

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC070341
2. Name of Operator BOPCO LP		6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 2760 MIDLAND, TX 79702		7. If Unit or CA/Agreement, Name and/or No. NMNM71016N
3b. Phone No. (include area code) Ph: 432-221-7379		8. Well Name and No. POKER LAKE UNIT CVX JV RR 003H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T25S R30E SESE 100FSL 475FEL		9. API Well No. 30-015-37800-00-S1
		10. Field and Pool, or Exploratory CORRAL CANYON
		11. County or Parish, and State EDDY COUNTY, NM

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

BOPCO, LP respectfully submits this sundry notice to report plans for produced water disposal at the referenced facility.

Water at the Poker Lake Unit CVX JV RR 003H battery (previously named PLU Ross Ranch 19 Federal Battery) is stored in fiberglass tanks on the location. Water is then transferred to the Poker Lake SWD system via pipeline. The Poker Lake Unit SWD system is a pressurized system. Water is routed to five (5) SWD wells on the Poker Lake Unit based on the pressure in the line at that time. Most of the water from this battery is most likely routed to PLU Pierce Canyon 3 Federal SWD 001 which is the disposal well closest geographically to this battery.

Wells going to Poker Lake Unit CVX JV RR 003H Battery:  
Poker Lake Unit CVX JV RR 003H (30-015-37800)

**NM OIL CONSERVATION**  
ARTESIA DISTRICT

JAN 09 2015

RECEIVED

JES 1/14/2015  
ACCEPTED FOR RECORD  
NMLC070341

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #260970 verified by the BLM Well Information System</b> <b>For BOPCO LP, sent to the Carlsbad</b> <b>Committed to AFMSS for processing by LINDA DENNISTON on 12/02/2014 (15LD0202SE)</b>	
Name (Printed/Typed) TRACIE J CHERRY	Title REGULATORY ANALYST
Signature (Electronic Submission)	Date 09/05/2014

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By JAMES A AMOS	Title SUPERVISORY PET	Date 01/01/2015
Conditions of approval, if any, are attached. Approval of this notice 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.		
Office Carlsbad		

Title 18 U.S.C. 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.

**Additional data for EC transaction #260970 that would not fit on the form**

**32. Additional remarks, continued**

Poker Lake Unit CVX JV RR 004H (30-015-38357)

Wells in Poker Lake SWD System:

JF Harrison Federal 001 (30-015-04749) NWNW Sec 12 T25S R30E

Nash Draw 8 Federal 001 (30-015-41351) NWSW Sec 08 T24S R30E

Nash Draw 19 Federal SWD 001 (30-015-39713) NENE Sec 19 T24S R30E

PLU Pierce Canyon 3 Federal SWD 001 (30-015-40435) SWSE Sec 03 T25S R30E

PLU Delaware B 23 Federal SWD 001 (30-015-40935) NENW Sec 23 T24S R30E

Attached to this sundry are Water Disposal Approval Request form, water analysis, individual NMOCD injection well approvals and a map of Poker Lake Unit SWD system



## WATER PRODUCTION & DISPOSAL INFORMATION

In order to process your disposal request, the following information must be completed:

1. Name of formations producing water on the lease. Avalon, Bone Spring
2. Amount of water produced from all formations in barrels per day. 189
3. Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates. (One sample will suffice if water is commingled.)
4. How water is stored on lease. Fiberglass tanks
5. How water is moved to the disposal facility. Via pipeline from well location
6. Identify the Disposal Facility by:
  - A. Facility Operators name. BOPCO, L.P.
  - B. Name of facility or well name and number. See sundry
  - C. Type of facility or well (WDW) (WIW) etc. Disposal
  - D. Location by  $\frac{1}{4}$   $\frac{1}{4}$  \_\_\_\_\_ Section \_\_\_\_\_ Township \_\_\_\_\_ Range \_\_\_\_\_
7. Attach a copy of the State issued permit for the Disposal Facility.

Submit to this office, **620 EAST GREENE ST, CARLSBAD NM, 88220**, the above required information on a Sundry Notice 3160-5. Submit 1 original and 3 copies, within abatement period. (This form may be used as an attachment to the Sundry Notice.)

