

OCD-ARTESIA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

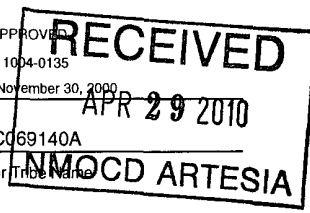
SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an
abandon well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED

OMB No 1004-0135

Expires November 30, 2000



5 Lease Serial No

NMLC069140A

6 If Indian, Allottee or Tribe Name

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

BIG EDDY UNIT

#156

8 Well Name and No

BIG EDDY UNIT (Water Well)

9 API Well No.

300535269

10 Field and Pool, or Exploratory Area

Indian Flats, SW

11 County or Parish, State

Eddy County, N.M.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1 Type of Well

☐ Oil Well

☐ Gas Well

☒ Other Water Well for Cathodic Protection

2 Name of Operator

BOPCO, L.P.

3a. Address

P.O. Box 2760 Midland, Texas 79702-2760

3b. Phone No. (include area code)

(432) 683-2277

4 Location of Well (Footage, Sec., T, R, M, or Survey Description)

UL D, SECTION 11, T22S, R28E
966' FNL, 887' FWL

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

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/ Resume)

☐ Reclamation

☐ Recombine

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other

Drill Water Well to be
used as Cathodic
Protection

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 proposed is to deepen directionally or recomple horizontally, give subsurface locations 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

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, L.P. respectfully requests to drill a water well and install one deep well anode bed located at the Big Eddy Unit # 156 in Section 11, T22S, R28E, NWNW, 660' FNL, 860' FWL. The proposed well will be located on the south side of the compressor station, UL D, Section 11, T22S, T28E, 966' FNL, 887' FWL. The proposed water well will be drilled to a depth of +/- 340'. 8" Sch. 40 PVC casing will be set from 0' to 20' and cemented and the rest of the hole will be open from 20' to TD. There will be (20) cast iron Anotec 2684 High Silicon Anodes (2.7" x 84") on 10' centers run in the hole. The anodes will be connected by dual insulated #8 Halar wire and run to surface. Calacined petroleum coke breeze will be pumped from the bottom of the hole to surround the anodes from the bottom of the hole to 250'. A bentonite plug would be set from the top of the coke column to the surface. Loresco 1" Allvent would be run through the anode section and 1" sch. 40 PVC pipe run to the surface to vent generated gases. A concrete pad will be poured around the casing. The site has been previously arch cleared and a map, site security diagram along with a proposed wellbore diagram is attached showing the proposed location of the water well.

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

Name (Printed/Typed)

Bill Franks

Signature

Bill Franks

Title

Pipeline Foreman

Date

3/4/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ Don Peterson

Title

Date

APR 23 2010

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, makes 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.

(Instructions on reverse)

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 15, 2009

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name BIG EDDY UNIT (WATER WELL)	Well Number 156
OGRID No.	Operator Name BOPCO, L.P.	Elevation 3152'

