Form 3160-5 (April 2004)

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OM B No. 1004-0137 Expires: March 31, 200
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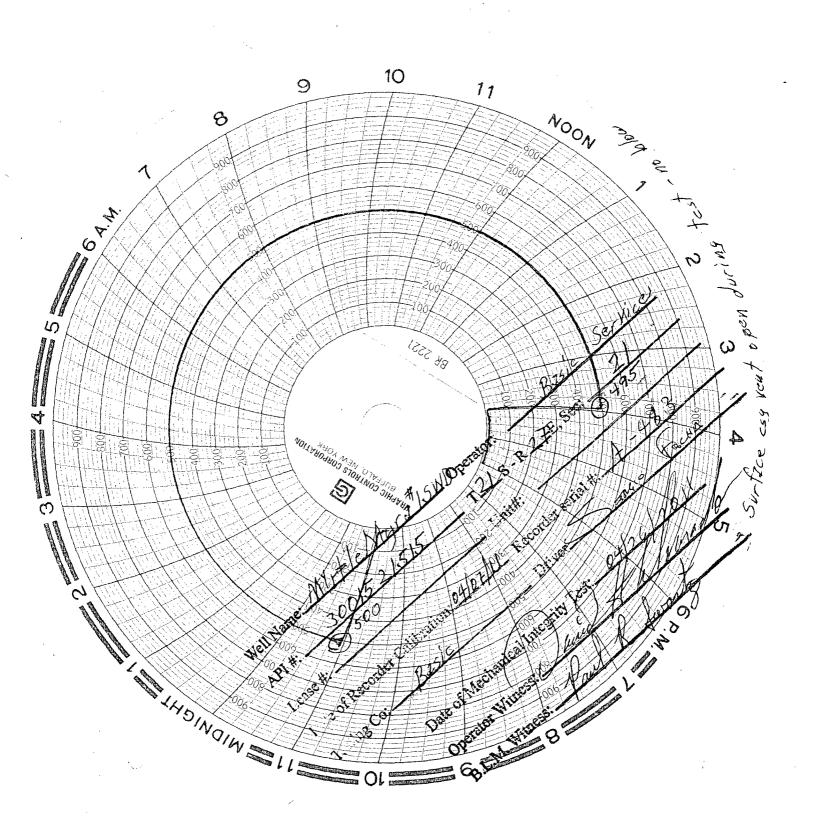
NMOCD ARTESIA

