
BOTTOM HOLE FOOTAGE	300' FSL & 1890' FEL
LOCATION:	Section 4, T.24 S., R.31 E., NMPM
COUNTY:	Eddy County, New Mexico

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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

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Permit Expiration Archaeology, Paleontology, and Historical Sites Noxious Weeds Special Requirements Lesser Prairie-Chicken Timing Stipulations Ground-level Abandoned Well Marker. **Commercial Well Determination** Construction Notification Topsoil **Closed Loop System** Federal Mineral Material Pits Well Pads Roads **Road Section Diagram** 🛛 Drilling 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.

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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.

Commercial Well Determination

Well is outside of NMNM – 71016D 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. V-DOOR DIRECTION: _____

C. 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 6 inches in depth. The topsoil will be used for interim and final reclamation.

D. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

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

E. FEDERAL MINERAL MATERIALS PIT

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

F. 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.

G. 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 thirty (30) 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.

Ditching

Ditching shall be required on both sides of the road.

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

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