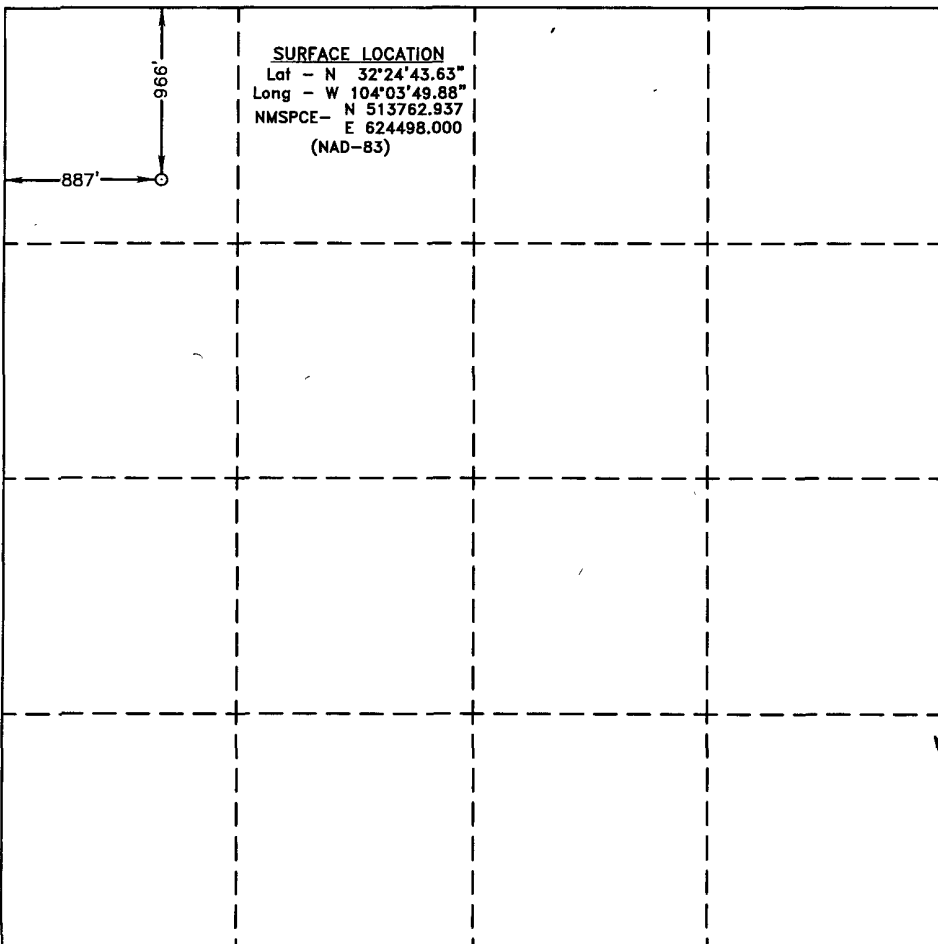
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	22 S	28 E		966	NORTH	887	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Bill Franks</i> 3/4/10 Signature Date</p> <p>Bill Franks Printed Name</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date