

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

NM OIL CONSERVATION
ARTESIA DISTRICT
Base Serial No. **LC 054328**
NMLC009627A

DEC 04 2017

SUBMIT IN TRIPLICATE - Other instructions on page 2

RECEIVED

| | |
|--|---|
| 1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION | 6. If Indian, Allottee or Tribe Name |
| 2. Name of Operator BOPCO LP Contact: TRACIE J CHERRY E-Mail: tjcherry@basspet.com | 7. If Unit or CA/Agreement, Name and/or No. HUDSON FEDERAL 001 |
| 3a. Address P O BOX 2760 MIDLAND, TX 79702 | 8. Well Name and No. HUDSON FEDERAL 001 |
| 3b. Phone No. (include area code) Ph: 432-683-2277 | 9. API Well No. 30-015-21052 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T23S R30E Mer NMP SENW 1830FNL 1980FWL 6401 Holiday Hill Rd Bldg 5 Suite 200 | 10. Field and Pool or Exploratory Area DELAWARE; SWD |
| | 11. County or Parish, State EDDY COUNTY, NM |

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

| TYPE OF SUBMISSION | TYPE OF ACTION |
|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing <input type="checkbox"/> Hydraulic Fracturing <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans <input checked="" type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon |
| | <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal |

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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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, LP respectfully submits this sundry notice of intent to plug and abandon the referenced well.

5K

APPROVED

1. MIRU plugging company. ND tree and NU ~~5K~~ manual BOP. Function test BOP. POOH and lay down IPC tubing and packer. **Follow COA procedure for approved abandonment.**

2. PU 7-5/8" GIBP for 26.4# casing. RIH to 3,990' and set. Tag GIBP to verify. Pump 100 sxs Class C cement on top of GIBP. (Perf, T/Del, B/Salt plugs)

3. PUH to ~3,490', spot 9.5# salt gel from ~3,490' to surface.

Accepted for record - NMOCD

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

4. PUH to 540', spot 22 sxs CIG cement 540' - 430'. WOC & Tag. (T/Salt Plug)

WITNESS

SUBJECT TO LIKE
APPROVAL BY STATE

| | |
|---|--------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #394337 verified by the BLM Well Information System For BOPCO LP, sent to the Carlsbad Committed to AFMSS for processing by JAMES AMOS on 11/13/2017 () | |
| Name (Printed/Typed) TRACIE J CHERRY | Title REGULATORY ANALYST |
| Signature (Electronic Submission) | Date 11/07/2017 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------------|--------|
| Approved By Paul R Swartz 11/29/17 | Title T PET | Date |
| 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 |
| BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE | | |

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)

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Additional data for EC transaction #394337 that would not fit on the form

