

| | | | | | |
|----------------|----------|--------------|------------------|----------|--------------------|
| DATE IN 6-1-10 | SUSPENSE | ENGINEER WJ. | LOGGED IN 6-1-10 | TYPE SWD | APP NO. 1015232967 |
|----------------|----------|--------------|------------------|----------|--------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



BoPCO

RECEIVED OCD

BEU # 122

2010 JUN -1 A 11:18

BEU 122 ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]

[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]

[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]

[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]

[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]

[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☒ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by ^{BLM} BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Valerie Truax

Print or Type Name

Valerie Truax
Signature

Reg Clerk

Title

5/24/10

Date

vtruax@basspet.com

e-mail Address

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

(432) 683-2277

PT6W 1015232967
BOPCO (260737)
Big Eddy Unit #122
30-015-27454
FAX (432) 687-0329
Fed.

May 24, 2010

Potash Area?

**Re: Notice of Application for
Authorization to Convert to SWD
Big Eddy Unit #122
Eddy County, New Mexico
File: 100-WF: BEU122.C108**

Oil Conservation Division
Attention: William Jones
1220 S. St. Francis
Santa Fe, New Mexico 87505

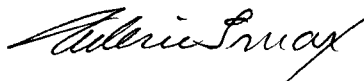
Mr. Jones:

Enclosed please find BOPCO, L.P.'s Application for Authorization to Convert for disposal purposes only into the Big Eddy Unit #122, located in Section 4, T20S, R31E, Eddy County, New Mexico. It is our intention to add perforations to the Delaware as shown on the attached well-bore sketch.

The subject well is on Federal land and a complete copy of the application has been sent to the BLM's Carlsbad office via Certified Mail. Please find a copy of the notice attached. I will provide a copy of the signed receipt card when it returns.

If additional information is required, please contact Valerie Truax at the letterhead address, phone number or via email at vltruax@basspet.com

Sincerely,

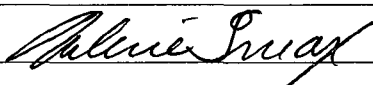


Valerie Truax
Regulatory Clerk

vlt
Attachments

RECEIVED OGD
2010 MAY 27 A 11:26

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE : _____ Secondary Recovery _____ Pressure Maintenance _____ ☒ Disposal _____ Storage
Application qualifies for administrative approval? _____ ☒ Yes _____ No
- II. OPERATOR: BOPCO, L.P.
ADDRESS : P.O. Box 2760 Midland TX 79702
CONTACT PARTY : Valerie Truax PHONE : (432)683-2277
- III. WELL DATA: Complete the data required on the reverse side of this form for each well processed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? _____ Yes _____ ☒ No
If yes, give the Division order number authorizing the project _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted.)
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.
- XIII. Applicants must complete the 'Proof of Notice' section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: Valerie Truax TITLE: Regulatory Clerk
SIGNATURE:  DATE: 05/24/2010
E-MAIL ADDRESS: vltruax@basspet.com
- * If the information required under Sections VI, VII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstance of the earlier submittal: _____

III. Well Data

A. 1) Lease name: Big Eddy Unit
Well #: 122
Section: 4
Township: 20S
Range: 31E
Footage: 1980' FNL & 1980' FWL

2) Casing Info:

| Casing size | Set depth | Sacks cmt | Hole size | TOC | Method |
|----------------------------------|-----------------|-----------|-----------|---------|------------|
| 11-3/4" 42# ST&C | 869' | 610 | 14-3/4" | Surface | Circulated |
| 8-5/8" 24#, 28# K-55, S-80 ST&C | 4194' | 625 | 11" | 2560' | TOC |
| 5-1/2" 17# S-95, K-55, N-80 LT&C | 11,600' | 1,550 | 7-7/8" | 3000' | TOC |
| | 11,229'-12,850' | 150 | 4-3/4" | 11,229' | TOL |

3) Tubing to be used (size, lining material, setting depth):
2-7/8" 6.5# J-55 Seal Tite IPC tbgr set @ 4,600'.

4) Name, model, and depth of packer to be used:
Lokset Nickel Plated EXT/INT PC Pkr set @ 4,600'.

B. 1) Name of the injection formation and, if applicable, the field or pool name:
Delaware formation.

2) The injection interval and whether it is perforated or open hole:
Additional Delaware perms will be added from 4,670'-6,800' to create the overall injection interval.

3) State if the well was drilled for injection or, if not, the original purpose of the well:
Drill & complete (Strawn formation) development well.

4) Give the depths of any other perforated intervals and detail on the sacks of cement or BPs used to seal off such perforations:
The well currently has perms located at 6,875-6,892'. CIBP will be set at 6,870' w/ 35' Class C cmt dump bailed.

5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any:
Higher: None
Lower: Bone Spring @ 6940'

GPM S CORPORATION

COM _____ SHEET NO. 1 OF 1

SURVEY 4" DRISCO PL & 5 LPMs. TO CONNECT THE
NATURE OF WORK BASS ENTERPRISES PROD., #122 BIG EDDY UNIT DATE 4/27/93 LINE NO. "V-11-2-1"

DISTRICT NEW MEXICO REGION PLANT OR STATION ZIA GS JOB OR AFE NO. NG-N93E4

SEC. 4 TWP. 20-S [REDACTED] RANGE 31-E SURVEY NMPM CO. EDDY STATE N.M.