709 W. INDIANA  
MIDLAND, TEXAS 79701  
FAX (432) 682-8819

LABORATORY NO. \_\_\_\_\_ 0713-336  
SAMPLE RECEIVED \_\_\_\_\_ 7-10-13  
RESULTS REPORTED \_\_\_\_\_ 7-26-13

LEASE \_\_\_\_\_ PLU RR.28-25-30 #1

SECTION \_\_\_\_\_ BLOCK \_\_\_\_\_ SURVEY \_\_\_\_\_ COUNTY \_\_\_\_\_ STATE \_\_\_\_\_

NO. 1 Submitted water sample - taken 7-2-13 from separator.

NO. 2

NO. 3

NO. 4

## CHEMICAL AND PHYSICAL PROPERTIES

CHEMICAL AND PHYSICAL PROPERTIES				
	NO. 1	NO. 2	NO. 3	NO. 4
Specific Gravity at 60° F.	1.1130			
pH When Sampled				
pH When Received	6.60			
Bicarbonate as HCO <sub>3</sub>	927			
Supersaturation as CaCO <sub>3</sub>				
Undersaturation as CaCO <sub>3</sub>				
Total Hardness as CaCO <sub>3</sub>	7,400			
Calcium as Ca	2,160			
Magnesium as Mg	486			
Sodium and/or Potassium	67,287			
Sulfate as SO <sub>4</sub>	720			
Chloride as Cl	107,920			
Iron as Fe	37			
Barium as Ba	0			
Turbidity, Electric				
Color as Pt				
Total Solids, Calculated	179,500			
Temperature °F.				
Carbon Dioxide, Calculated				
Dissolved Oxygen.				
Hydrogen Sulfide	0.0			
Resistivity, ohm-cm at 77° F.	0.062			
Suspended Oil				
Filterable Solids as mg/l				
Volume Filtered, ml				
Strontium	378			

Results Reported As Milligrams Per Liter

Additional Determinations And Remarks

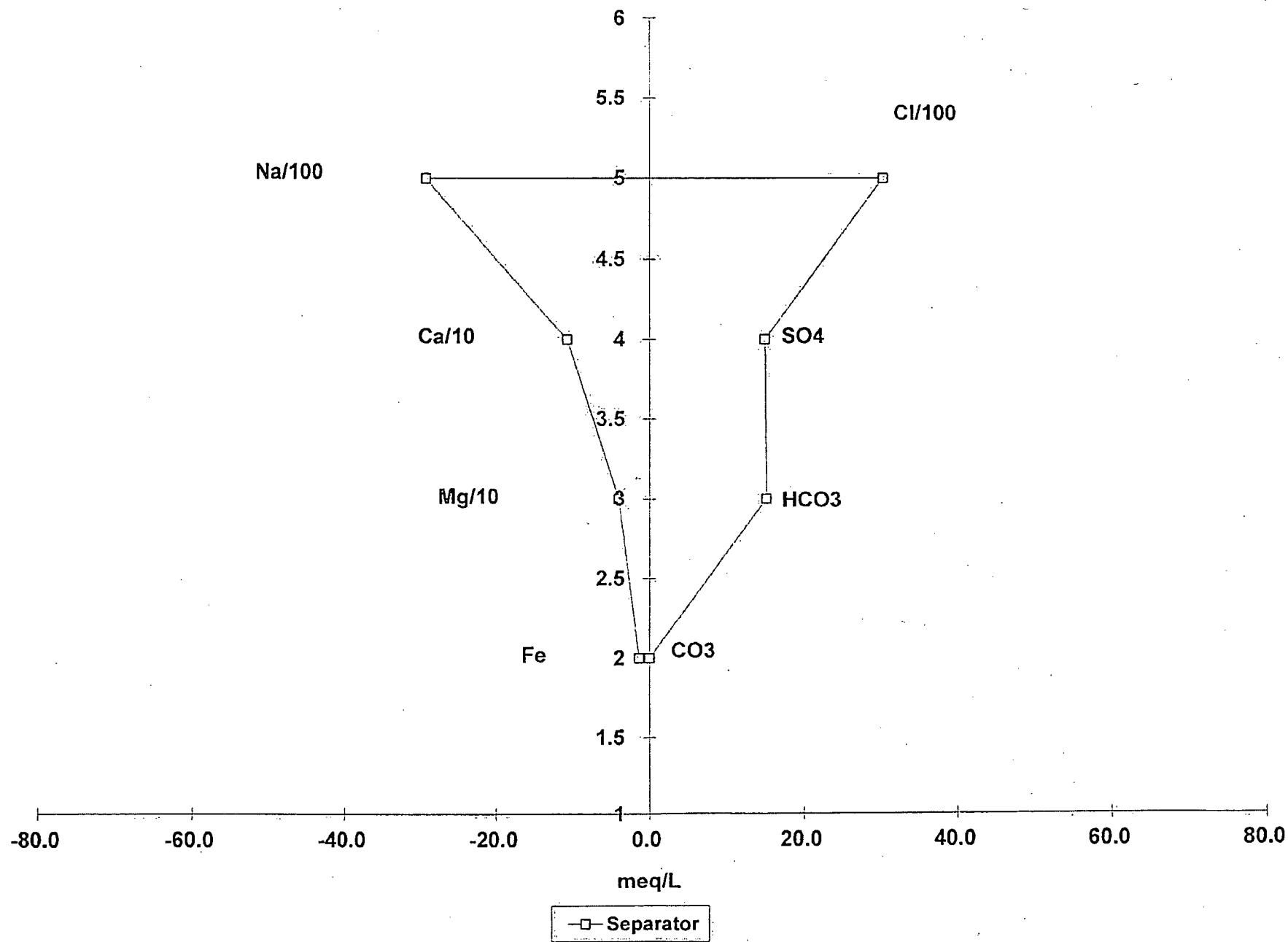
Additional Determinations And Remarks: The undersigned certifies the above to be true and correct to the best of his knowledge and belief.