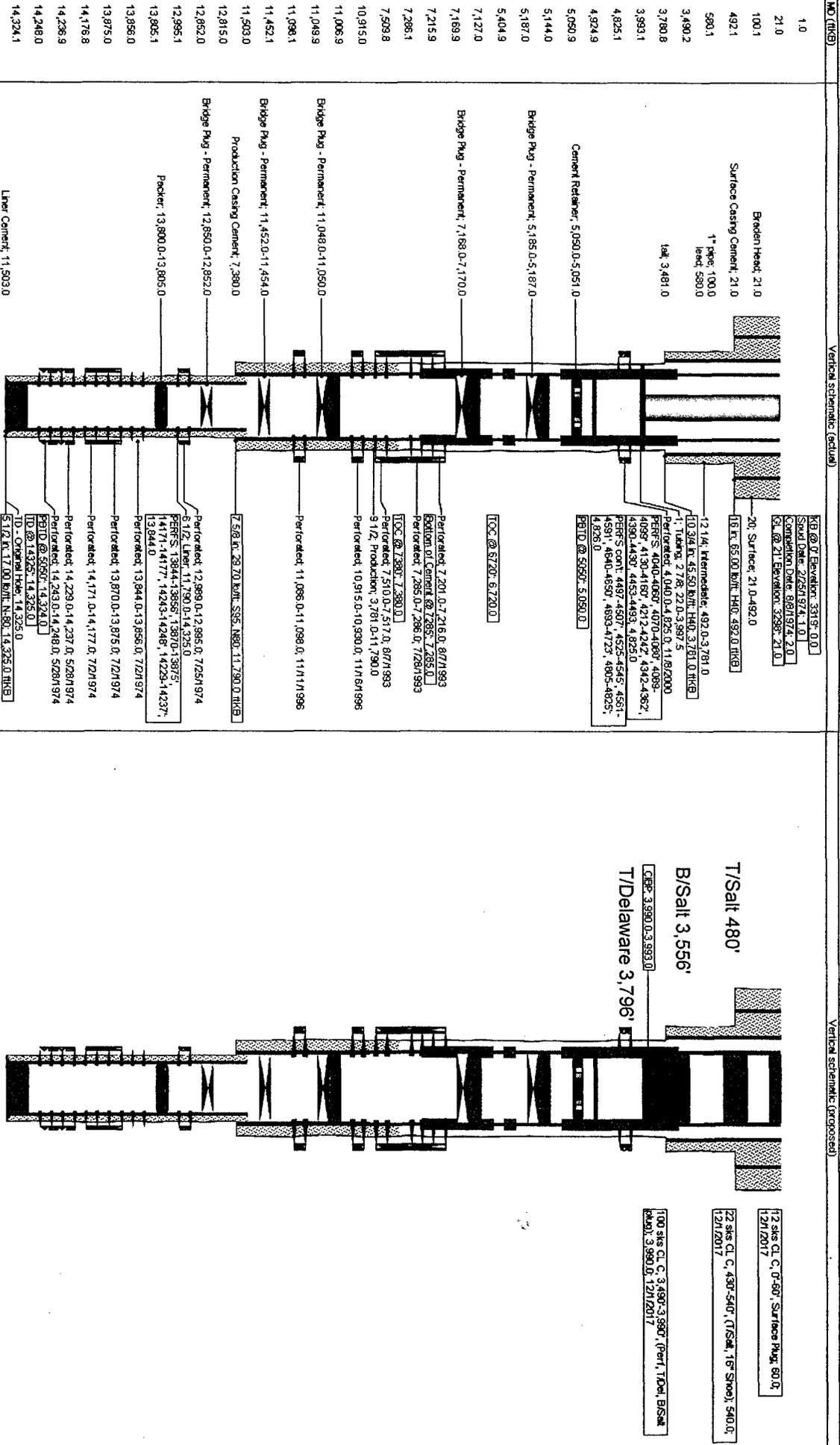
32. Additional remarks, continued

5. PUH to 60', spot 12 exs Class C cmt 60' to surface. Verify to surface (Surface plug).
6. ND BOP and cut off wellhead 5? below surface. RDMO equipment. Set P&A marker

Hudson Federal 1H Current and Proposed WBD's

Vertical - Original Hole: 12H 22017 1014100 AM

Vertical schematic (proposed)

