

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**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] OPERATOR/Applicant Name: \_\_\_\_\_ OGRD: \_\_\_\_\_  
 (If one well) Lease/Well Name: \_\_\_\_\_  
 Well API No. 30- \_\_\_\_\_ - \_\_\_\_\_

[2] 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

[3] 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  
U.S. Bureau of Land Management
- [E]  Notification and/or Concurrent Approval by SLO  
Commissioner of Public Lands, State Land Office
- [F]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [G]  Waivers are Attached

[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.**

_____ Print or Type Name	_____ Signature	_____ Title	_____ Date
		_____ e-mail Address	

OCTOBER 30, 2007

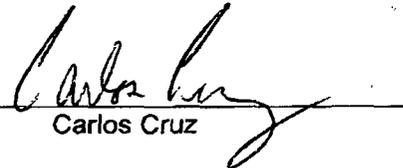
**TO:** MR. WILL JONES

**FROM:** CARLOS CRUZ

**RE:** POKER LAKE UNIT #188Y, API# 30-015-33776  
695' FNL & 1880' FWL, SECTION 5, T-24S, R-30E  
NASH DRAW (DELAWARE) FIELD  
EDDY COUNTY, NEW MEXICO

We originally planned on adding perforations at 5418'-6586' OA to the proposed SWD well, Poker Lake Unit #188Y. However we have since decided to limit water injection to the LBC "Y" zone at 7320'-7330'. We have decided to limit water disposal to this lower zone because we do not want to possibly water-out some surrounding producing wells. A temperature survey recorded after the primary cement job indicates that the top of cement is located at 4652 feet. The permitted injection interval is 4780 feet to 7330 feet; Administrative Order SWD-1065. Since we will not be adding any perforations up the hole and we do have a temperature survey indicating the TOC, is a CBL and injection profile still required? We will be rigging up on this well possibly by tomorrow and begin the water disposal operation by early next week. A packer will be set at approximately 7280 feet. Before commencing water injection we will insure that the packer provides a proper seal between the injection zone(7320'-7330') and the surface.

I would greatly appreciate your help with this matter.

  
Carlos Cruz

cc

**LEASE:** POKER LAKE UNIT **WELL #:** 188Y  
**FIELD:** NASH DRAW DELAWARE  
**LOCATION:** 695' FNL & 1880' FWL, SEC 5, T24S, R30E, UNIT C  
**COUNTY:** EDDY **ST:** NM **API:** 30-015-33776

**\*\* PROPOSED \*\***

**KB:** 3276'  
**GL:** 3256'  
**SPUD DATE:** 10/22/2004  
**COMP DATE:** 11/20/2004

**SURFACE CASING**

SIZE:	8-5/8"	
WT/GRD:	32#	J-55
CSA:	665'	
SX:	200	PERMIAN
SX:	368	C
CIRC:	Y	
TOC:	SURF	TOP OUT
HOLE SIZE:	12-1/4"	155-668'

**PRODUCTION CASING**

SIZE:	5-1/2"	
WT/GRD:	15.5# K55	0-1201'
WT/GRD:	15.5# J55	1201-5295'
WT/GRD:	15.5# L80	5295-7618'
CSA:	7618'	
SX:	750	C
CIRC:	N	
TOC:	4652'	TS
HOLE SIZE:	7-7/8"	668-7624'