By

Greg Ogden, B.S.

# PLU ROSS RANCH 28-25-30 USA #1H - 1st Bone Spring Shale

7/2/2013





# New Mexico Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

Bill Brancard  
Acting Cabinet Secretary

J. Daniel Sanchez  
Acting Division Director  
Oil Conservation Division



Administrative Order SWD-1259  
January 5, 2011

## ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Rule 26.8B., BOPCO, LP seeks an administrative order to re-enter and utilize its J.F. Harrison Federal Well No. 1 (API 30-015-04749) located 660 feet from the North line and 660 feet from the West line, Unit Letter D of Section 12, Township 25 South, Range 30 East, NMPM, Eddy County, New Mexico, for produced water disposal purposes.

### THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of Division Rule 26.8B. Satisfactory information has been provided that affected parties as defined in Rule 26.8B.(2) have been notified and no objections have been received within the prescribed waiting period. The applicant has presented satisfactory evidence that all requirements prescribed in Rule 26.8 will be met and the operator is in compliance with Division Rule 5.9.

### IT IS THEREFORE ORDERED THAT:

The applicant, BOPCO, LP, is hereby authorized to re-enter and utilize its J.F. Harrison Federal Well No. 1 (API 30-015-04749) located 660 feet from the North line and 660 feet from the West line, Unit Letter D of Section 12, Township 25 South, Range 30 East, NMPM, Eddy County, New Mexico, for disposal of oil field produced water (UIC Class II only) into the Devonian formation through perforations from 16626 feet to 17205 feet through lined tubing and a packer set within 100 feet of the disposal interval.

### IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the disposed water enters only the proposed disposal interval and is not permitted to escape to other formations or onto the surface.

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine



leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The wellhead injection pressure on the well shall be limited to **no more than 3325 psi**. In addition, the disposal well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the disposed fluid from the target formation. Such proper showing shall be demonstrated by sufficient evidence including but not limited to an acceptable Step-Rate-Test.

The operator shall notify the supervisor of the Division's district office of the date and time of the installation of disposal equipment and of any mechanical integrity test so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of disposal to the Division's district office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Division Rules 26.13 and 7.24.

Without limitation on the duties of the operator as provided in Division Rules 30 and 29, or otherwise, the operator shall immediately notify the Division's district office of any failure of the tubing, casing or packer in the well, or of any leakage or release of water, oil or gas from around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage.

