

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



April 18, 2018

Ms. Tracie Cherry
BOPCO, L.P.
6401 Holiday Hill Road, Bldg 5
Midland, TX 79707

RE: Administrative Order SWD-1541; Second Extension of Deadline

Poker Lake Unit Pierce Canyon 17 Federal SWD Well No. 1 (API 30-015-43310)
1200 FSL, 2450 FWL; Unit N, Sec 17, T25S, R30E, NMPM, Eddy County, New Mexico
Order Date: April 1, 2015
Injection into the Devonian formation; approved interval: 16470 feet to 17960 feet

Ms. Cherry:

Reference is made to your request on behalf of BOPCO, L.P. ("BOPCO") to extend the deadline stipulated in order SWD-1541 based upon the approval date of April 1, 2015, to commence injection for the above referenced well for reasons outlined in the attached correspondence. This request would be an additional one-year extension of the April 1, 2018 deadline approved in the Division correspondence dated February 15, 2017.

It is the Division's understanding from your request that there have been no significant changes in the information provided in the application submitted for review and approval of this order. These changes include the completion of new wells within the Area of Review that penetrated the approved injection interval and any changes in ownership.

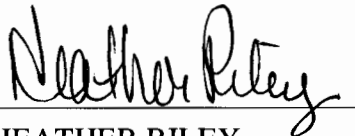
The Division finds that granting this request to extend this administrative order is in the interest of conservation, will prevent waste, and will protect the environment.

All requirements of the above referenced administrative order and agreements in the application remain in full force and effect.

The deadline to commence injection for the existing order is hereby extended until April 1, 2019.

SWD-1541: Second Extension of Deadline
BOPCO, L.P.
April 18, 2018
Page 2 of 2

Sincerely,

A handwritten signature in black ink, appearing to read "Heather Riley", written over a horizontal line.

HEATHER RILEY
Director

HR/prg

cc: Oil Conservation Division – Artesia District Office
SWD-1541
Bureau of Land Management – Carlsbad Field Office
Well File API 30-015-43310

30-015-43310
2nd Extension Request

BOPCO, L.P.

6401 Holiday Hill Road, Bldg 5
Midland, Tx 79707
(432) 221-7379

March 9, 2018

Oil Conservation Division
Engineering Bureau
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Administrative Order SWD-1541-0
PLU Pierce Canyon 17 Federal SWD, Well No. 1

Gentlemen:

BOPCO, L.P. respectfully requests a one year extension to the subject approval for a produced water disposal well.

Administrative Order SWD-1541-0 was approved April 01, 2015 and a one year extension was granted until April 01, 2018. XTO Energy, Inc., current owner and operator of BOPCO, L.P. assets, have chosen to drill the well under the approved Federal drilling permit. This well was spud on 1/29/2018 and is currently being drilled with an anticipated rig down mid-April. Due to the change in ownership and company reorganization, drilling of the well was delayed. Drill time has also been longer than anticipated. The well is anticipated to have disposal volumes within 120-days of rig down, barring any complications or difficulties.

If you have any questions or need any additional information, please feel free to contact me at 254-221-7379.

Sincerely,



Tracie J. Cherry
Regulatory Analyst

Goetze, Phillip, EMNRD

From: Goetze, Phillip, EMNRD
Sent: Tuesday, March 20, 2018 2:31 PM
To: 'Cherry, Tracie'
Cc: Jones, William V, EMNRD; Lowe, Leonard, EMNRD; McMillan, Michael, EMNRD
Subject: SWD-1541: Request for Second Extension - Additional Information Required

RE: PLU Pierce Canyon 17 Fed SWD No. 1; 30-015-43310; SWD-1541

Tracie:

I have reviewed your request to extend order SWD-1541 for a second time and the Division will honor the request. However, there are two information requirements that need to be provided by BOPCO:

1. Is there any change in the AOR wells or are the AOR wells the same as the original application? If there are new AOR wells, please provide this information (location and completion as would be submitted in a C-108 application).
2. Is there any change in the affect persons – those notified in the original application within the ½-mile radius? If there is a new affect persons, then they will have to be notified and return receipts provided to the Division.