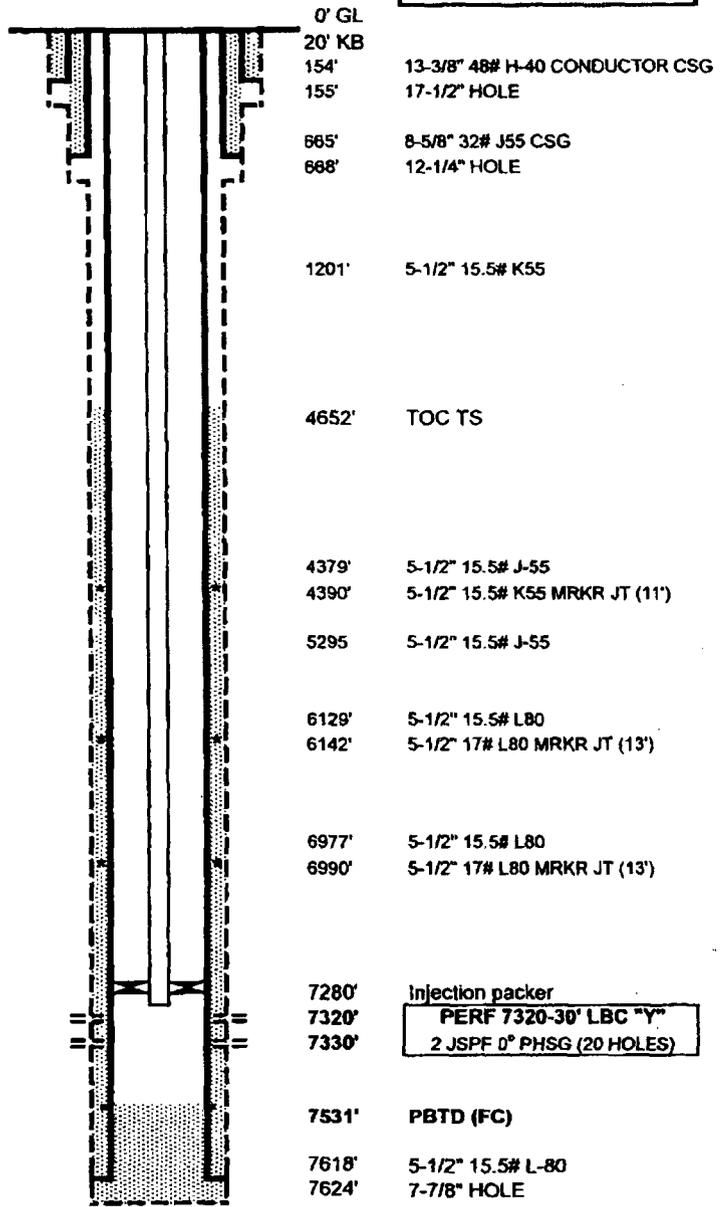
**TUBING DATA**

2-7/8" 6.5# Seal Tite injection tubing	

**RODS & PUMP DATA**


**PERFORATION DATA**

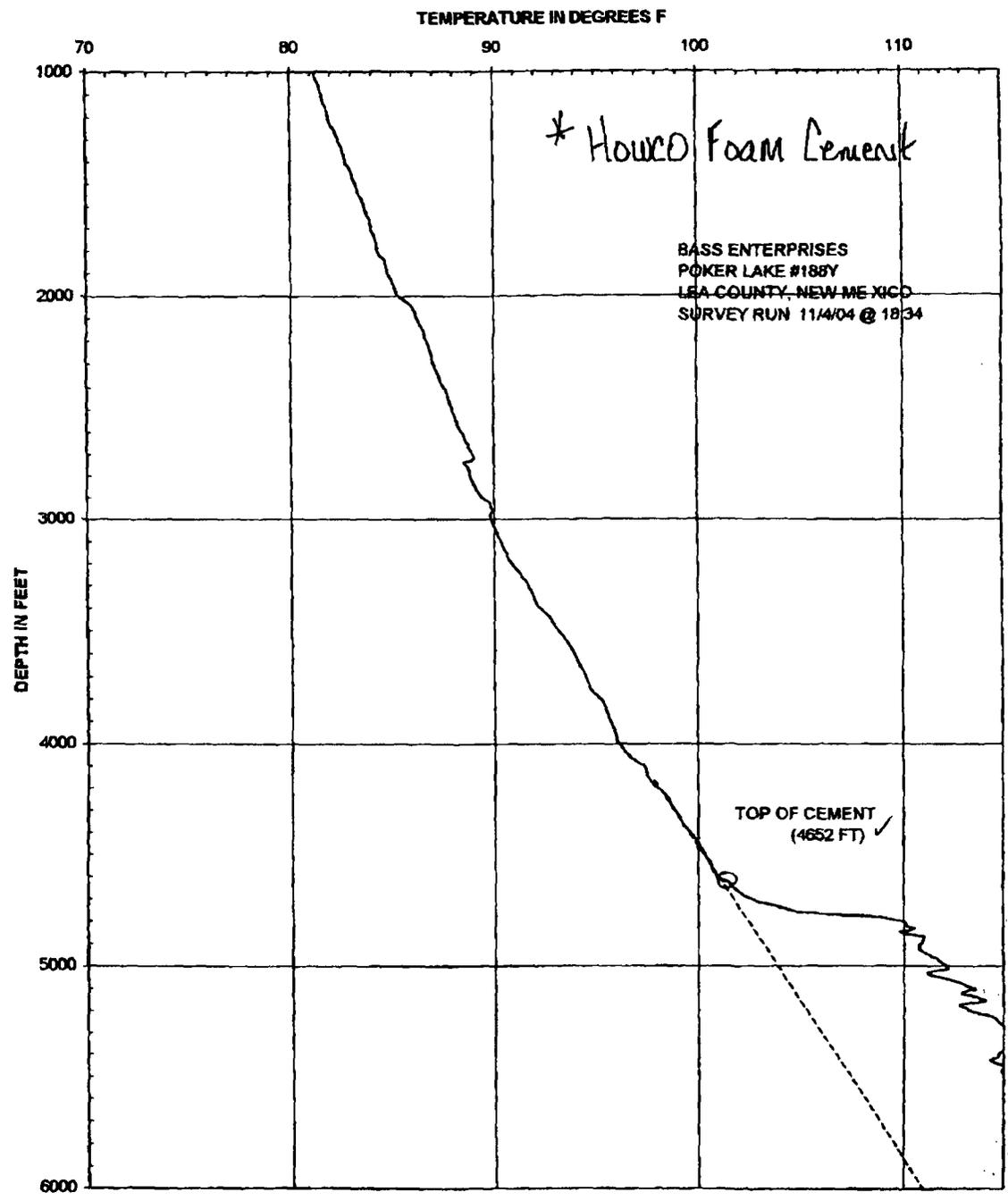
11/04 PERF 7320-30' LBC "Y" BD PERFS W/ 17 BBLs 2% KCL @ 1209#. F: 20kg 10# BRINE+8k# 14/30 LITE PROP+77.7kg LIGHTNING 2500+211.6 k# 16/30 OTTAWA+72k# 16/30 CR-4000
01/05 Pump "Sand Consolidation" frac LBC "Y" PERFS: 4.6kg FW + 3.9kg Light 25 w/ 17k# 16/30 Super LC. 1323 gls flush, screened out as planned, 3407# prop in csg, 13,905# prop in formation. ISIP 4500#



