Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Artesia_

FORM APPROVED OMB NO 1004-0135 Expires. July 31, 2010

5. Lease Serial No. NMNM04557

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.

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.					7. If Unit or CA/Agreement, Name and/or No. NMNM100195	
1 Type of Well				8 Well Name and No. BIG EDDY 122		
Oil Well Gas Well Other 2. Name of Operator Contact. VALERIE TRUAX					9. API Well No.	
BOPCO LP		30-015-27 454 -00-S2				
3a Address		3b. Phone No (include area code) Ph: 432-683-2277		e)	10. Field and Pool, or Exploratory S HACKBERRY	
MIDLAND, TX 79702						
4 Location of Well (Footage, Sec., T', R., M', or Survey Description)			11. County or Par		11. County or Parish,	and State
Sec 4 T20S R31E SENW 198		·		EDDY COUNTY, NM		
12. CHECK APPE	ROPRIATE BOX(ES) TO I	INDICATE	NATURE OF	NOTICE, RE	EPORT, OR OTHE	R DATA
TYPE OF SUBMISSION	TYPE OF ACTION					
Notice of Intent	Acidize Deepen Produ			□ Producti	on (Start/Resume)	☐ Water Shut-Off
_	☐ Alter Casing	Fracture Treat		□ Reclama	tion	☐ Well Integrity
☐ Subsequent Report	☐ Subsequent Report ☐ Casing Repair		☐ New Construction		lete	Other
☐ Final Abandonment Notice	Change Plans	Change Plans 🔲 Plug		☐ Tempora	rily Abandon	
	☑ Convert to Injection ☐ Plug Back		Back	☐ Water Disposal		
testing has been completed. Final Abdetermined that the site is ready for final Abdetermined that the switch as approved by 2010, to P&A. This sundry is SWD, ***while canceling the above as of July 30, 2010 by Administration process: Add Delaware zones for SWD	APPRODUCE The set of convert this well to a py the BLM on Nov 10, 2010 requesting permission (a set of period of the set	SWD well. 0, but was decond time) iject product 52. The foll 52.	(Note that the canceled by a su to convert the led water for disposing proceedure)	original sundry undry, approv BEU #122 to posal pupose e outlines the	es SWD SPC (0 is (q's.'ng/fub)	SUN 13 2011 CD ARTESIA
14. I hereby certify that the foregoing is	Electronic Submission #109 For BO	PCO LP. se	nt to the Carlsba	ad ·	_	
Committed to AFMSS for processing by WES Name (Printed/Typed) VALERIE TRUAX			Title AUTHORIZED REPRESENTATIVE			
AVERAGE TITOLOG				JANEED THE T		d for recore
Signature (Electronic Submission)			Date 06/02/2011 Accepted for record NMOCD RT G/15 II			
	THIS SPACE FOR	RFEDERA	L OR STATE	OFFICE US	E	~ ~
Approved By CHRISTOPHER WALLS			: TitlePETROLE	OLEUM ENGINEER Date		Date 06/07/2011
Conditions of approval, if any, are attached. Approval of this notice does not vertify that the applicant holds legal or equitable title to those rights in the subject would entitle the applicant to conduct operations thereon.			Office Carlsbad			
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s					ake to any department o	r agency of the United

Additional data for EC transaction #109497 that would not fit on the form

32. Additional remarks, continued

6,620'-6,640'. RIH w/ CIBP & set at 6,870'. Dump bail 35' cmt on top of CIBP leaving new PBTD of 6,835'. RIH w/ 2-7/8" workstring down to 6,700'. Spot 1000 gal of 7-1/2% NEFE HCl acid across perforated interval. Perf from 6,620'-6,640'. Frac down csg as follows: 113,951 gal fluid & 10,000# LiteProp 125. RIH w/ 5-1/2" Lockset Nickel plated ext/int PC pkr on 2-7/8" J-55 IPC tbg to 6,570'. Place well on injection not exceeding 934 psi.

