District I
1625 N French Dr , Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr , Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources Department Oil Conservation Division

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

For closed-loop systems that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, submit to the appropriate NMOCD District Office.

Form C-144 CLEZ

July 21, 2008

Closed-Loop System Permit or Closure Plan Application

(that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

Type of action: Permit Closure

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144.

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinance

environment. Nor does approva	Il relieve the operator of it	s responsibility to	comply with any other applic	able governmental auth	ority's rules, regulations or ordinances.	
Operator: BOPCO, L.P.			OGRID: 260	737		
Address: P.O. Box 2760, Mi	dland, Texas 79702					
Facility or well name: James	s Ranch Unit #108H					
API Number: 30-01537273			OCD Permit Number:	209587		
U/L or Qtr/Qtr C	Section 1	Township 23 S	Range 30 E	County: Eddy		
Center of Proposed Design:	Latitude N 32.338739		Longitude W 103.836219		NAD: □1927 🖾 1983	
Surface Owner: 🛭 Federal [☐ State ☐ Private ☐ 7	ribal Trust or Inc	dian Allotment			
2. Closed-loop System: Subsection H of 19.15.17.11 NMAC Operation: Drilling a new well Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) P&A Above Ground Steel Tanks or Haul-off Bins 3. Signs: Subsection C of 19.15.17.11 NMAC						
☐ 12"x 24", 2" lettering, pr		e, site location, ar	nd emergency telephone nun	nbers		
Signed in compliance with	th 19.15.3.103 NMAC					
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached. □ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC □ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC □ Closure Plan (Please complete Box 5) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC □ Previously Approved Design (attach copy of design) API Number: □ Previously Approved Operating and Maintenance Plan API Number: □ Previously Approved Operating and Maintenance Plan API Number: □ S.						
Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC) Instructions: Please indentify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.						
Disposal Facility Name:			Disposal Facil	ity Permit Number:		
Disposal Facility Name:			Disposal Facil	ity Permit Number: _		
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that <i>will not</i> be used for future service and operations? [Yes (If yes, please provide the information below) [No						
Required for impacted areas which will not be used for future service and operations: Soil Backfill and Cover Design Specifications based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC						
6. Operator Application Cert	ification:					
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.						
Name (Print):			Title:			
Signature:			Date:			
e-mail address:		Telep	phone:			
Form C-14	I4 CLFZ	Oil (Conservation Division	-*	Page 1 of 2	

7. OCD Approval: Permit Application (including closure plan) X Clos	sure Plan (only)
OCD Representative Signature: Deurs P. Dad	Approval Date: 03/01/2010
Title: DIST EL Sepervisor	OCD Permit Number: <u>209587</u>
8. Closure Report (required within 60 days of closure completion): Subse Instructions: Operators are required to obtain an approved closure plan p. The closure report is required to be submitted to the division within 60 day section of the form until an approved closure plan has been obtained and to the complete the complete that the complete the complete that the complete the complete that the complete	orior to implementing any closure activities and submitting the closure report. s of the completion of the closure activities. Please do not complete this
9. Closure Report Regarding Waste Removal Closure For Closed-loop Systemstructions: Please indentify the facility or facilities for where the liquidative facilities were utilized.	stems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (s, drilling fluids and drill cuttings were disposed. Use attachment if more than
Disposal Facility Name: Controlled Recovery, Inc	Disposal Facility Permit Number: R-9166
Disposal Facility Name:	Disposal Facility Permit Number:
Were the closed-loop system operations and associated activities performed ☐ Yes (If yes, please demonstrate compliance to the items below) ☐ ↑	
Required for impacted areas which will not be used for future service and of Site Reclamation (Photo Documentation) Soil Backfilling and Cover Installation Re-vegetation Application Rates and Seeding Technique	perations·
Operator Closure Certification: I hereby certify that the information and attachments submitted with this clobelief. I also certify that the closure complies with all applicable closure rec	
Name (Print): Annette Childers	Title: Regulatory Clerk
Signature: Omnettle Quelders	Date: 2.23.2010
e-mail address: machilders@basspet.com	Telephone: (432) 683-2277

BOPCO, L.P. James Ranch Unit #108H Section 1, T-23-S, R-30-E Eddy County, New Mexico

