

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Tuesday, December 14, 2010 5:01 PM
To: 'Truax, Valerie L.'
Cc: Ezeanyim, Richard, EMNRD; Brooks, David K., EMNRD
Subject: RE: Disposal application from BOPCO, LP: Golden D Federal #1 30-015-27294 Delaware

Hello Valerie:

Thank you for bringing this to my attention –

Looks like Case 11078 (Order R-10215) created this Pressure Maintenance Project and Administrative Order PMX-108 allowed “injection” for purposes of pressure maintenance into this well. Both of these orders permitted “injection” from approx depths of 4208 to 4224 feet (or 4248 to 4310 feet).

Unless you folks have changed your mind on this subject well? It seems the new “injection” target in the subject well is 3112 to 4224, so this would raise the upper perforation over 1000 feet uphole. In addition, it appears there are two offsetting producing wells (one is shut-in) that are completed in roughly this uphole interval. So it is hard for us to call these proposed upper perms as “SWD” perms – they should be “PMX”.

I talked this over with my supervisor here and it appears there does need to be a hearing.

It seems that BOPCO should ask in its case to amend R-10215 (and possibly PMX-108) to raise the allowed injection interval for purposes of Pressure Maintenance into this Delaware reservoir. BOPCO will choose what evidence to put in front of the Division, but normally cases similar to this involve some testimony or facts from a reservoir engineer, a landman, and possibly a geologist. Your attorney will know.

I don't know what the status of this well is at this time – but it appears per PMX-108, the well is limited for injection to only depths of 4208 to 4224 feet.

Regards,

Will Jones

*Per Carlos Guy 12/15/10;
BOPCO NO LONGER WANTS TO
USE THIS 'UPPER' DELAWARE
INTERVAL.*

Administrative Order PMX-108 (permitted after R-10215 was signed)

Bass Enterprises Production Company

October 19, 2000

Golden D Federal Well No.1 (API No. 30-015-27294)

495 FNL & 1980 FWL, Unit 'C', Section 17, Township 21 South, Range 29 East, NMPPM, Eddy County, New Mexico.

Injection Interval 4208 feet to 4224 feet

Maximum Injection Pressure 842 psig — OLD

Will Jones

New Mexico

Oil Conservation Division

Images Contacts

From: Truax, Valerie L. [mailto:VLTruax@BassPet.Com]
Sent: Tuesday, December 14, 2010 9:42 AM
To: Jones, William V., EMNRD
Subject: RE: Disposal application from BOPCO, LP: Golden D Federal #1 30-015-27294 Delaware

Hey, Will, The Golden D Fed #1 is already an SWD - I've attached an approved Admin Order. This application is still good to go, but is a hearing necessary since it is already an SWD?? Step rate test data was emailed to you the end of November, but I can re-send it to you if you need it. Let me know if this answers your questions or if you need something else. Thanks! Valerie

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]
Sent: Monday, December 13, 2010 5:04 PM
To: Truax, Valerie L.
Cc: Ezeanyim, Richard, EMNRD; Cruz, Carlos; Dade, Randy, EMNRD; Wesley_Ingram@blm.gov
Subject: Disposal application from BOPCO, LP: Golden D Federal #1 30-015-27294 Delaware

Hello Valerie:
Concerning this pending application...

I copied the original request letter below for your reference. There were several other emails with this well's information in the header indicating BOPCO was going to run a Step Rate Test on this well?

As it states below in red, since this well has numerous producers around it, it must be permitted for injection only after an examiner hearing.

Today, I have looked in our pending hearing applications and don't see it – but I could have missed it.

Please let me know if this application should be withdrawn or when it will be set for hearing?
If it is set for hearing, please let me know the case number and I will put my documentation in that case file.

Many Regards,

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

From: Jones, William V., EMNRD
Sent: Friday, September 17, 2010 2:00 PM
To: 'Truax, Valerie L.'
Cc: Brooks, David K., EMNRD; Warnell, Terry G, EMNRD; Ezeanyim, Richard, EMNRD; 'Wesley_Ingram@blm.gov'
Subject: Disposal application from BOPCO, LP: Golden D Federal #1 30-015-27294 Delaware

Hello Valerie:

After reviewing this SWD application, it seems I need more info and this application should be handled at a hearing:

- a. Your mail-out notices were likely fine for this application, but it is hard to tell from my viewpoint unless you always draw the ½ mile circle on a map and establish the separately owned “tracts” of land (common mineral ownership). Please obtain this info from your landman. On a separate paper, list each of these “tracts” separately and also list whomever controls the minerals in that tract. Then show proof of notification to each “affected party” as defined in the OCD injection rules. If you do it this way, we don't have any questions... for instance in this case... I can't tell who has the Delaware mineral rights leased in Unit Letter P of Section 7 and in Unit Letters A and H of Section 18?