STUDY NO. 93ZIA003

QUAD. MAP: R.R. 27

32|33

NORTH

T-19-S

33 | 34

54

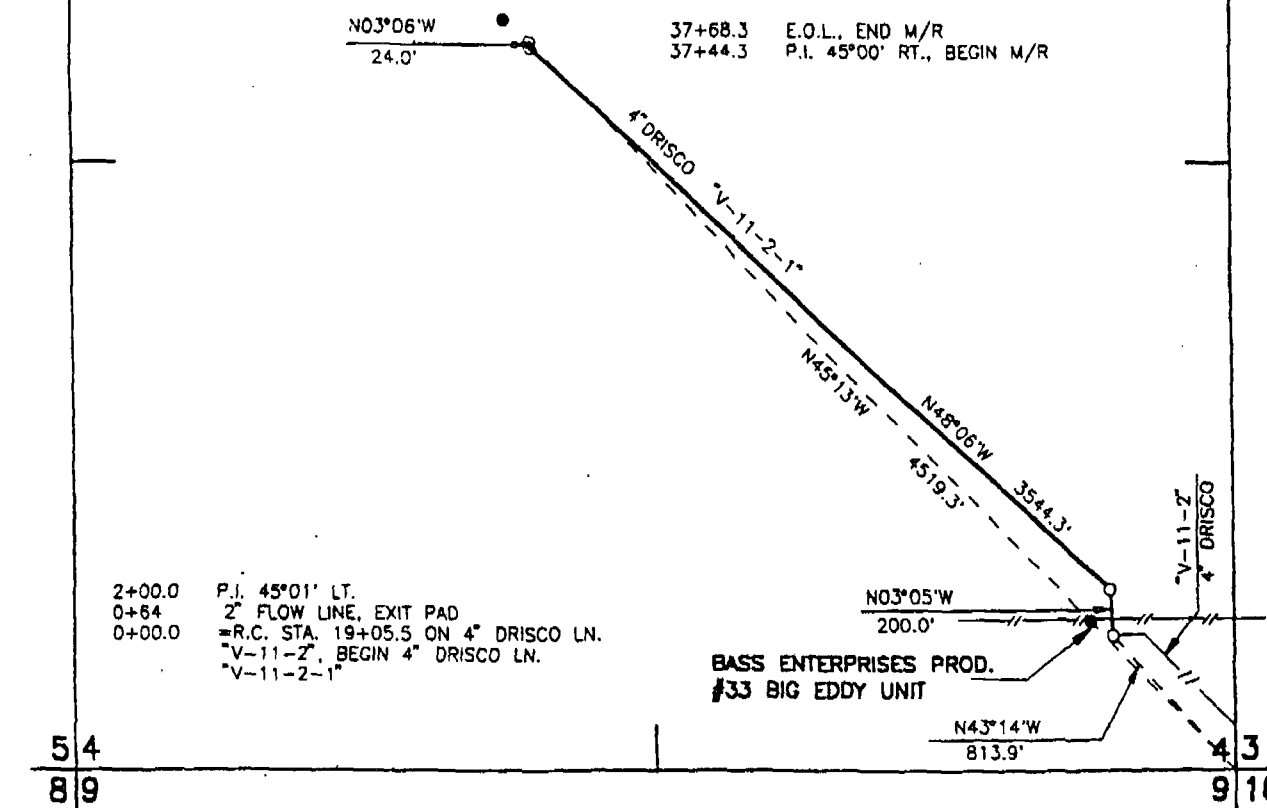
T-20-S

43

U.S.A.
LAND

BASS ENTERPRISES PROD.
#122 BIG EDDY UNIT

Exhibit C
May 11, 1995
NM90742



SCALE: 1" = 800'

REMARKS A PROPOSED 4" DRISCO PIPELINE

A 3768.3 FOOT STRIP OF LAND 50.0 FEET WIDE OR 0.71 MILES

IN LENGTH.

F/N BY JOHN WEST ENGINEERING - HOBBS, JLP#78, 93-11-0678

GPM0676

SIGNED Sytha D. L. L. L. GROUP OR
CORP. STAFF G & GL

FOR CHANGES & RESURVEYS, THIS PLAT TO BE ACCOMPANIED
BY PIPE LINE REPORT, FORM NO. 3997

PC - CE SURVEYING, MAPPING & PIPELINE RECORD SECTION

FROM: S. COLSTON

RE: ☐ RESURVEY ☒ STAKING

PTRE&C NO: EDDY 1201

DENI LORSON, 149 PBA B'VILLE (ORIGINAL)

CC: PLANT ZIA GS

JIM BRANTLEY, ODESSA

YOLANDA GALVAN, ODESSA

WILSON VANLOON, ODESSA

T. S. RENDON, HOBBS

SHON WILLIAMS, HOBBS

J. L. SWIT

AFE FILES

RESURVEY E

| | |
|--------------------------------------|----------|
| BARTLESVILLE OFFICE TO FILL IN BELOW | |
| MAP NO. | SHT. NO. |
| PLOTTED BY | |
| DATE | |

FORM 1397-N 6-89

PROPOSED WELLBORE DIAGRAM

Lease: **BIG EDDY UNIT**

Well No.: **122**

Field: **HACKBERRY (MORROW) SE GAS - ACT**

HACKBERRY (STRAWN) SOUTH

Location: **1980' FNL & 1980' FWL, SEC 4, T20S, R31E**

County: **EDDY** St: **NM**

API: **30-015-27454**

Surface Csg.

Size: 11 3/4
Wt: 42
Grd: H-40
Set @: 869
Sxs cmt: 610
Circ: Y
TOC: Surf
Hole Size 14 3/4

Intermediate Csg.

Size: 8 5/8
Wt: 24/28
Grd: K55/S80
Set @: 4194
Sxs Cmt: 625
Circ: N
TOC: 2560 est
Hole Size 11 to 4200

Production Csg.

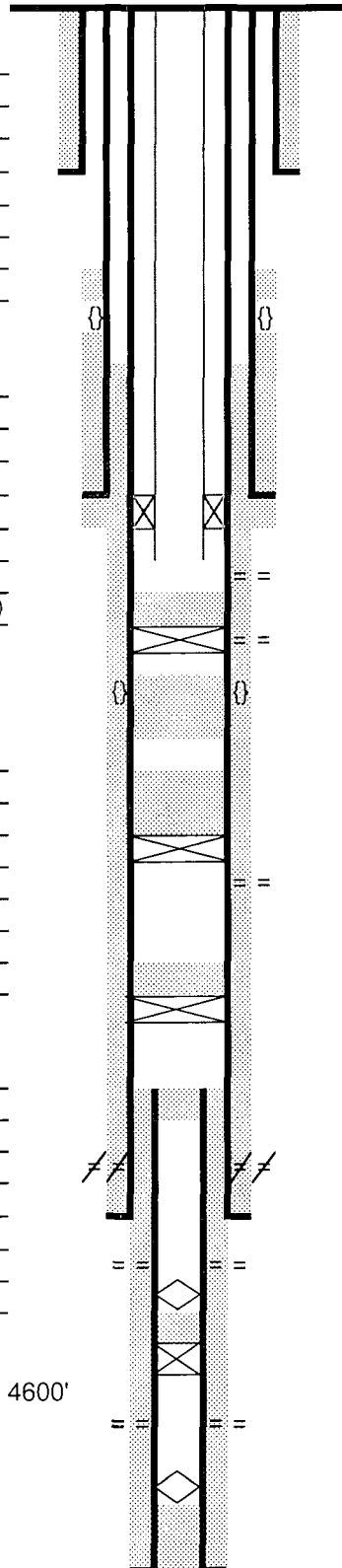
Size: 5 1/2
Wt: 17
Grd: K55/N80/S95
Set @: 11600
Sxs Cmt: 1550
Circ: N
TOC: 3000 est
Hole Size 7 7/8

Production Csg.