SITE PHOTOGRAPHS

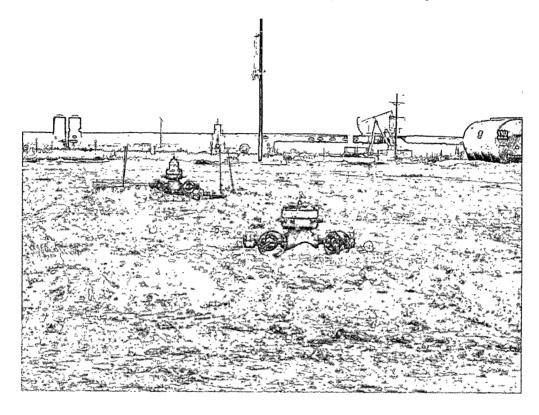
Taken February 8, 2010

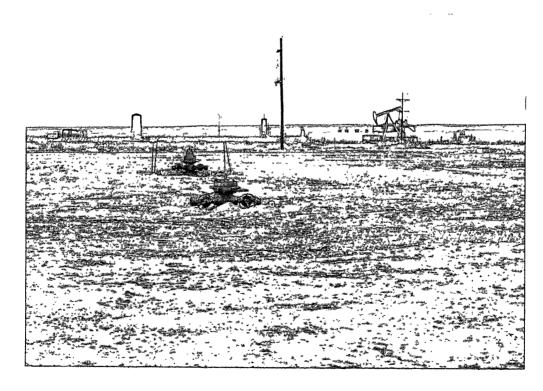
James Ranch Unit #108H

BOPCO, LP – James Ranch #108H Site Photographs taken February 8, 2010

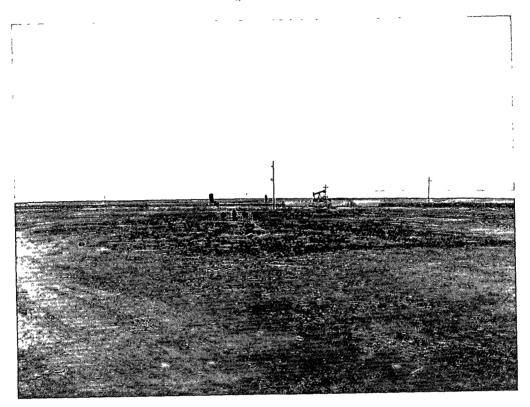
(p. 1 of 2)

*Front wellhead is James Ranch #108H and wellhead with four posts surrounding is Hudson 1 Federal 8H.





BOPCO, LP – James Ranch #108H Site Photographs taken February 8, 2010 (p. 2 of 2)



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NMOCD Closed-Loop System Closure Report

BOPCO, L.P. James Ranch Unit #108H Section 1, T-23-S, R-30-E Eddy County, New Mexico



SPORT ENVIRONMENTAL SERVICES, PLLC

502 N. Big Spring Street, Midland, Texas 79701 Business: 432.683.1100 Fax: 888.500.0622

February 16, 2010

Mr Mike Bratcher State of New Mexico Oil Conservation Division 1301 W. Grand Artesia, NM 88210

Re. Closed-Loop System Closure Report BOPCO, L.P., James Ranch Unit #108H Section 1, T-23-S, R-30-E Eddy County, New Mexico

Dear Mr. Bratcher,

On behalf of BOPCO, L.P., Sport Environmental Services is providing the enclosed NMOCD Closed-Loop System Closure Report for BOPCO, L.P.'s James Ranch Unit #108H location.

BOPCO, L P.'s James Ranch Unit #108H and Hudson "1" Federal 8H locations are approximately 100 feet from each other. The James Ranch Unit #108H was drilled December 6, 2009 and once the rig was released it was moved to the Hudson "1" Federal 8H (January 6, 2010). The site closure consisted of removing visual signs of contaminated soil from both locations and restoring the impacted area with reclaimed caliche. Approximately 36 cubic yards of visually impacted soil was excavated and disposed of offsite at the NMOCD permitted and approved facility, Controlled Recovery Inc. (Permit #R-9166). Caliche from the edge of the location was used as backfill.

The Bureau of Land Management interim reclamation will be performed prior to the deadline. The location will be assessed to determine if the pad location can be reduced. If we can effectively operate with a reduced footprint, seeding will occur during the next growing season for optimal growth, in the summer of 2010. BLM Seed Mixture #2 will be applied using the broadcast method. When broadcasting the seed, the pounds per acre will be doubled. As required by NMAC 19.15.17.13(I)(2), successful reclamation is considered to be 70% re-growth of the native perennial vegetative cover (un-impacted by overgrazing, fire or other intrusion damaging to native vegetation) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. During the two growing seasons, that prove viability, there will be no artificial irrigation of the vegetation. Repeat seeding or planting will occur, until required vegetation coverage is successfully achieved. Evaluation of growth will not be made before completion of at least

one full growing season after seeding. Photographs of existing vegetation were taken prior to constructing the drilling pit location, as a tool to confirm re-growth of 70% native vegetative coverage.

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

<u>Species</u>	<u>lb/acre</u>
Sand dropseed (Sporobolus cryptandrus)	10
Sand love grass (Eragrostis trichodes)	1.0
Plains bristlegrass (Setaria macrostachya)	2.0

^{*}Pounds of pure live seed:

Pounds of seed X percent purity X percent germination = pounds pure life seed

Enclosed please find documentation demonstrating that the checklist requirements set forth with the Closure Report Regarding Waste Removal Closure for Closed-loop Systems That Utilize Haul-off Bins Form C-144 CLEZ, Box 9, have been met. The closure report consists of the disposal facility name and permit number and February 8, 2010 photo documentation of stained soil removal

If you have any questions or comments with regard to this matter, please contact me at my office (432.683 1100). I would be more than happy to review this closure report with you.

Sincerely,

Tasha Finley

Regulatory Compliance Manager

TRHATIMA/

Enclosures: NMOCD Closed-Loop System Closure Report

Cc via Email

Annette Childers BOPCO, L.P. dba Bass Enterprises Production Co P.O. Box 2760 Midland, TX 79702