Surveyed Signature and Seal of Professional Surveyor 7977 Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>
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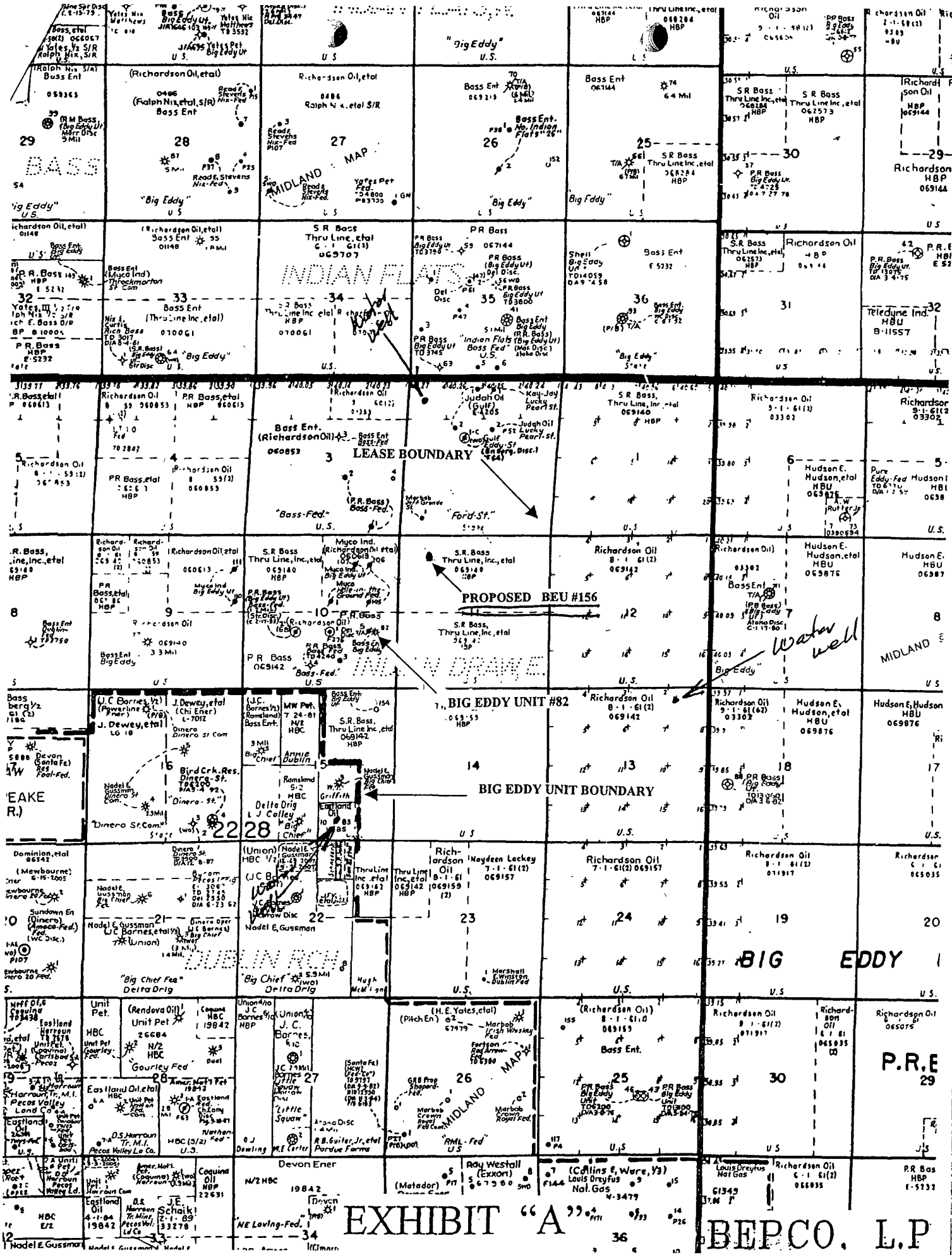
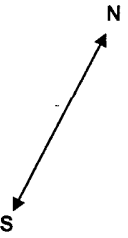