Size: 3 1/2
Wt: 9.3
Grd: L-80
Set @: 11229-12850
Sxs Cmt: 150
Circ: Y
TOC: 11229 TOL
Hole Size 4 3/4

Tubing

2 7/8" J-55 Seal Tite IPC @ 4600'



KB: 3503'
GL: 3486'
Spud Date: 6/24/93
Compl. Date: 8/23/93
TA'D: 7/26/07
RE-ENTERED: 1/14/10

869' 11 3/4

Yates

2580'

2560'

TOC 8 5/8" csg

2872'

DVTTool

3000'

TOC 5 1/2" csg

Delaware

4186'

4194' 8 5/8

Lokset Nickel Plated Ext/Int pkr @ 4600'

EOT 4600'

Injection Interval - 4670' - 6800'

CIBP @ 6870' w/ 35' CI C cmt dump bailed

6875-92' LBC Perfs

7009'

DVTTool

6948 - 7088' - 25 sxs CI C cmt

9999 - 10368' - 30 sxs CI H cmt

10368' CIBP

10378-98' Wolfcamp Perfs

11147 - 11190' - Dumped bailed 35' cmt on CIBP

11190' CIBP

11245 - 11345' - Cement plug, 60 sxs CI H

11368 - 11412' - Strawn (Sqzd)

11600' 5 1/2

12440 - 12484' - Morrow

Fish: Blanking Plug

12620' 30' CI H cmt cap

12650' CIBP

12714 - 12728' - L Morrow Perfs

cone from bit

12785'

12850' 3 1/2

Updated: 5/6/10

Author: crm

Engr: CCC

PBTD: 6948

TD (1993): 11600

LOGGERS TD (1997): 12850

Current Wellbore Diagram



Schematic - Production

Well ID: 30-015-27454

Field: Hackberry Strawn, South 29460

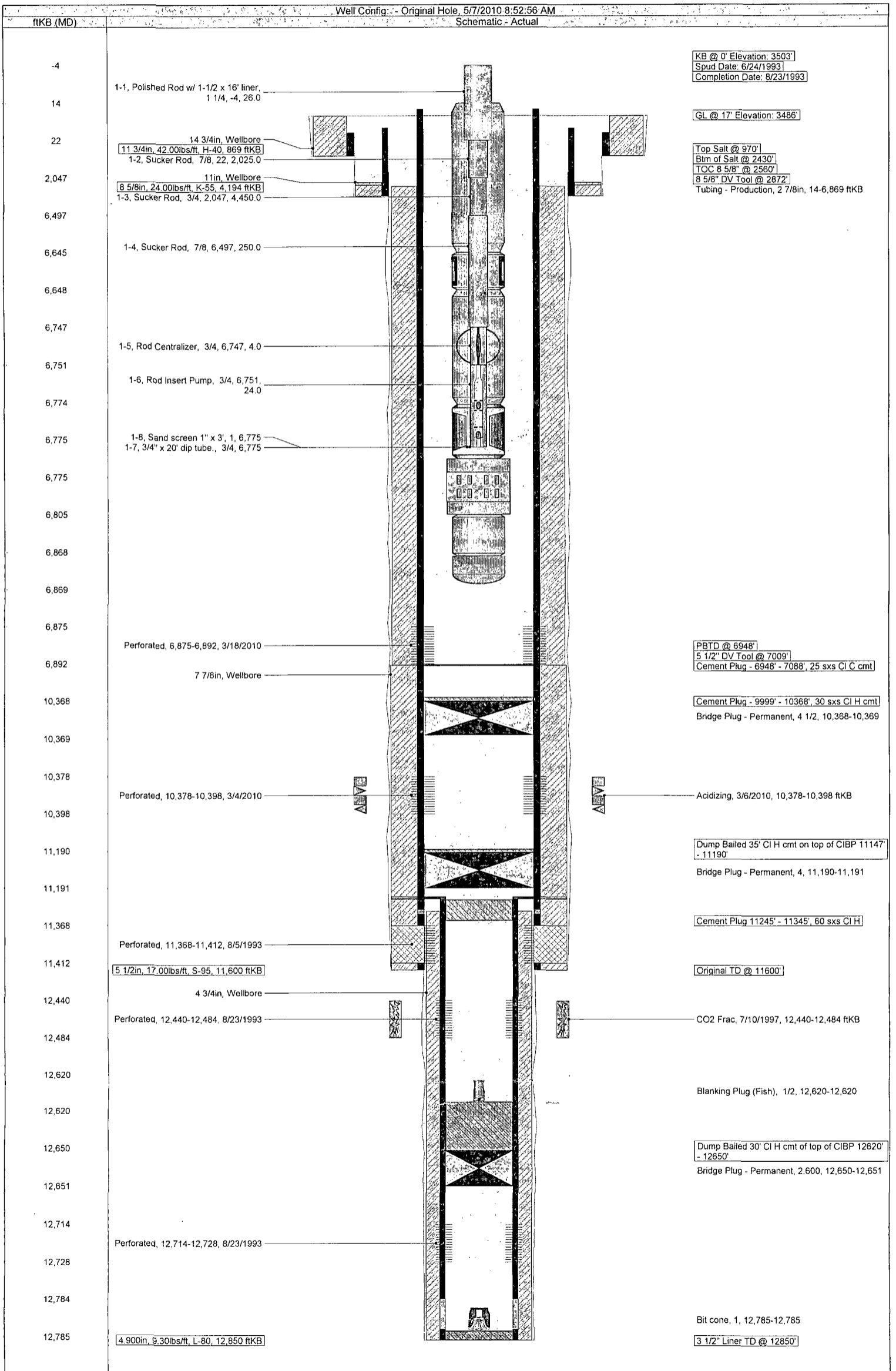
BOPCO, L.P. - West Texas

Well Name: BIG EDDY UNIT #122

Sect: Town 20S Rng: Eddy Co. State: New Mexico

Most Recent Job

| Job Category | Primary Job Type | Secondary Job Type | Job Start Date | Job End Date |
|---------------------|------------------|--------------------|----------------|--------------|
| Completion/Workover | Recompletion | | 3/3/2010 | 3/10/2010 |



C-108 DATA

- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

| Well Name | No. | API | Operator | Type | Location | Construction | | | | | Spud Date | Comp Date | TD | Perforations | | Stimulation |
|---------------|-----|--------------|--------------------|-------------|---|--|---------------------|-------------------|--------|----|------------|------------|---------|--------------|----|-------------|
| | | | | | | Surface Casing | Intermediate Casing | Production Casing | Tubing | | | | | | | |
| lies-Federal | 1 | 30-015-05820 | Culbertson & Irwin | P&A | 1980' FSL & 1980' FEL. Sec 4, T20S, R31E | 11-3/4" @ 852' C/150 sx, Lite 8-5/8" @ 4234' C/300 sx, Lite 900' 860' sx, 1062' 200' ms00' csg | NA | NA | NA | NA | 10/25/1944 | 11/20/1944 | 11,550' | NA | NA | NA |
| Sohack 33 Fed | 1 | 30-015-27665 | BOPCO, LP | Not Drilled | 660' FSL & 2080' FWL Sec 33, T19S, R31E | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |

- VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected: 1500 average, 2,500 BWPD
2. Whether the system is open or closed: closed
3. Proposed average and maximum injection pressure: 834 psi average, 934 psi maximum
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water: water will be produced from same reservoir (Delaware)
5. If injection is for disposal purposes into a zone not productive of oil & gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water: n/a

VIII.

Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with TDS of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval:

Lithologic Detail: Sand, Shale Sequences
Geological Name: Delaware Mountain Group
Thickness: 2755'
Depth: 4186'-5940'

The Rustler Formation is a known source of fresh water throughout this geographic area. Average depth of Rustler is 687'-991'. No sources of fresh water are known to exist below the proposed disposal zone.

- IX. Describe the proposed stimulation program, if any:

The new perms will be perforated and acidized with approximately 50 gallons 7-12% NEFE HCl per foot.