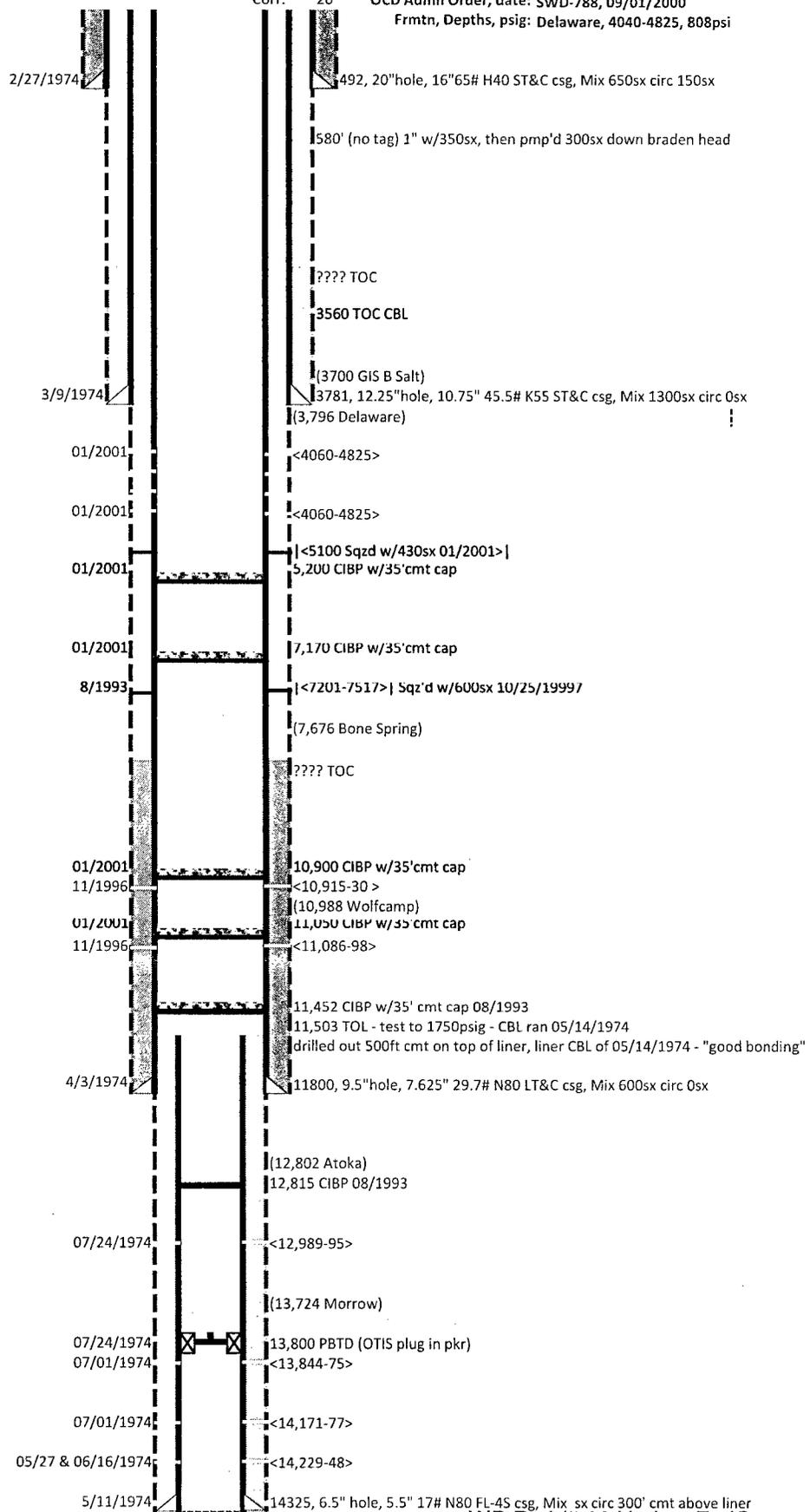


Operator: BOPCO LP
 Surface Lease: NM0543280a
 Case No: NM0543280a
 Subsurface Concerns for Casing Designs: R111P HiCvKst w
 Well Status: NOI-Abd
 Spud date: 2/24/1974
 Plug'd Date:
 Reentry Date: 07/26/93

BHL: NM0543280a
 Unit Agreement

Well: HUDSON FEDERAL-1
 API: 3001521052
 @ Srfce: T23S-R30E,01.1830n1980w
 @ M TD: T23S-R30E,01.1830n1980w
 Estate: F\F\F
 CWDW, R of W:
 OCD Admn Order, date: SWD-788, 09/01/2000
 Frmtn, Depths, psig: Delaware, 4040-4825, 808psi

KB: 3318
 GL: 3298
 Corr: 20



12/28/2000 MIT held 340psig 15m
 10/21/2005 MIT 340psig held 30m
 01/06/2010 MIT 520psig held 30m
 10/21/2015 MIT held 540-530psig 30m

last updated: 11/28/2017

Conditions of Approval

BOPCO LP

Hudson - 01, API 3001521052

T23S-R30E, Sec 01, 1830FNL & 1980FWL

November 29, 2017

1. **Within 90 days of these conditions of approval for the processed Electronic Submission #394337 notice of intent begin wellbore operations or request an extension.**
2. **Operator is required to have the BLM approved NOI procedure with applicable conditions of approval on location during this workover operation**
3. Subject to like approval by the New Mexico Oil Conservation Division.
4. Notify 575-361-2822 Eddy Co as work begins. If there is no response leave a voice mail with the API#, workover purpose, and a call back phone number.
5. Surface disturbance beyond the existing pad must have prior approval.
6. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
7. Functional H₂S monitoring equipment shall be on location.
8. Blow Out Prevention Equipment 5000 (5M) to be used. All BOPE and workover procedures shall establish fail safe well control. Ram(s) for the work string(s) used is required equipment. Manual BOP closure system including a blind ram and pipe ram(s) designed to close on all (hand wheels or automatic locking devices) equipment installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) employed when needed for reasonable well control requirements.
9. Created operation waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during any other crew-intensive operations.
10. The BLM PET is to run tbg tally and agree to cement volumes and placement. Sample each plug for cement curing time and tag and/or pressure test as requested by BLM PET witness.
11. **Cementing procedure is subject to the next three numbered paragraphs.**
12. Mix cement plugs to cover a minimum of 100ft plus 10ft for every 1,000ft to the bottom of the plug, rounding the number of necessary sacks up to the nearest 5 sacks. Never use less than 25sx. Examples: A cement plug set at 8000 in 7" casing would require a min of 35sx. A 25sx plug in 5 ½" casing should cover 250ft, which may exceed 100ft plus 10ft per 1000ft.
13. Class H > 7500ft & C < 7500ft) neat cement plugs(s) will be necessary. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) & 8 hours(H) is recommended. Isolation plugs of Class "C" neat cement to be mixed 14.8#/gal, 1.32 ft³/sx, 6.3gal/sx water and Class "H" neat cement to be mixed 16.4#/gal, 1.06ft³/sx, 4.3gal/sx water.
14. Minimum requirement for mud placed between plugs is 25 sacks of saltwater gel per 100 barrels in 9 lb/gal brine.