The injection authority granted under this order is not transferable except upon division approval. The division may require the operator to demonstrate mechanical integrity of any injection well that will be transferred prior to approving transfer of authority to inject.

The division may revoke this injection permit after notice and hearing if the operator is in violation of 19.15.5.9 NMAC.

In accordance with Division Rule No 26.12.C., the disposal authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request, mailed by the operator prior to the termination date, may grant an extension thereof for good cause. One year after disposal into the well has ceased, the authority to dispose will terminate *ipso facto*.

Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.


Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the



Administrative Order SWD-1259  
BOPCO, LP  
January 5, 2011  
Page 3 of 3

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operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein.

  
J. DANIEL SANCHEZ  
Acting Director

JDS/wvj

cc: Oil Conservation Division – Artesia  
Bureau of Land Management – Carlsbad

State of New Mexico  
Energy, Minerals and Natural Resources Department

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Susana Martinez  
Governor

John Bemis  
Cabinet Secretary

Brett F. Woods, Ph.D.  
Deputy Cabinet Secretary

Jami Bailey  
Division Director  
Oil Conservation Division



Administrative Order SWD-1409  
March 22, 2013

ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION

Under the provisions of 19.15.26.8B NMAC, BOPCO, L.P. seeks an administrative order to utilize its Nash Draw 8 Federal No. 1 (API 30-015-NA) to be located 2075 feet from the South line and 630 feet from the West line, Unit letter L of Section 8, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico, for produced water disposal purposes.

THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of 19.15.26.8B NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified and no objections have been received within the prescribed waiting period. The applicant has presented satisfactory evidence that all requirements prescribed in 19.15.26.8 NMAC have been met and the operator is in compliance with 19.15.5.9 NMAC.

IT IS THEREFORE ORDERED THAT:

The applicant, BOPCO, L.P., is hereby authorized to utilize its Nash Draw 8 Federal No. 1 (API 30-015-NA) to be located 2075 feet from the South line and 630 feet from the West line, Unit letter L of Section 8, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico, for disposal of oil field produced water (UIC Class II only) into the Devonian formation through an open hole interval from 15750 feet to 17225 feet through internally coated tubing and a packer set within 100 feet of the permitted interval.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the disposed water enters only the proposed disposal interval and is not permitted to escape to other formations or onto the surface.

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The well shall pass an initial mechanical integrity test ("MIT") prior to initially commencing disposal and prior to resuming disposal each time the disposal packer is unseated.

All MIT testing procedures and schedules shall follow the requirements in Division Rule 19.15.26.11A, NMAC. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well.

The wellhead injection pressure on the well shall be limited to no more than 3150 psi. In addition, the disposal well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the disposed fluid from the target formation. Such proper showing shall be demonstrated by sufficient evidence including but not limited to an acceptable Step-Rate-Test.

The operator shall notify the supervisor of the Division's district office of the date and time of the installation of disposal equipment and of any MIT test so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of disposal to the Division's district office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Division Rules 19.15.26.13 and 19.15.7.24 NMAC.

Without limitation on the duties of the operator as provided in Division Rules 19.15.29 and 19.15.30 NMAC, or otherwise, the operator shall immediately notify the Division's district office of any failure of the tubing, casing or packer in the well, or of any leakage or release of water, oil or gas from around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage.

The injection authority granted under this order is not transferable except upon division approval. The division may require the operator to demonstrate mechanical integrity of any injection well that will be transferred prior to approving transfer of authority to inject.

The division may revoke this injection permit after notice and hearing if the operator is in violation of 19.15.5.9 NMAC.

The disposal authority granted herein shall terminate two years after the effective date of this order if the operator has not commenced injection operations into the subject well. One year after the last date of reported disposal into this well, the Division shall consider the well abandoned, and the authority to dispose will terminate *ipso facto*. The Division, upon written request mailed by the operator prior to the termination date, may grant an extension thereof for good cause.


Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the

Administrative Order SWD-1409  
BOPCO, L. P.  
March 22, 2013  
Page 3 of 3

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operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein.