- X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted.) Logs previously submitted.

- XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
No known fresh water wells within one mile of proposed well.

- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrology connection between the disposal zone and any underground sources of drinking water.

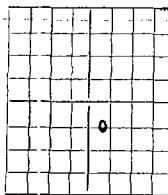
Applicant hereby affirms that he has examined the available geologic and engineering data and finds no evidence of open faults, or other hydrologic connection between the disposal zone and any underground source of drinking water.

***See Instructions on Reverse Side**

NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

WELL RECORD

AREA 40 ACRES
LOCATE WELL CORRECTLY

Mail to Oil Conservation Commission, Santa Fe, New Mexico, or its proper agent not more than twenty days after completion of well. Follow instructions in the Rules and Regulations of the Commission. Indicate questionable data by following it with (?). SUBMIT IN TRIPlicate

Culbertson & Irwin, Inc., Box 1071, Midland, Texas

Lessee Federal Well No. 1 of Sec. 4, T. 20-S

R. 11 N. M. P. M. Wildcat Field, Eddy County.

(1930) Well 13300 feet south of the North line and 1980 feet west of the East line of Sec. 4

If State land the oil and gas lease is No. Assignment No.

If patented land the owner is Address

If Government land the permittee is Abbie Iles Address Las Cruces, N. M.

The Lessee is Culbertson & Irwin, Inc. Address Above

Drilling commenced 10-25-1944 Drilling was completed 11-20-1944

Name of drilling contractor Sam Sanders Address Artesia, New Mexico

Elevation above sea level at top of casing 3480 feet.

The information given is to be kept confidential until 19

OIL SANDS OR ZONES

No. 1, from None to No. 4, from to

No. 2, from to No. 5, from to

No. 3, from to No. 6, from to

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from 150 to 175 feet. 1 barrel per Hr.

No. 2, from 2775 to feet. Sulphur str. per Hr

No. 3, from to feet.

No. 4, from to feet.

CASING RECORD

| SIZE | WEIGHT PER FOOT | THREADS PER INCH | MAKE | AMOUNT | KIND OF SHOE | CUT & FILLED FROM | PERFORATED FROM TO | PURPOSE |
|---------|-----------------|------------------|------|--------|--------------|-------------------|--------------------|----------|
| 10-3/4" | | | Used | 515 | TP | All pulled | | Water SO |
| 8-5/8" | 28.5 | 8 | " | 925 | TP | 550' | | Top bit |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

MUDDING AND CEMENTING RECORD

| SIZE OF HOLE | SIZE OF CASING | WHERE SET | NO. SACKS OF CEMENT | METHOD USED | MUD GRAVITY | AMOUNT OF MUD USED |
|--------------|----------------|-----------|---------------------|-------------|-------------|--------------------|
| 10" | 8-5/8" | 925' | 50 | Halliburton | | Circ. to surface |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

PLUGS AND ADAPTERS

Heaving plug—Material Flugging record ~~xxxx~~ Over Depth Set

Adapters—Material Size

RECORD OF SHOOTING OR CHEMICAL TREATMENT

| SIZE | SHELL USED | EXPLOSIVE OR CHEMICAL USED | QUANTITY | DATE | DEPTH SHOT OR TREATED | DEPTH CLEANED OUT |
|------|------------|----------------------------|----------|------|-----------------------|-------------------|
| | | | NONE | | | |
| | | | | | | |
| | | | | | | |

Results of shooting or chemical treatment

RECORD OF DRILL-STEM AND SPECIAL TESTS

If drill-stem or other special tests or deviation surveys were made, submit report on separate sheet and attach hereto.

TOOLS USED

Rotary tools were used from feet to feet, and from feet to feet

Cable tools were used from 0 feet to 2775 feet, and from feet to feet

PRODUCTION

Put to producing ~~ANY & ABANDONED~~ 19

The production of the first 24 hours was barrels of fluid of which % was oil; %

emuls on; % water; and % sediment Gravity, Be

If gas well, cu. ft. per 24 hours Gallons gasoline per 1,000 cu. ft. of gas

Rock pressure, lbs. per sq. in.

EMPLOYEES

Sam Sanders—Contractor Driller Driller

FORMATION RECORD ON OTHER SIDE

I hereby swear or affirm that the information given herewith is a complete and correct record of the well and all work done on it so far as can be determined from available records.

Subscribed and sworn to before me this 28th

Midland, Texas, Nov. 28, 1944

Name CULBERTSON & IRWIN, INC.

Position By President

Representing Company or Operator

My Commission expires June 1, 1945 Address Box 1071, Midland, Texas

Notary Public

Louise Wanner

No wellbore
sketch
available on
OCD website

FORMATION RECORD

| FROM | TO | THICKNESS IN FEET | FORMATION |
|------|------|----------------------|---|
| 0 | 720 | 720 | Redbeds |
| 720 | 760 | 40 | Anhy. and red Shale |
| 760 | 770 | 10 | Anhy. |
| 770 | 790 | 20 | Dolomite |
| 790 | 860 | 70 | Anhydrite |
| 860 | 890 | 30 | Dolomite |
| 890 | 920 | 30 | Anhy., Red Sand and Shale |
| 920 | 2400 | 1480 | Salt |
| 2400 | 2455 | 55 | Anhy. |
| 2455 | 2590 | 135 | Buff Dol., Anhy., Sand, Shale. |
| 2590 | 2680 | 90 | Brown Dol., Anhy., Sand |
| 2680 | 2775 | 95 | Gray Dol., Sand, Shale -- TD. |
| | 2775 | | Sulphur Water--approximately 1 Bailer Per Hour. |
| | | | Plugged with 300# Lead Wool, 10 sax cement on bottom, mud to surface; 10 sax cement at base of Salt; 10 sax cement at top of Salt and 15 sax cement at surface. |

2.

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

☐ Agent
☐ Addressee
☐ Yes
☐ No

X

D. Is delivery address different from item 1?
If YES, enter delivery address below:

7160 3901 9846 3454 5889

3. Service Type **CERTIFIED MAIL**4. Restricted Delivery? (Extra Fee) ☐ Yes

1. Article Addressed to:

LINE 1•

Bureau of Land Management
620 E. Greene Street
Carlsbad, NM 88220-6292

pey122
plu727
Dwd

PS Form 3811, January 2005

Domestic Return Receipt

Thank you for using Return Receipt Service

FOLD AND TEAR HERE

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Monday, June 07, 2010 3:38 PM
To: 'Truax, Valerie L.'
Cc: Ezeanyim, Richard, EMNRD
Subject: Disposal application from BOPCO, L.P.: Big Eddy Unit #122

Hello Valerie:

I just glanced at this but to prevent delays until I can look at it further:

- a. One portion of the ½ mile circle falls outside the Big Eddy Unit. Who controls the Delaware minerals in Unit Letters M, N, and O of Sec 33 to the north? Were they notified?
- b. Does BOPCO control all rights within the Big Eddy Unit in the Delaware formation?... just concerned about within the ½ mile AOR....
- c. Who owns the surface of this well site?
- d. What members of the Delaware are in the depth range 4670 to 6800 feet? ... send geo picked formation tops....
- e. Do you have any evidence this interval is not productive? Log analysis, etc....