**PBTD:** ~7531'  
**TD:** 7624'

Updated: 3/10/2005  
 Author: KRA  
 Engr: MLL

### TEMPERATURE SURVEY REPORT





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

BEPCO - WTD PRODUCTION

JAN 02 2007

RECEIVED

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

ADMINISTRATIVE ORDER SWD-1065

## APPLICATION OF BEPCO, L.P. FOR PRODUCED WATER DISPOSAL, EDDY COUNTY, NEW MEXICO

### ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), BEPCO, L.P. made application to the New Mexico Oil Conservation Division for permission to utilize for produced water disposal its (Poker Lake Unit Well No. 188Y) (API No. 30-015-33776) located 695 feet from the North line and 1880 feet from the West line of Section 5, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico.

#### THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

#### IT IS THEREFORE ORDERED THAT:

The applicant is hereby authorized to utilize its Poker Lake Unit Well No. 188Y (API No. 30-015-33776) located 695 feet from the North line and 1880 feet from the West line of Section 5, Township 24 South, Range 30 East, NMPM, Eddy County, New Mexico, in such manner as to permit the injection of produced water for disposal purposes into the Delaware Mountain Group through perforations from 4780 feet to 7330 feet and through plastic-lined tubing set with a packer located within 100 feet of the top of the injection interval.

Administrative Order SWD-1065  
BEPCO, L.P.  
December 22, 2006  
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3	CAA	1/3/07	Note: CBL & inject profile
2	MLL	1/2/07	
	WRD		
	DGP		
	ODG	1/2/07	
4	BSC	1/9	Need AFE & proceed to convert this ASAF

**IT IS FURTHER ORDERED THAT**

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

\* As preparation for injection, the operator shall run a Cement Bond Log and supply this log to the engineering bureau of the Division in Santa Fe. The operator is not permitted to inject above the cement top in this well.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

After installing injection tubing, the casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

\* After injection has stabilized and within 6 months of commencing injection, the operator shall run an injection profile log and supply this log to the Division.

The wellhead injection pressure on the well shall be limited to no more than 956 psi. In addition, the injection well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface injection pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the injection formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Artesia district office of the Division of the date and time of the installation of disposal equipment and of any mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Artesia district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

**PROVIDED FURTHER THAT**, jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall provide written notice of the date of commencement of injection to the

Administrative Order SWD-1065  
BEPCO, L.P.  
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Artesia district office of the Division.

The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

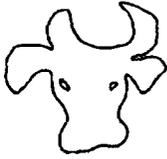
The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on December 22, 2006.

  
\_\_\_\_\_  
MARK E. FESMIRE, P.E.  
Director

MEF/wvjj

cc: Oil Conservation Division - Artesia  
Bureau of Land Management - Carlsbad



**BEPCO, L.P.**  
P. O. BOX 2760  
MIDLAND, TEXAS 79702

432-683-2277  
FAX - 432-687-0329

FAX TRANSMITTAL SHEET

TO: *Will Jones - OED*  
*n.m. Energy, Minerals &*  
*Natural Resources DEPT.*

FAX: *(505) 476-3462*  
PHONE:

FROM: **CARLOS CRUZ**  
Bass Enterprises Production Co.

FAX: **(432) 687-0329**  
PHONE: **(432) 683-2277**

Number of pages + Cover Sheet: 6