JAMI BAILEY  
Director

JB/prg

cc: Oil Conservation Division – Artesia District Office  
Bureau of Land Management – Carlsbad Field Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

John Bemis  
Cabinet Secretary

Brett F. Woods, Ph.D.  
Deputy Cabinet Secretary

Jami Bailey  
Division Director  
Oil Conservation Division



Administrative Order SWD-1300-A  
July 5, 2012

ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION

Under the provisions of 19.15.26.8B NMAC, BOPCO, L.P. seeks an administrative order to utilize its ND 19 Federal SWD Well No. 1 (API 30-015-39713) located 516 feet from the North line and 705 feet from the East line, Unit letter A of Section 19, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico, for produced water disposal purposes.

THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of 19.15.26.8B NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified and no objections have been received within the prescribed waiting period. The applicant has presented satisfactory evidence that all requirements prescribed in 19.15.26.8 NMAC have been met and the operator is in compliance with 19.15.5.9 NMAC.

IT IS THEREFORE ORDERED THAT:

The applicant, BOPCO, L.P., is hereby authorized to utilize its ND 19 Federal SWD Well No. 1 (API 30-015-39713) located 516 feet from the North line and 705 feet from the East line, Unit letter A of Section 19, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico, for disposal of oil field produced water (UIC Class II only) into the Devonian formation through an open hole interval from 15611 feet to 16770 feet through internally coated tubing and a packer set less than 100 feet above the permitted disposal interval.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the disposed water enters only the proposed disposal interval and is not permitted to escape to other formations or onto the surface.

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The well shall pass an initial mechanical integrity test ("MIT") prior to initially commencing disposal and prior to resuming disposal each time the disposal packer is unseated.

Administrative Order SWD-1300-A

BOPCO, L.P.

July 5, 2012

Page 3 of 3

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operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein.



JAMI BAILEY

Director

JB/wvj

cc: Oil Conservation Division – Artesia  
Bureau of Land Management – Carlsbad Field Office

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

(432) 683-2277

FAX (432) 887-0329

June 19, 2012

New Mexico Oil Conservation Division  
Attn: Will Jones  
1220 S Francis  
Santa Fe NM 87505

Re: Administrative Order SWD-1300  
September 2, 2011  
ND 19 Federal SWD No. 1  
30-015-39713  
Sec. 19, T24S, R30E  
Eddy County, NM

BOPCO, L.P. respectfully requests that the New Mexico Oil Conservation Division administratively amend the disposal permit. This well was drilled and completed as a saltwater disposal well in the Devonian formation. Form C-108 was filed with estimated depths. BOPCO applied for an open hole disposal interval of 15,572-16,275'. The completed total depth of the well is 16,770' with an open hole injection interval of 15,611-16,770'; a difference of 495' from the permitted interval. The well is currently operating with an injection pressure of 1,200 psi.

Due to the scarcity of wells penetrating deeper than a few hundred feet below the top of the Devonian in southeastern Eddy County, the stratigraphic interval penetrated by the BOPCO ND 19 Federal SWD No. 1 is uncertain. The section drilled by the ND 19 Federal SWD No. 1 below the Woodford consists of an upper dolomite interval (15,603'-15,874') which did not have the obvious porosity characteristics expected to be encountered in the Devonian while drilling. A tight limestone interval was below this, and a second porous dolomite was penetrated at a depth of 16,234'. The well was TD'd when a second tight limestone was encountered at a depth of 16,720'. This limestone appears to be the top of the Montoya formation. It is uncertain at this time whether Fusselman is present in the section. Based on this, the base of the Devonian is presumed to be at, and is certainly no deeper than, a depth of 16,720'.

The ND 19 Federal SWD No. 1 was mud logged while drilling, and open hole wireline logs were run at TD. No evidence of hydrocarbons was encountered in this section either in samples, via gas monitoring equipment, or on logs, even though the well was drilled with a mud weight of 8.3-8.5 lbs/gal.; calculated reservoir pressure at 7,000 psi.

Seismic analysis of the Devonian section shows no indication of structural closure in the area of the ND 19 Federal SWD No. 1, with regional dip climbing to the west. Closure would be required for hydrocarbon entrapment in this section.