EXHIBIT "A"

BEPCO. L.P

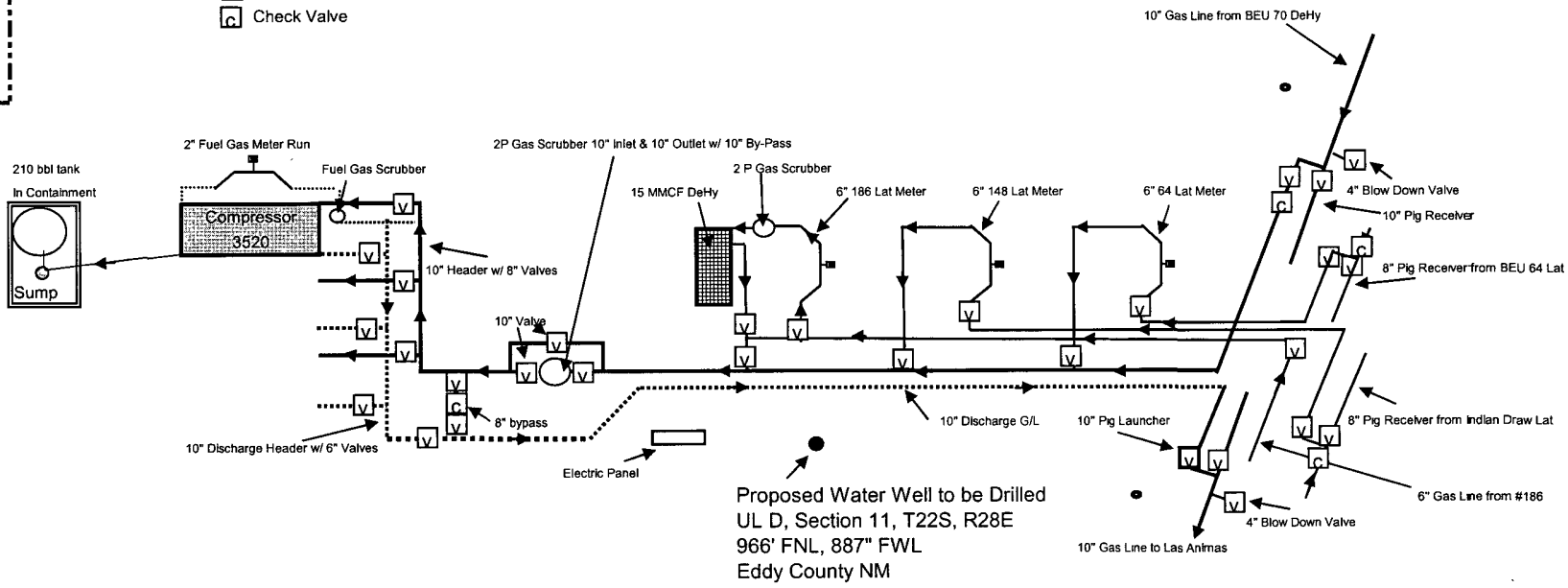
Big Eddy Unit 156 Location
Compressor and DeHy