You have seen this, but copying the pertinent notice rules below:

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.

.....

(2) The applicant shall furnish, by certified or registered mail, a copy of the application to each owner of the land surface on which each injection or disposal well is to be located and to each leasehold operator or other affected person within any tract wholly or partially contained within one-half mile of the well.

Will Jones
New Mexico
Oil Conservation Division
[Images](#) [Contacts](#)

Jones, William V., EMNRD

From: Truax, Valerie L. [VLTruax@BassPet.Com]
Sent: Thursday, June 10, 2010 3:53 PM
To: Jones, William V., EMNRD
Subject: FW: BEU 122.....SWD conversion

From: Cruz, Carlos
Sent: Wednesday, June 09, 2010 3:19 PM
To: Truax, Valerie L.
Subject: Fw: BEU 122.....SWD conversion

From: Deans, Jack
To: Ludwick, Larry; Cruz, Carlos
Sent: Wed Jun 09 15:15:44 2010
Subject: RE: BEU 122.....SWD conversion

Carlos,

| Well | T/BeC | T/CC | T/BrC |
|---------|--|------|-------|
| PLU 79 | 4070 | 4895 | 6262 |
| PLU127 | 4033 | 4879 | 6227 |
| BEU 122 | No BC sand present, however T/ Delaware is 4188 | 4330 | 5600 |

Hope this helps.

Jack D. Deans
Geologist
BOPCO, L.P.
201 Main St., Ste. 2900
Fort Worth, TX 76102
817-390-8564
jdeans@basspet.com

From: Ludwick, Larry
Sent: Wednesday, June 09, 2010 8:41 AM
To: Cruz, Carlos
Cc: Deans, Jack
Subject: RE: BEU 122.....SWD conversion

Carlos,

We don't have las data for either the BEU 122 or the PLU 127 on our database; do you have? If not, I can probably get from data service that we use but may take a few days.

Jack,

Could you provide tops for Bell Canyon, Cherry Canyon, & Brushy Canyon for following wells; Midland needs for permitting SWD recompletions.

PLU 79; 30-015-27438
PLU 127; 30-015-29460
BEU 122; 30-015-27454

Larry Ludwick
BOPCO, L.P.
Petrophysical Specialist
Work: 817-339-7024
Cell: 817-692-0907
Email: lludwick@basspet.com

From: Cruz, Carlos
Sent: Tuesday, June 08, 2010 4:18 PM
To: 'Ludwick, Larry'
Subject: BEU 122.....SWD conversion

Larry,

Can we get some log analysis and tops on the BEU 122 as well? We are permitting this well for SWD also.

API# 30-015-27454
Permitted interval: 4670'-6800'

Thanks,

Carlos Cruz
BOPCo, L.P.
Division Production Superintendent
(432)683-2277 office
(432) 238-9443 cell

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Monday, June 21, 2010 4:18 PM
To: 'Truax, Valerie L.'
Subject: RE: Disposal application from BOPCO, L.P.: Big Eddy Unit #122

Hello Valerie:
Did you send anything on items A, B, and C below?

[Will Jones](#)
New Mexico
Oil Conservation Division
[Images](#) [Contacts](#)

From: Jones, William V., EMNRD
Sent: Monday, June 07, 2010 3:38 PM
To: 'Truax, Valerie L.'
Cc: Ezeanyim, Richard, EMNRD
Subject: Disposal application from BOPCO, L.P.: Big Eddy Unit #122

Hello Valerie:
I just glanced at this but to prevent delays until I can look at it further:

- a. One portion of the ½ mile circle falls outside the Big Eddy Unit. Who controls the Delaware minerals in Unit Letters M, N, and O of Sec 33 to the north? Were they notified?
- b. Does BOPCO control all rights within the Big Eddy Unit in the Delaware formation?... just concerned about within the ½ mile AOR....
- c. Who owns the surface of this well site?
- d. What members of the Delaware are in the depth range 4670 to 6800 feet? ... send geo picked formation tops....
- e. Do you have any evidence this interval is not productive? Log analysis, etc....

You have seen this, but copying the pertinent notice rules below:

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.

.....
(2) The applicant shall furnish, by certified or registered mail, a copy of the application to each owner of the land surface on which each injection or disposal well is to be located and to each leasehold operator or other affected person within any tract wholly or partially contained within one-half mile of the well.

[Will Jones](#)
New Mexico
Oil Conservation Division
[Images](#) [Contacts](#)

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Tuesday, June 22, 2010 9:28 AM
To: 'Truax, Valerie L.'
Subject: RE: Disposal application from BOPCO, L.P.: Big Eddy Unit #122

Hello Valerie:

When Brad talks to you, since he is your Landman, will you confirm with him that BOPCO owns everything in the ½ mile circle inside the BEU?

...then that leaves only Unit Letters M and N in Section 33 (to the North) for Brad to check on.

Let me know when Brad gets back to you.

Will Jones
New Mexico
Oil Conservation Division
[Images](#) [Contacts](#)

From: Truax, Valerie L. [mailto:VLTruax@BassPet.Com]
Sent: Tuesday, June 22, 2010 6:09 AM
To: Jones, William V., EMNRD
Subject: RE: Disposal application from BOPCO, L.P.: Big Eddy Unit #122

I have spoken to Brad Glasscock about item A – so I am waiting on him. As for B, I asked Carlos about those – we controls all rights within the BEU in the Delaware and the US owns the surface of the well site. Does this answer your questions – if not I can provide you with whatever else you may need. Thanks. Valerie

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]
Sent: Monday, June 21, 2010 5:18 PM
To: Truax, Valerie L.
Subject: RE: Disposal application from BOPCO, L.P.: Big Eddy Unit #122

Hello Valerie:
Did you send anything on items A, B, and C below?

Will Jones
New Mexico
Oil Conservation Division
[Images](#) [Contacts](#)

From: Jones, William V., EMNRD
Sent: Monday, June 07, 2010 3:38 PM
To: 'Truax, Valerie L.'
Cc: Ezeanyim, Richard, EMNRD
Subject: Disposal application from BOPCO, L.P.: Big Eddy Unit #122

Hello Valerie:
I just glanced at this but to prevent delays until I can look at it further:

- a. One portion of the ½ mile circle falls outside the Big Eddy Unit. Who controls the Delaware minerals in Unit Letters M, N, and O of Sec 33 to the north? Were they notified?

- b. Does BOPCO control all rights within the Big Eddy Unit in the Delaware formation?... just concerned about within the ½ mile AOR....
- c. Who owns the surface of this well site?
- d. What members of the Delaware are in the depth range 4670 to 6800 feet? ... send geo picked formation tops....
- e. Do you have any evidence this interval is not productive? Log analysis, etc....

You have seen this, but copying the pertinent notice rules below:

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.

.....

(2) The applicant shall furnish, by certified or registered mail, a copy of the application to each owner of the land surface on which each injection or disposal well is to be located and to each leasehold operator or other affected person within any tract wholly or partially contained within one-half mile of the well.