If there have been no changes in either item, please send an e-mail with this finding and it will be included with the extension request. If there is additional info, this can also be submitted as an attachment. Please contact me with any questions regarding the content of this e-mail. PRG

Phillip Goetze, PG
Engineering Bureau, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive, Santa Fe, NM 87505
Direct: 505.476.3466
E-mail: phillip.goetze@state.nm.us



Goetze, Phillip, EMNRD

From: Goetze, Phillip, EMNRD
Sent: Wednesday, March 21, 2018 1:33 PM
To: 'Cherry, Tracie'
Subject: RE: SWD-1541: Request for Second Extension - Additional Information Required

Thanks. Will include with extension letter. PRG

Phillip Goetze, PG
Engineering Bureau, Oil Conservation Division, NM EMNRD
1220 South St. Francis Drive, Santa Fe, NM 87505
Direct: 505.476.3466
E-mail: phillip.goetze@state.nm.us

From: Cherry, Tracie <Tracie_Cherry@xtoenergy.com>
Sent: Wednesday, March 21, 2018 1:20 PM
To: Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>
Subject: RE: SWD-1541: Request for Second Extension - Additional Information Required

Thank you, Phillip. I wasn't sure if or how companies with "operating rights" rather than a leasehold would affect this. In response to your request for additional information:

1. There is no change in the ½ mile AOR wells from the original application. There are still no wells that penetrate the proposed injection interval.
2. There is no change in the affected parties to be notified.

Please do not hesitate to contact me if this does not satisfy your request.

Tracie

From: Goetze, Phillip, EMNRD [<mailto:Phillip.Goetze@state.nm.us>]
Sent: Wednesday, March 21, 2018 1:55 PM
To: Cherry, Tracie <Tracie_Cherry@xtoenergy.com>
Subject: RE: SWD-1541: Request for Second Extension - Additional Information Required

Tracie:

Affected persons are:

TITLE 19 NATURAL RESOURCES AND WILDLIFE
CHAPTER 15 OIL AND GAS
PART 26 INJECTION

19.15.26.7 DEFINITIONS:

A. "Affected person" means the division designated operator; in the absence of an operator, a lessee whose interest is evidenced by a written conveyance document either of record or known to the applicant as of the date the applicant files the application; or in the absence of an operator or lessee, a mineral interest owner whose interest is evidenced by a written conveyance document either of record or known to the applicant as of the date the applicant filed the application for permit to inject.

So the hierarchy for a tract is: first, if there is production - an oil and gas operator; then if no production, the lessee, and finally if no production or lessee, the owner of the mineral estate (BLM, SLO, or private). Based on the original C-108, six entities were notified – Allar, Yates, Mobil Producing, COG, Conoco Phillips and the BLM. If these operator/lessee have not changes, then status from the original C-108 package have not changed. I would state that Yates has since been acquired by EOG and that they should be provided notice with a letter stating the extension request. PRG

Phillip Goetze, PG
Engineering Bureau, Oil Conservation Division, NM EMNRD
1220 South St. Francis Drive, Santa Fe, NM 87505
Direct: 505.476.3466
E-mail: phillip.goetze@state.nm.us

From: Cherry, Tracie <Tracie_Cherry@xtoenergy.com>
Sent: Wednesday, March 21, 2018 11:21 AM
To: Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>
Subject: RE: SWD-1541: Request for Second Extension - Additional Information Required

Good morning Phillip.

Can you clarify for me if “affected person(s)” includes companies with operating rights on a Federal lease if the lease is in a BOPCO operated Federal unit?

Thank you...Tracie

From: Goetze, Phillip, EMNRD [<mailto:Phillip.Goetze@state.nm.us>]
Sent: Tuesday, March 20, 2018 3:31 PM
To: Cherry, Tracie <Tracie_Cherry@xtoenergy.com>
Cc: Jones, William V, EMNRD <WilliamV.Jones@state.nm.us>; Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>; McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Subject: SWD-1541: Request for Second Extension - Additional Information Required

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New Mexico Energy, Minerals and Natural Resources Department

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