BEU # 156
API # 30-015-35269
Field - Indian Flats, SW
NWNW, 660' FNL, 860' FWL
Section 11, T22S, R28E
Eddy County NM



- 2" Fuel Gas Line
- 10" Suction Line
- 10" Discharge Line
- Power Poles
- [V] Valve
- [C] Check Valve

Road



Proposed Water Well to be Drilled
UL D, Section 11, T22S, R28E
966' FNL, 887' FWL
Eddy County NM

PROPOSED WELLBORE DIAGRAM

Lease: **Big Eddy Unit # 156**

Well No.: **(CP) Water Well**

Field: Indian Flats, SW

Location: UL D, Section 11, T22S, R28E, 966' FNL, 887' FWL

County: Eddy St: NM

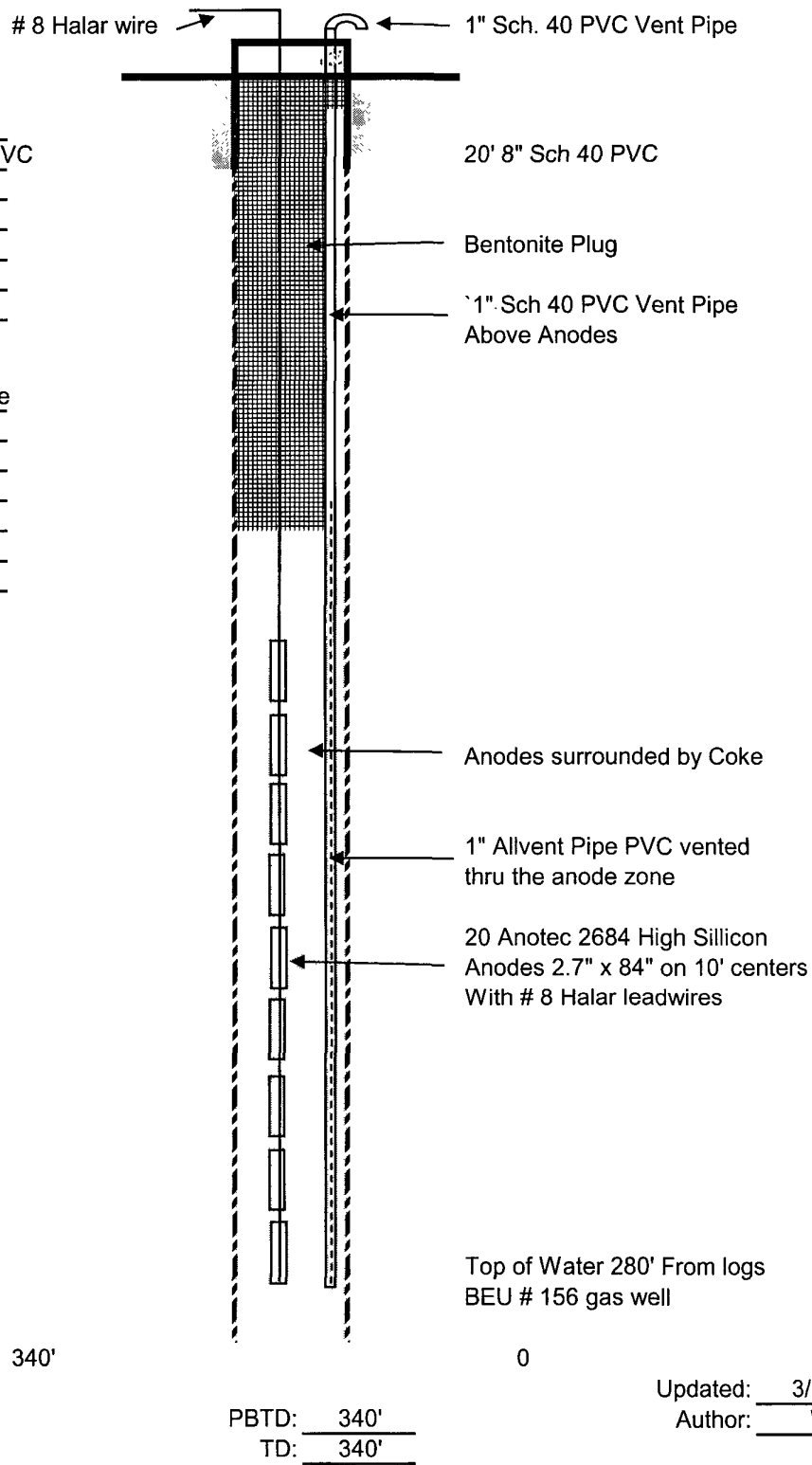
API: NA

Surface Csg.

Size:	8"
Wt/Grd	Sch. 40 PVC
Set @:	20'
Sxs cmt:	20
Circ:	Yes
TOC:	Surface
Hole Size:	8-1/2"

Production Csg.

Size:	Open Hole
Wt/Grd	No
Set @:	340' +/-
Sxs Cmt:	0
Circ:	No
TOC:	No
Hole Size:	8"



Darrell Crass Drilling Company, Inc.

P. O. Box 60031 · Midland, Texas 79711-0031

(432) 561-8703 Office · (432) 561-5258 Fax

December 30, 2009

BOPCO

Attn: Guy Gage

201 Main Street

Fort Worth, Texas 76102

Dear Mr. Gage:

Darrell Crass Drilling is pleased to offer our proposal to install one cathodic protection system for BOPCO's Big Eddy Gathering system located approximately six miles east of Carlsbad, New Mexico.

Based on information provided and current requirement calculations it is estimated that 48.53 amperes of current will be required to mitigate external corrosion of the system. Actual current requirements may vary dependent on soil conditions, pipeline coating and other variables.

We propose to install one deep anode bed located at BEU 156 and providing a five circuit resistance bond box to afford current to each lateral. The deep bed design would consist of drilling an eight inch hole to a depth of four hundred feet and installing twenty 2684 high silicon cast iron ANOTEC anodes center connected with dual insulated #8 Halar wire. Calcined petroleum coke breeze would be pumped from the bottom of the hole to surround the anodes and brought to a depth of two hundred and fifty feet. A bentonite plug would be set from the top of the coke column to surface. Loresco 1" Allvent would be run through the anode section and 1" schedule 40 pvc run to surface to vent generated gases. The surface completion would consist of setting twenty feet of eight inch schedule forty PVC casing surrounded by a concrete pad. Anode leads would terminate in a twenty circuit fiberglass enclosure complete with shunts for individual anode current output measurement. The system would be energized by a 100 volt/60 amp dc rectifier unit with AC/DC lightning protection, wired for 230 VAC service, individual volt and amp meters and housed in a standard galvanized case. The rectifier would be mounted to a power pole complete with disconnect, conduit and grounding. A five circuit negative resistance bond box would be installed with connections to each of five laterals at the BEU 156 site. Number 2 HMWPE cable would be used for these negative connections.