I believe BOPCO, L.P. has addressed all concerns. Please contact Mr. Carlos Cruz, Division Production Superintendent at (432) 683-2277 or by e-mail at [ccruz@basspet.com](mailto:ccruz@basspet.com).

Sincerely,

*Sandra J. Belt*

Sandra J. Belt  
Sr. Regulatory Clerk

Due to the scarcity of wells penetrating deeper than a few hundred feet below the top of the Devonian in southeastern Eddy County, the stratigraphic interval penetrated by the BOPCO ND 19 Federal No. 1 is uncertain. The section drilled by the ND 19 No. 1 below the Woodford consists of an upper dolomite interval (15,603'-15,874') which did not have the obvious porosity characteristics expected to be encountered in the Devonian while drilling. A tight limestone interval was below this, and a second porous dolomite was penetrated at a depth of 16,234'. The well was TD'd when a second tight limestone was encountered at a depth of 16,720'. This limestone appears to be the top of the Montoya formation. It is uncertain at this time whether Fusselman is present in the section; based on this, the base of the Devonian is presumed to be at, and is certainly no deeper than, a depth of 16,720'.

The ND 19 No. 1 was mudlogged while drilling, and open hole wireline logs were run at TD. No evidence of hydrocarbons was encountered in this section either in samples, via gas monitoring equipment, or on logs, even though the well was drilled with a mud weight of 8.3-8.5 lbs/gal.

Seismic analysis of the Devonian section shows no indication of structural closure in the area of the ND 19 No. 1, with regional dip climbing to the west. Closure would be required for hydrocarbon entrapment in this section.



State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

John Bemis  
Cabinet Secretary

Brett F. Woods, Ph.D.  
Deputy Cabinet Secretary

Jami Bailey  
Division Director  
Oil Conservation Division



Administrative Order SWD-1370  
December 2, 2012

ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION

Under the provisions of 19.15.26.8B NMAC, BOPCO, L.P. seeks an administrative order to utilize its proposed PLU Pierce Canyon 3 Federal SWD Well No. 1 (API 30-015-NA) to be located 814 feet from the South line and 1630 feet from the East line, Unit letter O of Section 3, Township 25 South, Range 30 East, NMPM, Eddy County, New Mexico, for produced water disposal purposes.

THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of 19.15.26.8B NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified and no objections have been received within the prescribed waiting period. The applicant has presented satisfactory evidence that all requirements prescribed in 19.15.26.8 NMAC have been met and the operator is in compliance with 19.15.5.9 NMAC.

IT IS THEREFORE ORDERED THAT:

The applicant, BOPCO, L.P., is hereby authorized to utilize its proposed PLU Pierce Canyon 3 Federal SWD Well No. 1 (API 30-015-NA) to be located 814 feet from the South line and 1630 feet from the East line, Unit letter O of Section 3, Township 25 South, Range 30 East, NMPM, Eddy County, New Mexico, for disposal of oil field produced water (UIC Class II only) into the Devonian and Montoya formations through an open hole interval from approximately 16471 feet to 18275 feet through internally coated tubing and a packer set within 100 feet of the permitted interval.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the disposed water enters only the approved disposal interval and is not permitted to escape to other formations or onto the surface.

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The well shall pass an initial mechanical integrity test ("MIT") prior to initially commencing disposal and prior to resuming disposal each time the disposal packer is unseated. All MIT testing procedures and schedules shall follow the requirements in Division Rule 19.15.26.11A. NMAC. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well.

The wellhead injection pressure on the well shall be limited to no more than 3294 psi. In addition, the disposal well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the disposed fluid from the target formation. Such proper showing shall be demonstrated by sufficient evidence including but not limited to an acceptable Step-Rate-Test.

The operator shall notify the supervisor of the Division's district office of the date and time of the installation of disposal equipment and of any MIT test so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of disposal to the Division's district office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Division Rules 19.15.26.13 and 19.15.7.24 NMAC.

Without limitation on the duties of the operator as provided in Division Rules 19.15.29 and 19.15.30 NMAC, or otherwise, the operator shall immediately notify the Division's district office of any failure of the tubing, casing or packer in the well, or of any leakage or release of water, oil or gas from around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage.