Will Jones
 New Mexico
 Oil Conservation Division
Images Contacts

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

Truax, Valerie L.

From: Cruz, Carlos
Sent: Monday, June 28, 2010 9:29 AM
To: Truax, Valerie L.; Belt, Sandra J.
Subject: FW: BEU 122 SWD Conversion Notification
Attachments: 19S-31E-W2.pdf; 20-31-5-E2.xls

Carlos Cruz
BOPCo, L.P.
Division Production Superintendent
(432)683-2277 office
(432)238-9443 cell

NOTICES Sent when?
7/1/10

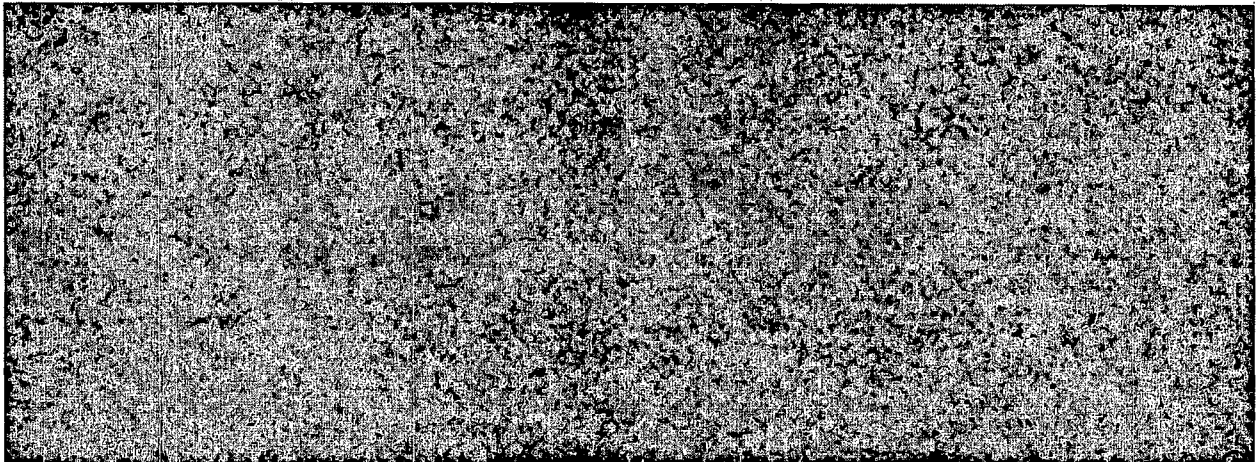
From: Glasscock, Brad
Sent: Monday, June 28, 2010 8:58 AM
To: Cruz, Carlos
Cc: Montgomery, Monty
Subject: BEU 122 SWD Conversion Notification

Carlos,
Please send SWD notifications the owners listed on the attached reports. Oxy is the only other owner in Section 4, 20S-31E that needs to be notified. Let me know if you need any additional information.

Thanks,

Brad Glasscock
BOPCO, L.P.
201 Main Street, Suite 2900
Fort Worth, TX 76102
Office : (817)339-7185
Cell : (817)821-0824
Fax: (817)339-7102

6/29/2010



Leasehold Takeoff**June 24, 2010****Township 20 South, Range 31 East, NMPM, Eddy County , New Mexico****Section 5: Lots 1-2, S/2NE/4, SE/4 (E/2)****Last Instrument: 668/893 Recorded: 11/07/2006****Lease # 1:**

Federal Oil & Gas Lease: FED NMLC-068408
Lessee: Woodlan P. Saunders
Land Description: Lots 1-2, S/2NE/4, SE/4 (E/2)
Date Issued: 11/1/1951
Royalty Rate: 1/8
Held By Production: HBP

*WI only***E/2****Limited to depths from the surface to the base of the Strawn formation**

| Owner | WI | NRI | INT - TYPE | Net Acres |
|--|------------|------------|------------|-----------|
| MMS | | 0.12500000 | RI | |
| Cannon Exploration 3608 S. County Road #1184 Midland, TX 79701 (SEE NOTE #1) | | 0.00075000 | ORRI | |
| Hollyhock Corp. 3907 Crestgate Midland, TX 79707 (SEE NOTE #1) | | 0.00075000 | ORRI | |
| Pathfinder Exploration Company 4306 Crestgate Midland, TX 79707 (SEE NOTE #1) | | 0.00112500 | ORRI | |
| Tara-Jon Corp. 6003 Meadowview Lane Midland, TX 79707 (SEE NOTE #1) | | 0.00112500 | ORRI | |
| Rio Pecos Corp. 110 W. Louisiana #210 Midland, TX 79701 (SEE NOTE #1) | | 0.00112500 | ORRI | |
| Occidental Permian Ltd. P.O. Box 4294 Houston, TX 77210 (SEE NOTE #1) | | 0.02500000 | ORRI | |
| Wills Royalty, Inc. P.O. Box 1658 Carlsbad, NM 88220 | | 0.01000000 | PP | |
| Woodlan P. Saunders 1442 Seville Rd Santa Fe, NM | | 0.02000000 | PP | |
| Pathfinder Exploration Company 4306 Crestgate Midland, TX 79707 (SEE NOTE #1) | 0.02500000 | 0.01987500 | WI | 7.88 |
| Tara-Jon Corp. 6003 Meadowview Lane Midland, TX 79707 (SEE NOTE #1) | 0.02500000 | 0.01987500 | WI | 7.88 |

| | | | | |
|--|-------------------|-------------------|----|---------------|
| Rio Pecos Corp. 110 W. Louisiana #210 Midland, TX 79701 (SEE NOTE #1) | 0.02500000 | 0.01987500 | WI | 7.88 |
| Cannon Exploration 3608 S. County Road #1184 Midland, TX 79701 (SEE NOTE #1) | 0.05000000 | 0.03975000 | WI | 15.77 |
| Hollyhock Corp. 3907 Crestgate Midland, TX 79707 (SEE NOTE #1) | 0.05000000 | 0.03975000 | WI | 15.77 |
| SRBI O&G NM LLC 201 Main Street #2700 Fort Worth, TX 76012 | 0.09375000 | 0.07921875 | WI | 29.57 |
| Thru Line O&G NM LLC 201 Main Street #2700 Fort Worth, TX 76012 | 0.09375000 | 0.07921875 | WI | 29.57 |
| Keystone O&G NM LLC 201 Main Street #2700 Fort Worth, TX 76012 | 0.09375000 | 0.07921875 | WI | 29.57 |
| LMBI O&G NM LLC 201 Main Street #2700 Fort Worth, TX 76012 | 0.09375000 | 0.07921875 | WI | 29.57 |
| CTV O&G NM LLC 201 Main Street #2700 Fort Worth, TX 76012 | 0.12500000 | 0.10562500 | WI | 39.42 |
| Khody Land & Minerals Co. 3817 NW Expressway, Suite 950 Oklahoma City, OK 73112 (SEE NOTE #1) | 0.32500000 | 0.25350000 | WI | 102.50 |
| Total | 1.00000000 | 1.00000000 | | 315.37 |

NOTE #1: Subject to Assignment dated 10/01/1991 from Amoco Production Company to Rio Pecos Corporation assigning 50.0% interest in the captioned lease, lands & depths for a **term of 3 years** or for as long as producing in commercial quantities. Has a 120 day continuous drilling clause and at expiration of primary term and/or continuous drilling, all lands not in a producing proration unit as well as depths 100 feet below total depth drilled in producing proration units revert back to Assignor. BLM (by Shutz Abstract) shows operating rights in owners above, although there does not appear to be a producing well in captioned lands.

