OCD-ARTESIA FORM APPROVED **UNITED STATES** OM B No 1004-0137 Expires March 31, 2007 DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 5 Lease Senal No NDRY NOTICES AND REPORTS ON WELLS NM02884B 6 If Indian, Allottee or Tribe Name not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7 If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE- Other instructions on reverse side. 1 Type of Well lÖıl Well□ 🗆 ] Gas Well□□ Other 8. Well Name and No. Hudson 1 Federal #10H 2 Name of Operator BOPCO, L. P. API Well No 30-015-37309 3a Address 3b Phone No (include area code) P. O. Box 2760 Midland, TX 79702 432-683-2277 10 Field and Pool, or Exploratory Area Quahada Ridge SE (Delaware) 4 Location of Well (Footage, Sec., T., R., M., or Survey Description) 11 County or Parish, State Surface: NWSE, 2300' FSL, 1780' FEL, Sec 1, T23S, R30S, Lat N32.333097, Lon W103.831386 BHL: SWNW, 660' FSL, 330' FWL, Sec 2, T23S, R30E, Lat N32.332281, Long W103.859225 Eddy Co., NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Production (Start/Resume) Water Shut-Off Deepen Notice of Intent Alter Casing Reclamation Well Integrity Fracture Treat ✓ Other Drilling Operations Casing Repair New Construction Recomplete Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Plug Back Water Disposal Convert to Injection 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 recomplete 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 recompletion 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 ) Spud well on 3/10/2010. Drill 17-1/2" hole to 573'. Ran 15 jts 13-3/8", 54.50#, J-55, STC csg set at 572'. Cemented with 400 sk Class C + additives (wt 13.5, yld 1.73) followed by 200 sk Class C + additives (wt 14.8, yld 1.34). Displace with 81 bbls FW, bumpped plug - ok. Circ 262 sks to surface. WOC 29.25 hrs. Tested casing to 1000 psi - held ok. Tested BOP stack, pipe rams, blind rams, chokes, choke manifold, upper & lower kelly valves to 3000 psi & 250 psi. Drilled 12-1/4" hole to 3913'. Ran 97 jts 9-5/8", 40#, J-55, LTC, set at 3913'. Cemented with 950 sks Lite Crete + additives (wt 10.2, yld 2.21) followed by 300 sks Class "C" (wt 14.8, yld 1.33). Displace with 290 bbls FW. Bumped plug floats held. Circ 520 sks to surface. WOC 27 hrs. Tested casing to 1500 psig - held ok. Tested BOP stack, pipe rams, blind rams, chokes, choke manifold, upper & lower kelly valves to 3000 psi & 250 psi. Drill 8-3/4" hole to 9729'. Ran 118 joints 7", 26 #, HCP110, LTC, 25 joints 7", 26 #, N80, LTC, 66 joints 7", 26 #, HCP110, Ultra FJ set at 9727'. DV Tool @ 5022'. Cemented in two stages. Stage 1: 100 sks LiteCrete + additives (wt 9.90, yld 2.32) followed by 700 sks PVL + additives (wt 13.0, yld 1.41). Displace with 210 bbls FW, 155 bbls mud. Opened DV tool. Circ 370 bbls to surface. Stage 2: 500 sks 35/65 POZ C + additives (wt 12.6, yld 2.08) followed by 100 sks Class C + additives (wt 14.8, yld 1.33). Displace with 192 bbls FW. Bumped plug, held. Did not circ surface. Tested casing to 1650 psi - held ok. WOC 57.5 hrs. Tested BOP stack, pipe rams, blind rams, chokes, choke manifold, upper & lower kelly valves to 3000 psi & 250 psi. Drill 6-1/8" hole to 16,274'. Ran 4-1/2" liner w/ OH Packers & sleeve assembly, casing set at 16,270'. Tested liner hanger. Install tubing head & cap, tested ok. Rig released on 5/17/2010. Top of linera? of Cont @? I hereby certify that the foregoing is true and correct Name (Printed/Typed) Annette Childers Title Regulatory Clerk 2010.FP Date THIS SPACE FOR FEDERAL OR STATE OFFICE USE Title 2010 Approved by 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

Office

Title 18 USC Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to make the any department of agency located United

which would entitle the applicant to conduct operations thereon

(Instructions on page 2)

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

CÁRLSBAD FIELD OFFICE