

OCD-ARTESIA

Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM 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 OIL CONSERVATION abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No. NMLG069627A NM05432803

6. If Indian, Allottee or Tribe Name ARTESIA DISTRICT

SUBMIT IN TRIPLICATE - Other instructions on reverse side. MAY 11 2017

7. If Unit or CA/Agreement, Name and/or No. NM05432803

1. Type of Well Oil Well Gas Well Other: INJECTION

8. Well Name and No. HUDSON FEDERAL 001V

2. Name of Operator BOPCO LP Contact: TRACIE J CHERRY E-Mail: tjcherry@basspet.com

9. API Well No. 30-015-21052

3a. Address P O BOX 2760 MIDLAND, TX 79702

3b. Phone No. (include area code) Ph: 432-683-2277

10. Field and Pool, or Exploratory DELAWARE; SWD 50443 GUADALUPE RIDGE, DELAWARE, SE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T23S R30E Mer NMP SENW 1830FNL 1980FWL

11. County or Parish, and State EDDY COUNTY, NM

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

Table with 2 main columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production, etc.

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 recompleat 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 recompleat 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 of intent to convert the referenced saltwater disposal well to an Observation/Monitoring well.

The Hudson Federal #1 will be one of seven (7) wells to be used for monitoring pressure changes in the Delaware formation due to historical offset disposal influence. Pressure information will be obtained by monitoring the surface pressure and obtaining annual fluid levels. Data will be submitted to the BLM by Sundry Notice. Please refer to BOPCO, LP's 2016 Plan of Development for justification and details of this observation program.

Handwritten notes: WELL LOST INJECTION AUTHORITY. SWD PERMIT EXPIRED NOV 2016. CAN NO LONGER BE USED AS AN SWD. No Justification and Details in POD WELL.

The subject was drilled and completed as an Atoka producer February 1974 and later recompleat for downhole commingle of the Brushy Canyon (August 1993) and Wolfcamp (November 1996). Disposal authority was granted September 01, 2000 per NMOCD Administrative Order SWD-788. The well was

Handwritten notes: Accepted for record 5/17/17 NMOCD

Monitor Well Shut-In Status accepted until 02/02/2018 per OAD attached

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #341022 verified by the BLM Well Information System For BOPCO LP, sent to the Carlsbad

Name (Printed/Typed) TRACIE J CHERRY

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 06/03/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

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

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.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Additional data for EC transaction #341022 that would not fit on the form

32. Additional remarks, continued

converted to disposal in November 2000 and began disposing in the Delaware through perforations 4040' - 4825'. The attached wellbore diagram shows the perforated intervals, casing detail and formation tops. Top of cement on the 7-7/8" was 7000' during initial completion. The casing was perforated at 5100' and cement squeezed to 3560' behind casing during conversion to SWD. TOC determined by CBL. The 16" & 10-3/4" casing strings are cemented to surface. The last successful MIT was performed 10/21/2015. Results submitted to BLM via sundry notice.

CURRENT WELLBORE DIAGRAM

Lease: HUDSON FEDERAL **Well No.:** 1
Field: QUAHADA RIDGE, S.E. (DELAWARE) FIELD
Location: 1830' FNL & 1980' FWL, SEC 1, T23S, R30E
County: EDDY **St:** NM **API:** 30-015-21052

Converted to SWD - 2/2/2001

KB: 3319
GL: 3298
Spud Date: 2/25/1974
 (RR) 5/17/1974
Compl. Date: 8/8/1974
Lat: 32.33605
Long: -103.83599

Surface Csg.

Size: 16"
 Wt: 65#
 Grd: H-40
 Set @: 492'
 Sxs cmt: 650
 Circ: Y
 TOC: SURF
 Hole Size: 20"

1st Intermediate Csg.

Size: 10 3/4"
 Wt: 40.5# 45#
 Grd: J-55
 Set @: 3781'
 Sxs Cmt: 1950
 Circ: Y
 TOC: SURF
 Hole Size: 12 1/4"

Production Csg.

Size: 7 5/8"
 Wt: 29.7# 33#
 Grd: S-95 N-80
 Set @: 11790'
 Sxs Cmt: 600
 Circ: Y
 TOC: 7000'/3560' (Sqz from 5100')
 Hole Size: 9 1/2"

Liner:

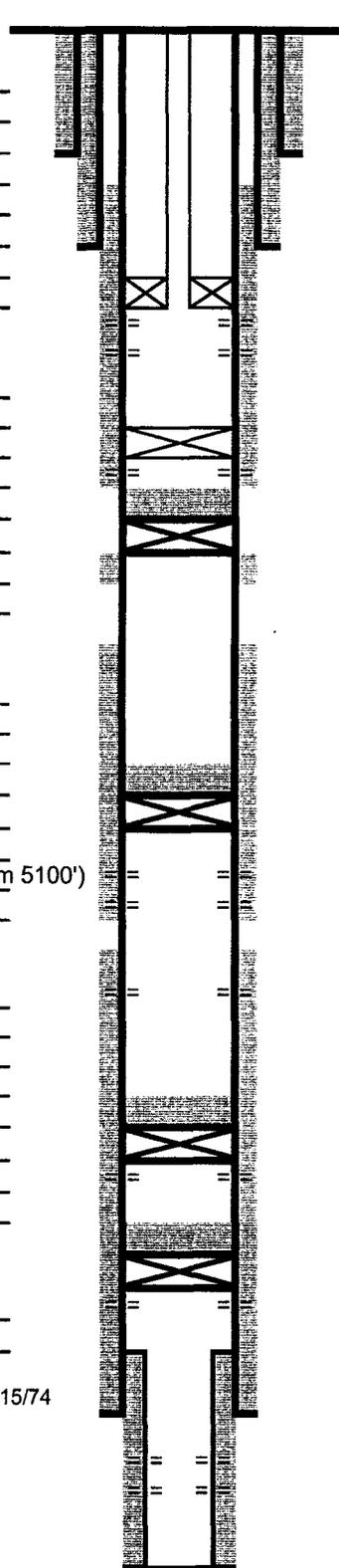
Size: 5 1/2"
 Wt: 17#
 Grd: N-80
 Set @: 11503' - 14325'
 Sxs Cmt: 275
 Circ: Y
 TOC: 11790'
 Hole Size: 6 1/2"