E/2

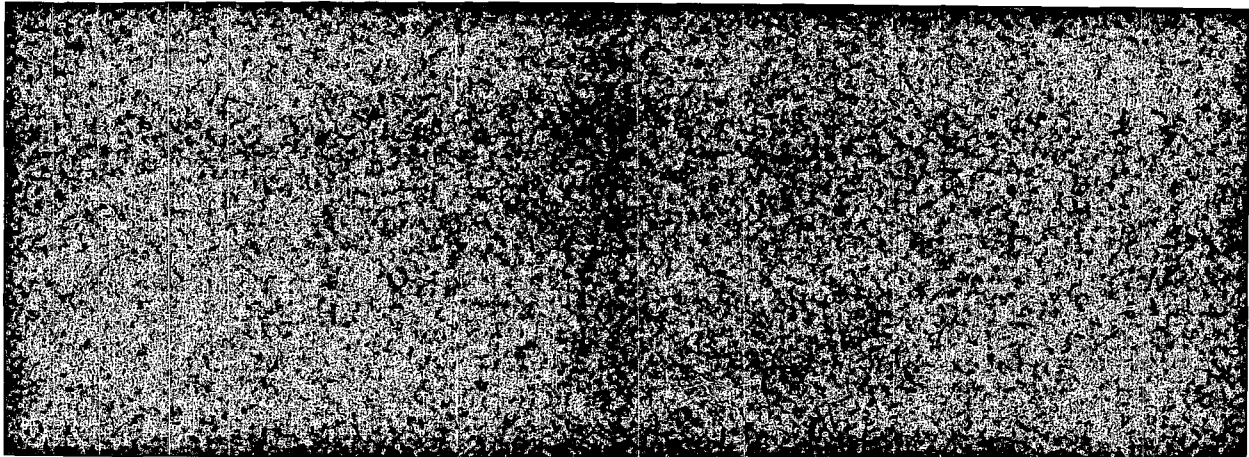
Limited to depths below the base of the Strawn formation

Not there

| Owner | WI | NRI | INT - TYPE | Net Acres |
|---|------------|------------|------------|-----------|
| MMS | | 0.12500000 | RI | |
| Wills Royalty, Inc. P.O. Box 1658 Carlsbad, NM 88220 | | 0.01000000 | PP | |
| Woodlan P. Saunders 1442 Seville Rd Santa Fe, NM | | 0.02000000 | PP | |
| SRBI O&G NM LLC 201 Main Street #2700 Fort Worth, TX 76012 | 0.18750000 | 0.15843750 | WI | 59.13 |
| Thru Line O&G NM LLC 201 Main Street #2700 Fort Worth, TX 76012 | 0.18750000 | 0.15843750 | WI | 59.13 |
| Keystone O&G NM LLC 201 Main Street #2700 Fort Worth, TX 76012 | 0.18750000 | 0.15843750 | WI | 59.13 |

| | | | | |
|--|-------------------|-------------------|----|---------------|
| LMBI O&G NM LLC 201 Main Street #2700 Fort Worth, TX 76012 | 0.18750000 | 0.15843750 | WI | 59.13 |
| CTV O&G NM LLC 201 Main Street #2700 Fort Worth, TX 76012 | 0.25000000 | 0.21125000 | WI | 78.84 |
| Total | 1.00000000 | 1.00000000 | | 315.37 |

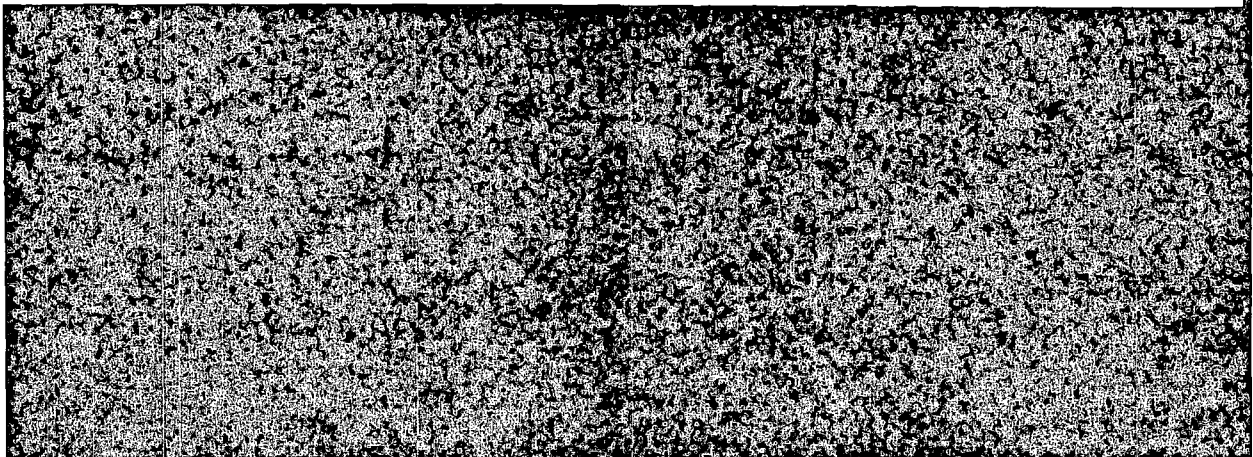
NOTE: Subject to the Big Eddy Unit Agreement dated 04/10/1952 shown in Notice dated 4/10/1952 in OG Book 59 Page 507 with Richardson And Bass as Operator.