The injection authority granted under this order is not transferable except upon division approval. The division may require the operator to demonstrate mechanical integrity of any injection well that will be transferred prior to approving transfer of authority to inject.

The division may revoke this injection permit after notice and hearing if the operator is in violation of 19.15.5.9 NMAC.

The disposal authority granted herein shall terminate two years after the effective date of this order if the operator has not commenced injection operations into the subject well. One year after the last date of reported disposal into this well, the Division shall consider the well abandoned, and the authority to dispose will terminate *ipso facto*. The Division, upon written request mailed by the operator prior to the termination date, may grant an extension thereof for good cause.

Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein.

  
JAMI BAILEY  
Director

JB/wvjj

cc: Oil Conservation Division – Artesia District Office  
Bureau of Land Management – Carlsbad Field Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

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Susana Martinez  
Governor

John Bemis  
Cabinet Secretary

Brett F. Woods, Ph.D.  
Deputy Cabinet Secretary

Jami Bailey  
Division Director  
Oil Conservation Division



Administrative Order SWD-1388  
January 22, 2013

ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION

Under the provisions of 19.15.26.8B NMAC, BOPCO, L.P. seeks an administrative order to utilize its proposed PLU Delaware B 23 Federal SWD Well No. 1 (API 30-015-40935) to be located 1115 feet from the North line and 2180 feet from the West line, Unit letter C of Section 23, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico, for produced water disposal purposes.

THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of 19.15.26.8B NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified and no objections have been received within the prescribed waiting period. The applicant has presented satisfactory evidence that all requirements prescribed in 19.15.26.8 NMAC have been met and the operator is in compliance with 19.15.5.9 NMAC.

IT IS THEREFORE ORDERED THAT:

The applicant, BOPCO, L.P., is hereby authorized to utilize its proposed PLU Delaware B 23 Federal SWD Well No. 1 (API 30-015-40935) to be located 1115 feet from the North line and 2180 feet from the West line, Unit letter C of Section 23, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico, for disposal of oil field produced water (UIC Class II only) into the Devonian, Silurian, and Montoya formations through an open hole interval from approximately 16300 feet to 17785 feet through internally coated tubing and a packer set within 100 feet of the permitted interval.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the disposed water enters only the approved disposal interval and is not permitted to escape to other formations or onto the surface.

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The well shall pass an initial mechanical integrity test ("MIT") prior to initially commencing disposal and prior to resuming disposal each time the disposal packer is unseated. All MIT testing procedures and schedules shall follow the requirements in Division Rule 19.15.26.11A. NMAC. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well.

The wellhead injection pressure on the well shall be limited to no more than 3260 psi. In addition, the disposal well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the disposed fluid from the target formation. Such proper showing shall be demonstrated by sufficient evidence including but not limited to an acceptable Step-Rate-Test.

The operator shall notify the supervisor of the Division's district office of the date and time of the installation of disposal equipment and of any MIT test so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of disposal to the Division's district office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Division Rules 19.15.26.13 and 19.15.7.24 NMAC.

Without limitation on the duties of the operator as provided in Division Rules 19.15.29 and 19.15.30 NMAC, or otherwise, the operator shall immediately notify the Division's district office of any failure of the tubing, casing or packer in the well, or of any leakage or release of water, oil or gas from around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage.

The injection authority granted under this order is not transferable except upon division approval. The division may require the operator to demonstrate mechanical integrity of any injection well that will be transferred prior to approving transfer of authority to inject.

The division may revoke this injection permit after notice and hearing if the operator is in violation of 19.15.5.9 NMAC.

The disposal authority granted herein shall terminate two years after the effective date of this order if the operator has not commenced injection operations into the subject well. One year after the last date of reported disposal into this well, the Division shall consider the well abandoned, and the authority to dispose will terminate *ipso facto*. The Division, upon written request mailed by the operator prior to the termination date, may grant an extension thereof for good cause.

Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

Administrative Order SWD-1388

BOPCO, L.P.

January 22, 2013

Page 3 of 3

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Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein.



JAMI BAILEY

Director

JB/wvjj

cc: Oil Conservation Division – Artesia District Office  
Bureau of Land Management – Carlsbad Field Office