Tubing Data

2-7/8" 6.4# J55 Seal Tite
 2-7/8" x 7-5/8" Lok set pkr

Formation tops per completion filed 08/15/74

Delaware	3796
Bone Spring	7676
Wolfcamp	10988
Atoka	12802
Morrow	13724



0	KB
21	GL
492'	16" Csg
3560'	TOC
3781'	10 3/4" Csg
3993'	EOT / PKR
4040'	Top Perf
4825'	Btm Perf
5050'	Cmt Ret
5100'	Perf
5165'	35' of cmt
5200'	CIBP
5273' - 5405'	Cmt
6720'	Top Cmt
7135'	35' of cmt
7170'	CIBP
7201' - 7216'	
7285' - 7286'	7285' - Btm Cmt
7380'	Top Cmt
7510' - 7517'	
10865'	35' of cmt
10900'	CIBP
10915' - 10930'	
11015'	35' of cmt
11050'	CIBP
11086' - 11098'	
11503'	Top 5 1/2' Liner
11790'	7 5/8" Csg / Btm Cmt
12989 - 12995'	
13844 - 14237'	
14325'	Btm 5 1/2" Liner / TD

PERFS:

4040 - 4060'
 4070 - 4080'
 4089 - 4099'
 4130 - 4160'
 4212 - 4242'
 4342 - 4362'
 4390 - 4430'
 4453 - 4493'
 4497 - 4507'
 4525 - 4545'
 4561 - 4591'
 4640 - 4650'
 4693 - 4723'
 4805 - 4825'

PERFS:

13844 - 13856'
 13870 - 13875'
 14171 - 14177'
 14243 - 14248'
 14229 - 14237'

Updated: 6/8/2009
Author: ezg
Engr: JBB

Order of the Authorized Officer
BOPCO/XTO
Hudson - 01, API 3001521052
T23S-R30E, Sec 01, 1830FNL & 1980FEL
May 03, 2017

Records indicate no disposal volume injected since 02/2015.

The New Mexico Bureau of Land Management (BLM) Policy guideline limits total idle well status to five years. With sufficient documentation and justification via subsequent sundry reporting the AO may authorize renewal on a year-to-year, case-by-case basis.

Operator's designation of Monitoring Well status (MW) indicates the well is a service well for "Delaware Formation Observation and Monitoring". BLM accepts conversion from a Delaware WDW to a Shut-In Delaware Formation Observation/Monitoring Well.

05/03/2017 - Beginning 02/2015 until 02/03/2018 (the BLM designated renewal date) SI status accepted for record with this attached order of authorized officer. pswartz

To extend SI compliance beyond the BLM designated renewal date, submit a subsequent sundry listing:

1. Provide BLM with an (when available) electronic copy (Adobe Acrobat Document) of a cement bond log record from Packer depth or below to the top of cement with Opsig casing pressure. Attach the CBL to a pswartz@blm.gov email.
2. Provide a witnessed recent MIT record (taken in the last year) of the tubing/casing annulus.
 - i) The minimum MIT pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with a minimum 200 psig differential 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 reduction).
 - ii) Verify that all annular casing vents are open to the surface atmosphere during this pressure test.
 - iii) Document the pressure test on a one hour full rotation chart recorder (calibrated within the last 6 months) registering within 35 to 75 per cent of its full range. Greater than 10% pressure leakoff viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict status approval.
3. Maintain the annulus full of packer fluid at atmospheric pressure. Installation of equipment that will display a continuous open-air packer fluid level above the tubing/casing annulus vent is required.
4. Notify the BLM's authorized officer ("Paul R. Swartz" <pswartz@blm.gov>, cell phone 575-200-7902) to arrange for approval of the annular monitoring system.

5. Loss of packer fluid above five barrels per month indicates a developing problem. Submit a NOI plan of correction compliance for BLM approval.
6. Submit dated reports of each taken stabilized inactive shut-in wellhead and annulus pressure, fluid level, and tubing psig from no more than 20-30 feet above the injection packer on a request for renewal subsequent sundry.
7. Report operator's reasoning and conclusions drawn from the monitoring information.
8. If you do not comply as noted, you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a). Failure to comply with the INC may result in assessments as outline in 43 CFR 3163.1, and may also incur civil penalties (43CFR 3163.2). All self-certified corrections must be postmark no later than the next business day after the prescribed time frame for correction.
9. Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.
10. A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.