Darrell Crass Drilling Company, Inc.

P. O. Box 60031 • Midland, Texas 79711-0031

(432) 561-8703 Office • (432) 561-5258 Fax

The system would be energized and initial spot checks would be conducted at available test stations for potential measurements. Our price for this installation and initial testing is \$32,405.00. Tax, if applicable, has not been included. If vacuum truck services or disposal of drilling spoils, such services will be additional.

Darrell Crass Drilling Company hopes this proposal meets with your approval and we look forward to working with you.

Sincerely,

Darrell Crass
President

Franks, William H

From: Gage, Guy
Sent: Monday, March 01, 2010 8:06 AM
To: Franks, William H
Subject: FW: New Mexico Water Well License

Attachments: BEU Deep Well Ground Bed.pdf

The vent piping is to vent any Chlorine gases that may form due to disassociation of Chloride salts in the surrounding soil. The vent piping allows a path for the corrosive gases to vent to reduce corrosive failure of the cabling and associated equipment.

From: Donna Clark [mailto:donna@darrellcrassdrilling.com]
Sent: Friday, February 26, 2010 8:31 AM
To: Gage, Guy
Subject: New Mexico Water Well License

The New Mexico Water Well License number is WD-1261. If you need any more information please let us know.

Thanks,
Donna

3/2/2010

Cathodic Protection System Design Requirements

Ground Bed Design:

1. The ground bed located @ BEU 156 will be designed for a **20 year life span**. This design will be based on covering the existing piping infrastructure plus an **additional 25%**. The current plans are to initially install this one ground bed and evaluate the system to see if there is a need to install additional beds. The design criteria will be based on a maximum **"instant off" potential of 1.20 V CCSRE** to prevent damage to the coating system. The minimum design potential on the system will be **0.85 V CCSRE**. Station 156 has five laterals that radiate out of this location. I want to have five variable resistant feeds interconnected into each respective lateral that will allow current adjustment to each lateral.
2. The Contractor is required to provide all labor, equipment, and materials needed to prepare the surface location of the well. BOPCO will be responsible for purchasing and installing access to the ground bed location, if needed.
3. The Contractor is required to provide all the labor, equipment, and materials to install the ground bed. The Contractor will be responsible for submitting any applications (permitting) required for the installation of the ground bed. BOPCO will be responsible for any surface right acquisitions and costs.
4. The Contractor will be responsible for the labor, equipment, and materials needed to provide electrical service to the ground bed site. The Contractor will be required to provide a fused disconnect, wiring, conduit, overload protection, and all other necessary electrical devices needed to insure a quality installation. Lightning protection/surge suppression equipment will be required on all applicable electrical systems. Every attempt will be made to prevent any damage to the electrical infrastructure of the ground bed and associated equipment.
5. The Contractor will be responsible for installing the transformer, rectifier, anode wire junction box, and support infrastructure for the electrical equipment. The rectifier will be housed in a NEMA 4x enclosure. The rectifier will be required to have permanent voltage and current indication. I think that we should also consider having current control. BOPCO will review the submitted electrical equipment specifications and will be required to sign off any equipment prior to installation.
6. BOPCO will not allow any down hole wire splicing unless BOPCO pre-approves the splice design. The wire insulation will be required to be compatible with the corrosive conditions that exist in the well. The wiring configuration of the anodes will be done in a manner to prevent catastrophic failure of the anodes.
7. The Well will be required to have adequate gas ventilation to prevent premature failure.
8. BOPCO will be responsible for the installation of insulating flanges throughout the system to prevent excessive current draw.

Potential Survey:

1. The initial nativity survey has been completed.
2. Contractor will be responsible for starting up the CP system and doing the initial spot checks.
3. Contractor will be responsible for returning to perform the polarization survey and inspecting all foreign line crossing.
4. The survey locations will be identified by two means. The first identification will be a general lateral identification. The second will be a lat/long identification based on a NAD 27 Datum.
5. The survey data will be input into a format that will be compatible with window excel and this file will be provided to BOPCO upon completion of the polarization survey. Omitted