1
T-19-S, R-31-E
Section 33: E2NW/4, SW/4
Eddy County, New Mexico
June 17, 2010

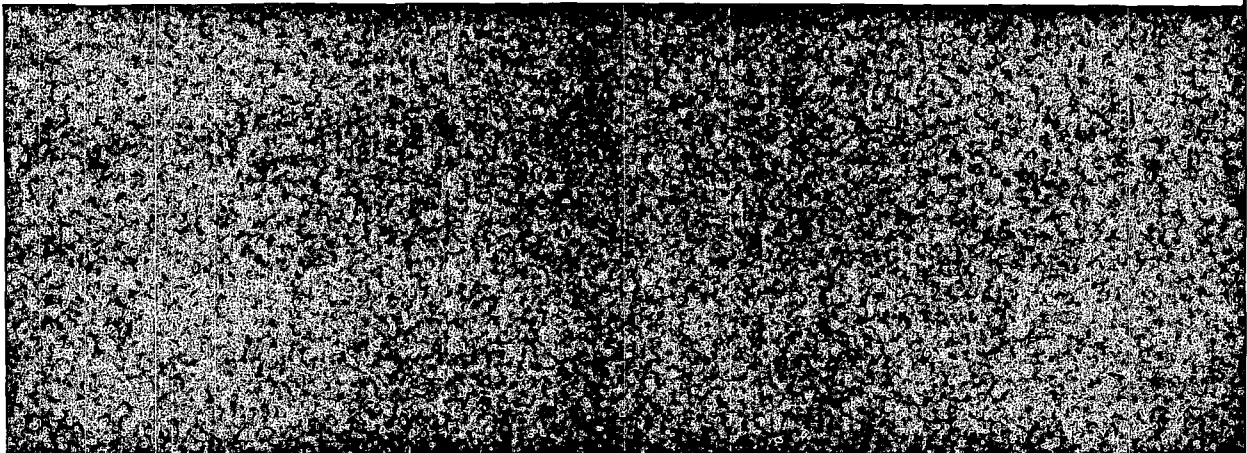
| Grantee | Interest | Comments |
|---|----------|---------------------------|
| Hanley Petroleum Inc. 415 West Wall #1500 Midland, TX 79701 | 25% | 1/8 th royalty |
| Hanley OAD Ltd. IV 415 West Wall #1500 Midland, TX 79701 | 75% | 1/8 th royalty |

Oil and Gas Lease NM 97136 from U.S. dated 9-1-1996.



T-19-S, R-31-E
Section 33: W/2NW/4
Eddy County, NM
June 17, 2010

| Vol/Page | Date | Grantor | Grantee | Comments |
|--------------|----------|---------|---|---------------------------|
| NM 101113 | 9-1-1998 | U.S. | Devon Energy Prod. Co. LP 20 N. Broadway #1500 Oklahoma City OK 73102 | 1/8 th Royalty |
| | | | | |



Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Kathy McCarroll, being first duly sworn,
on oath says:

That she is the Classified Supervisor of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

May 13 2010

That the cost of publication is **\$66.45** and that payment thereof has been made and will be assessed as court costs.

Kathy McCarroll

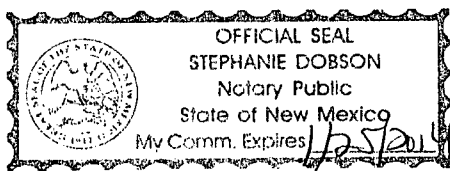
Subscribed and sworn to before me this

13th day of May, 2010

Stephanie Dobson

My commission Expires on 1/25/2014

Notary Public



May 13, 2010

**NOTICE OF
APPLICATION FOR
SALTWATER
DISPOSAL WELL
PERMIT**

BOPCO, L.P. has applied to the New Mexico Oil Conservation Division for a permit to dispose of produced salt water or other oil and gas waste into a porous formation not productive of oil or gas.

The applicant proposes to dispose of produced water or other oil and gas waste into the Big Eddy Unit #122 (De la Ware Formation). The maximum injection pressure will be 934 psi and the maximum rate will be 2500 bbls produced water/day. The proposed disposal well is located 18 miles northeast of Carlsbad, New Mexico in Section 4, T20S, R31 E, Eddy County, New Mexico. The produced salt water will be disposed of a subsurface depth of 4670'-6800'.

Any questions concerning this application should be directed to Valerie Truax, Regulatory Administrative Assistant, BOPCO, L.P., P.O. Box 2760, Midland, Texas 79702-2760, (432) 683-2277.

Interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 S. St Francis Dr., Santa Fe, New Mexico 87505 within 15 days.

RECEIVED

MAY 20 2010

BOPCO WTD PRODUCTION

Injection Permit Checklist (06/24/2010)

Case _____ R- _____ SWD 1232 WFX _____ PMX _____ IPI _____ Permit Date 7/31/10 UIC Qtr (J/A/S)

Wells 1 Well Name: Big Eddy Unit #122

API Num: (30-) 05-27454 Spud Date: 8/24/93 New/Old: N (UIC primacy March 7, 1982)

Footages 1980 FNL/1980 FUL Unit F Sec 4 Tsp 205 Rge 81E County EDDY

Operator: BOLCO L.P. Contact Valerie Truax

Operator Address: 602 State Dr. Suite 300 Midland TX

OGRID 260737 RULE 5.9 Compliance (Wells) 2/385 (Finan Assur) OK IS 5.9 OK? OK

Well File Reviewed ✓ Current Status: Producing From Lower BC

General Location: North of WIPP

Diagrams: Before Conversion _____ After Conversion _____ Elogs in Imaging File: ✓

Planned Work to Well: BB to 6870'

| | Sizes Hole.....Pipe | Setting Depths | Cement Sx or Cf | Cement Top and Determination Method |
|--|------------------------|-------------------|--------------------|--|
| Existing <u>✓</u> Surface | <u>14 3/4 11 5/8</u> | <u>869</u> | <u>610</u> | <u>CPRC</u> |
| Existing <u>✓</u> Intern | <u>11 8 5/8</u> | <u>4184</u> | <u>625</u> | <u>2560</u> |
| New <u>✓</u> Existing <u>✓</u> Long St | <u>7 1/8 5 1/2</u> | <u>4600</u> | <u>1550</u> | <u>3000 TOC</u> |

DV T 7009 (43 1/4 Liner 11229-12850) Open Hole _____ Total Depth _____ Deviated Hole? _____

| Intervals: | Depths, Ft. | Formation | Producing? |
|-------------------|-------------|-----------------|--|
| Formation Above | | | |
| Formation Above | <u>4188</u> | <u>TOP Del.</u> | |
| Injection TOP: | <u>4670</u> | <u>Cherry C</u> | Max. PSI <u>934</u> Open Hole ? _____ Perfs ? <u>✓</u> |
| Injection BOTTOM: | <u>6800</u> | <u>Bruny C</u> | Tubing Size <u>2 7/8</u> Packer Depth <u>4600</u> |
| Formation Below | | | |
| Formation Below | | | |

Sensitive Areas: ✓ Captain Reef ✓ Cliff House _____ Salt Depths < 4188

..... Potash Area (B-111-P) _____ Potash Levee _____ Noticed? _____ (WIPP?) _____ Noticed? _____

Fresh Water: Depths 687-991 Formation Rubber Wells? NONE Analysis? _____ Affirmative Statement ✓

Disposal Fluid Sources: _____ Analysis? _____

Disposal Interval Production Potential/Testing: LOG analysis done Analysis _____

Notice: Newspaper (Y/N) _____ Surface Owner BLM Mineral Owner(s) _____

RULE 26.7(A) Affected Parties: See APP.

Area of Review: Adequate Map (Y/N) ✓ and Well List (Y/N) ✓

Active Wells 0 Num Repairs _____ Producing in Injection Interval in AOR _____

..... P&A Wells 0 Num Repairs _____ All Wellbore Diagrams Included? _____

Questions/Required Work: _____

Request Sent _____ Reply: _____

Lost Notices
Sent 7/1/10
Per Valerie Truax

4670
9340

Almost in
Potash BUT NOT.
in EXTreme BUT
Below
Roof