DURENO OF EARLY MAI	5. Lease Ser	5. Lease Serial No.					
SUNDRY NOTICES AND RE Do not use this form for proposals abandoned well. Use Form 3160-3 (	6. If India	6. If Indian, Allottee or Tribe Name					
SUBMIT IN TRIPLICATE- Other inst	7. If Unit o	7. If Unit or CA/Agreement, Name and/or No.					
1. Type of Well ☐ Gas Well ✔ Other	8. Well Na	ame and No.					
2. Name of Operator Basic Energy Services LP				9. API W	e Myra SWD # 1		
3a Address P.O. Box 10460 Midland Texas 79702	3b. Phone N 575.746.2		rea code)	30015		v Area	2011
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)				-			
660' FNL, 1980' FWL, Sec 21, T21S, R27E					or Parish, State	ECE	MAY 1
12. CHECK APPROPRIATE BOX(ES) TO	INDICATE	NATURE	OF NOTICE, I	REPORT, O	R OTHER DATA	出	
TYPE OF SUBMISSION		TYPI	OF ACTION			L	
Acidize   Alter Casing     Subsequent Report   Casing Repair     Change Plans	Deepen Fracture T New Cons Plug and A	nstruction Recomplete			Water Shut-Off  Well Integrity  ✓ Other  2 7/8 Tbg. Clean		
Final Abandonment Notice Convert to Injection	Plug Back		Water Disposal		of injec	tion interval.	
following completion of the involved operations. If the operation testing has been completed. Final Abandonment Notices shall be determined that the site is ready for final inspection.)  4-5-11 Move in WSR and equipment and set frac tanks 4-6-11 to 4-7-11 Flow back to Frac tanks disposing haul 4-8-11 Displaced 54 bbls of 15# mud below packer to ho 1/2" Arrow set packer x 10' tally tubing on rack showed call for reverse unit and working string. Inspected PC t new string. Continued back flow to Frac tanks disposin 4-9-11 MI working string, reverse unit package and 4 db Bit, bit sub 4 collars and 2 7/8 J-55 tbg. to 3434' had rev 3000' with Bit. Back flow to frac tanks haul to SWD Sta 4-10-11 to 4-21-11 Cleaned out same matterial from 358 4-21-11 Ordered 300 bbls 10# brine and circulated hole 2029' of tbg down on rack TOH with 3000' working string and set up new string in morning also called for RBP an 4-22-10 TIH with RBP and test packer to 3000'. RBP wheld. Test back side to 550# psi for one hour tested good set with 2 1/4 profile nipple w/o/f tool set @ 2936' cir.29	with one blows to State G. C. Id well bore in TOP @ 2602 tubing that was g to State G. C. Com # 18 to 5029 tubing the G. Com # 18 to 5029 tubing and standid test Packer ill not set mov. TOH with R.	down tan  com #1 SW  nutral NI  RU Sand s pulled or  com # 1 SD  " well ps  with 10# q  SDFN. No  ch night flo  a cleaning ing back in  with Pack ed up one  BP and PP	ents, including reclandary if needed. NOTE D Ordered 120 bit J BOP, environmeline with sinker but of hole all bad wFN 600# pump 34 but ality brine. Clear ote: Cleaning out owing back to frac but well bore TOH derrick. Called interman for 8:00 and stand and set @ 2: R. Trip in hole w	c: INJECTIO c) s of 15# muc ent pan TOH ar and TIH w rith liner sepa els 15# mud w ned well bore c) d cement su tanks and dis t with Tbg an a for fork lift a. SDFN 938' set test p rith new 2 7/8	en completed, and the  N INTERVAL 300: I from Nova in Hob with 86 jts 2 7/8 J- with line tag TOF @ wration and blisterin ell nutral TIH with from 3434' to 3588 lifates plastic, liner, sposing to State G. d drill collars with and truck to remov acker at 2905' test PC tbg set new pk:	operator has  2'-5050' obs NM.  55 PC tbg, 5  3434' Made og called for  4 3/4 rock La  ' TOH to rubber, trash Com # 1 SWI bit laying e work string  to 600 # psi r 5 1/2 Arrow	2 h. D.
14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)					Accepted	Tor reco	ərd ,
DAVID ALVARADO		Title SE	M DISTRICT M	ANAGER FL	UID SALES	ocg A	4
Signature Alas was as		Date	(	4/26/2011		-( ;	_
THIS SPACE FOR I	EDERAL	OR ST	ATE OFFICE	USE			_
Approved by /s/ JD Whitlock Jr  Conditions of approval, if any, are attached. Approval of this notice of certify that the applicant holds legal or equitable title to those rights in		Titl	ce (FO	I	Date 5/12/11		_

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.

(Instructions on page 2)