PROPOSED WELLBORE DIAGRAM

122 Lease: BIG EDDY UNIT Well No.: HACKBERRY (STRAWN) SOUTH Field: HACKBERRY (MORROW) SE GAS - ACT Location: 1980' FNL & 1980' FWL, SEC 4, T20S, R31E API: 30-015-27454 County: EDDY St: NM KB: 3503' Surface Csg. 11 3/4 GL: 3486' Size: 42 Spud Date: 6/24/93 Wt Compl. Date: 8/23/93 Grd H-40 869 869' 11 3/4 TA'D: 7/26/07 Set @: **RE-ENTERED: 1/14/10** Sxs cmt. 610 Circ: Yates 2580' TOC: Surf TOC 8 5/8" csg Hole Size 14 3/4 2560' **DVTool** 2872' Intermediate Csg. 8 5/8 3000' TOC 5 1/2" csg Size: Wt 24/28 Grd K55/\$80 4186' Delaware 4194 4194 8 5/8 Set @: Sxs Cmt: 625 Lokset Nickel Plated Ext/Int pkr @ 4600' Circ: EOT 4600' TOC. 2560 est Injection Interval - 4670' - 6800' CIBP @ 6870' w/ 35' CI C cmt dump bailed Hole Size 11 to 4200 6875-92' LBC Perfs 7009' **DVTool** Production Csg. 6948 - 7088' - 25 sxs CI C cmt Size: 5 1/2 Wt 17 Grd K55/N80/S95 9999 - 10368' - 30 sxs CI H cmt Set @: 11600 10368 CIBP Sxs Cmt: 1550 10378-98' Wolfcamp Perfs Circ: N TOC: 3000 est Hole Size 7 7/8 11147 - 11190' - Dumped bailed 35' cmt on CIBP 11190' CIBP Production Csg. Size: 3 1/2 Wt 9.3 11245 - 11345' - Cement plug, 60 sxs Cl H Grd L-80 Set @: 11229-12850 11368 - 11412' - Strawn (Sqzd) Sxs Cmt: 150 11600" 5 1/2 Circ: TOC: 11229 TOL 12440 - 12484' - Morrow Hole Size 4 3/4 Fish: Blanking Plug 12620' 30' Cl H cmt cap 12650' Tubing CIBP 2 7/8" J-55 Seal Tite IPC @ 4600' 12714 - 12728' - L Morrow Perfs cone from bit 12785' 12850' 3 1/2 5/6/10 Updated: PBTD: 6948

TD (1993): 11600 LOGGERS TD (1997): 12850 Author: crm Engr: CCC

Cyarrent Wellbore Diagram

Schematic Production Well in: 30,015-27454 27 Field: Hackberry Strawn South 29460

BOPCO L.P. - West Texas Well Name: BIG EDDY UNIT #122 Sect. Town 20S Rng Edgy Co. State: New Mexico

Most Recent Job Completion/Workove Primary Job Types Job Sizil Dale Job End Date Recompletion 3/3/2010 3/10/2010 Well Config. - Original Hole, 5/7/2010 8:52:50 AM nke napi KB IS V Elwysian: 3503 Sped Cast, 8/24/1973 Competion Date, 8/24/1973 GL @ 17 L ayation 3488 22 2.047 6 497 1-4 Salker Rod 7/8 5,487, 255,0 6 645 8,747 1-5, Rod Centralizer, 3/4 6,747, 4.8 6,751 1 8, Rod nsen Purse, 3/4, 6,751, 24 0 8.774 1-8 Send acronn 1° x 3 , 1, 8,775 · ~ 1-7 3/4° x 20° dip Line 3/4 6,775 · ~ 6,775 6,775 6 868 8,869 0.875 (Tool & 7000) Pluz - 6548 - 7088 | 25 ava Ci C cost 5 892 10 388 Cersert Plas - 9999' - 10368, 30 axe C(H cml) Bruge Play - Permenent, 4 1/2 10,388-10,399 10 369 10,378 Performent 10 378-10,398, 344/2010 Add.2mg, 3/6/2010 10,378-10,398 8KB 10 398 Comp Salar 19 Cr H coll as sep ill CRP 11147 - 11500 11,190 8/ldga Phig Permanon: 4, 11,190-11,191 11,191 Cement Flug 11749 - 11345 , E0 sas C(H) 1,368 Perferaled, 11 368-11 412 8/5/1993 11,412 [5 1/2 a 17 00 bart \$ 85 11,600 NI-B] Quoinal "0 20 1 600 12,440 Perforeted 12,440-12,464 9/23/1964 CO2 Fren, 7/10/1997, 12,440-12,484 KKB 12,487 12 620 Blanking Plug (Fish), 1/2 12,820-12 820 12,820 | Dorné Balles au Ct | 1 Orn of hep of CIBP 12670 12,650 Bridge Plug - Fermaneri, 3,680, 12 850-12,651 12.951 1274 Perforated, 12,714-12,728, 8/23/1993 12 /28 12,784 Bil cone, 1, 12,785-12,785 12,785 4 900%, 9 36-65% L-80, 12 050 [[KB] [3]/2 Lim 10.00 1285C]