KB: 8'			Tree Connection:	51/2X8	35/8 X 27/8 Larken R	
KD: 9	!		Production String:	5 1/2 J-5	5 17#	
			Set Depth:		3050'	
			Cementing Data:	Circul	ated as per Raft record	
			,			
Surface Hole			Surface Casing:	1	3 3/8 48# H-40	
Bit Size: 171/2"			Setting Depth @	400'	-	
			Cementing Data:	Lead -	450 sxs Cl C	
				Tail -		<u> </u>
				Note:	Circulated	
Intermidiate Hole			Intermediate Casing:		95/8" 32#, 36#	
Bit Size: 12-1/4"	i		Setting Depth @		3000'	
			Cementing Data:		1000 sxs Circulated	_
	i		2-7/8" IPC J-55	5 EUE 8rd I	njection Tubing set @ 2936'	
			Old Btm. Packet		0' -Btm. New Packer set @ 2,954' (2936' + 8' KB +	10' PKR
Cement Data:		1 1	Open hole below the 5-1/2		pernut.	
Lead - OH 3050' - 5050'	_		Injection Interval: 3,002' to			
Tail -	_					
Note -	_					
Bit Size: 8 3/4'			PB Depth @ 7,150' PBTD @ 11,550'			
	TD @	9 11,730'				



## **Conditions of Approval\***

## Basic Energy Services LP Myrtle Myra SWD #1

April 29, 2011

- 1. Conduct a Mechanical Integrity Test of the tubing/casing annulus when the packer is pulled and any time more than five barrels of packer fluid is replaced.
  - a. The test pressure should be 500 psig, with 200 psig differentials 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 to be reduced). Trap that pressure and record it on a chart for 30 minutes. Document the MIT on a calibrated recorder chart within 25 to 85 per cent of its full range.
  - b. Notify Paul R. Swartz at 575-234-5985 and/or 575-200-7902 at least 24 hours before the test. If there is no response, notify the BLM on call drilling phone, 575-361-2822.
  - c. Less than a 10% leakoff may not restrict injection approval. Any leak-off will be evaluated.
  - d. Submit the recorded MIT chart with a subsequent Sundry Form 3160-5 relating the MIT activity. List the name of the BLM witness, or the notified person and date of notification.
  - e. Descriptions of tubing, on/off equipment, profile nipple installation, and packer setting depth are required. List (by date) descriptions of daily activity of any previously unreported wellbore work.
  - f. Include the original and three copies of the recorded chart and Sundry (the original will be returned to the operator).
- 2. Submit the NMOCD permit number and its approved maximum tubing injection pressure.
  - a. Approved injection pressure compliance is required.
  - b. Display real time tubing pressure values onsite. A bourdon tube gauge registering 25% to 85% of its full range is acceptable.
  - c. If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
  - d. When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum.
    - Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment.
  - e. Other unexplained significant variations of rate or pressure to be reported within 5 days of notice.

- 3. The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity.
  - a. The annulus is to be maintained full of packer fluid at atmosphere pressure. Installation of equipment that will display on site, continuous open to the air fluid level is required. A BLM inspector may request verification of this fluid level at any time.
  - b. Loss of packer fluid above five barrels per month requires notification of the BLM authorized officer within 5 days.
  - c. Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of Opsig. Notify the BLMs authorized officer (Paul R. Swartz at 575-200-7902). If there is no response, notify the BLM on call drilling phone, 575-361-2822.
  - d. The use of automation equipment that will monitor and alarm is required when a well's packer, tubing, or casing competence is questionable or the well is in a sensitive area.
  - e. Also submit to this office a (Sundry Form 3160-5) Notice of Intent (NOI) for approval by BLM and NMOCD a plan for correction and the anticipated date of correction. The lack of records documenting a continuous fluid packed casing will require rapid correction. Verbal approval for the plan may be given from a BLM authorized officer, with the NOI filed soon after.
  - f. After the repairs submit a (Sundry Form 3160-5) Subsequent report, describing the repair(s) and Mechanical Integrity Test as per item 1 above.
  - 4. Sixty to ninety days (after disposal rates and pressures are stable) conduct a injection profile survey. File a copy of the survey with the BLM Carlsbad Field Office and a copy to scan into the NMOCD wellfile is to be made available to Patricia Martinez, ENMRD OCD District I, 1625 N. French Drive, Hobbs, NM 88240, Phone: 575-393-6161, Patricial.Martinez@State.NM.US

\*COA's prepared by Paul R. Swartz