Conditions of Approval: Wells with Packers*

BOPCO LP Big Eddy 122

June 7, 2011

- 1. Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established. Repair that seal any time more than five barrels of packer fluid is replaced within 30 days.
 - a. The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with 200 psig differentials between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
 - b. Document the pressure test on a calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
 - c. Notify Paul R. Swartz at 575-234-5985 and/or 575-200-7902 at least 24 hours before the test. If there is no response, notify the BLM on call drilling phone, 575-361-2822.
 - d. Submit a subsequent Sundry Form 3160-5 relating the MIT activity. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
 - e. Use of tubing internal protection, on/off tubing equipment just above the packer, and a profile nipple installation is required. The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore work.
 - f. Submit the original subsequent sundry with three copies to BLM Carlsbad.
- 2. Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization.
 - a. Approved injection pressure compliance is required.
 - b. If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
 - c. When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum.
 - i. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment.

- e. Other unexplained significant variations of rate or pressure to be reported within 5 days of notice.
- 3. The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity.
 - a. The annulus is to be maintained full of packer fluid at atmospheric pressure. Installation of equipment that will display on site, continuous open to the air fluid level is required. A BLM inspector may request verification of this fluid level at any time.
 - b. Loss of packer fluid above five barrels per month requires notification of the BLM authorized officer within 5 days.
 - c. Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of 0psia. Notify the BLM's authorized officer (Paul R. Swartz at 575-200-7902). If there is no response, notify the BLM on call drilling phone, 575-361-2822.
 - d. Also submit to this office a (Sundry Form 3160-5) Notice of Intent (NOI) for approval by BLM and NMOCD with a detailed plan for correction and the anticipated date of correction. Verbal approval for the plan may be given by a BLM authorized officer, with the NOI filed within five business days.
 - e. After the repairs submit a (Sundry Form 3160-5) Subsequent report, describing the repair(s) and Mechanical Integrity Test as per item 1 above.
 - f. The operator shall keep accurate and current records documenting that the casing annulus is fluid filled. A suggested format for these records is available from the BLM Carlsbad Field Office. Copies of those records shall be furnished at the request of a BLM authorized officer.

*COA's prepared by Paul R Swartz

Big Eddy Unit 122 30-025-27454 BOPCO LP June 7, 2011 Conditions of Approval

- 1. Approval is granted for disposal of water being produced on the same unit agreement only. If additional sources of water from off the unit agreement are to be disposed of in this well, prior approval is required. The approval request must include proper authorization from the surface owner.
- 2. Surface disturbance beyond the originally approved pad must have prior approval.
- 3. Closed loop system required.
- 5. At a minimum a 2000 (2M) psi workover BOP to be used with pulling unit. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
- 6. Operator to have H2S monitoring equipment on location as H2S has been reported from wells in the area.
- 7. Subsequent sundry with well test and wellbore schematic required.

CRW 060711