15. RIH removing well plugs and tag the 13,800' Otis Pkr w/plug inserted. Set a min 30sx balanced "H" cmt plug on this Pkr (set within 100' of the top perf 13844'). WOC, and tag the plug with tbg at 13540' or above and over the Morrow formation top of 13724'.
16. Set a 5 1/2" CIBP within 100' of the top Atoka perf 12989'. Set a min 30sx balanced "H" cmt plug on the CIBP. WOC, and tag the plug with tbg at 12650' or above and over the 12802' Atoka formation top.
17. Set a min 30sx balanced "H" cmt plug in the 5 1/2" csg from 11875' or below across the intermediate 7 5/8" shoe. WOC, and tag the plug with tbg at 11660' or above.
18. Set a 7 5/8" CIBP within 100' of the top Wolfcamp perf 11086'. Set a min 50sx balanced "C" cmt plug on the CIBP. WOC, and tag the plug with tbg at 10850' or above and over the 10988' Wolfcamp formation top.
19. Set a min 50sx balanced "H" cmt plug in the 7 5/8" csg from 7750' or below across the 7676' Bone Spring formation top. WOC, and tag the plug with tbg at 7550' or above.
20. Set a 7 5/8" CIBP within 100' of the top Delaware perf 4060'. Set a min 70sx balanced "C" cmt plug on the CIBP. WOC, and tag the plug with tbg at 3640' or above and over the 3796' Delaware formation top, the 10 3/4" intermediate shoe of 3781', and 3700' Base of Salt.
21. *The well is located near the Waste Isolation Project, within High Cave Karst and Secretary Potash R-111-P areas and requires a solid cement plug across the salt formation.*
22. Cut and pull the 7 5/8" intermediate csg as deep as possible (3560' CBL TOC reported).
23. Pressure test the 10 3/4" csg to 300psig and evaluate its condition. Locate the leak(s) should injection rate above 1/2bpm be found and consider a cmt sqz.
24. Conduct a CBL of the 10 3/4" csg and evaluate the condition of cement behind 10 3/4" csg across the salt formation.
25. Set a solid Class "C" cmt slurry (about 1330sx) in the 10 3/4" csg from the tag of the cmt plug set on the last 7 5/8" CIBP. WOC, and tag the plug with tbg at 430' or above.
26. Perf at 60' or below. Establish circulation through the 10 3/4" x 16" annulus. Fill with (\pm 20sx) balanced "C" cmt plug and verify the 10 3/4" x 16" annulus and 10 3/4" csg from 60' cemented to surface.
27. File subsequent sundry Form 3160-5 within 30 days of workover procedures. Include (dated daily) descriptions of the well work, i.e. procedure descriptions and setting depths of each plug in the subsequent sundry.

W

Reclamation Objectives and Procedures

In Reply Refer To: 1310

Reclamation Objective: At final abandonment, well locations, production facilities, and access roads must undergo “final” reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its pre-disturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip and seed as needed. This will apply to well pads, facilities, and access roads. Barricade all access road(s) at the starting point. If reserve pits have not been adequately reclaimed due to salts or other contaminants, propose a plan for BLM approval to provide restoration of the pit area.

1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations should have included adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.
2. For locations and/or access roads not having an approved plan, or an inadequate plan for surface reclamation the operator must submit a proposal describing the procedures for reclamation. The appropriate time for submittal would be when filing the Notice of Intent, or with the Subsequent Sundry Report of Abandonment on Form 3160-5. The final reclamation goal is to be completed within 6 months of wellbore abandonment.
3. With an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you have issues or concerns, contact a BLM specialist to assist you. It may be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives.
4. Upon reclamation conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a BLM specialist to inspect the location to verify work was completed as per approved plans.
5. The BLM approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been tentatively reestablished. If the objectives have not been met BLM will be notify the operator of the required corrective actions.
6. It is the responsibility of the operator to monitor these locations and/or access roads until such time the full BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional

actions may be needed. When you feel the full BLM objectives have been met, submit a Final Abandonment Notice (FAN) Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.

7. At this time a BLM specialist will again inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability for the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos
Supervisory Environmental Protection Specialist
575-234-5909, 575-361-2648 (Cell)

Robertson, Jeffery
Natural Resource Specialist
575-234-2230, 575-706-1920 (Cell)

Trishia Bad Bear
Natural Resource Specialist
575-393-3612, 575-390-2258 (Cell)

Vance Wolf
Natural Resource Specialist
575-234-5979

Jesse Bassett
Natural Resource Specialist
575-234-5913, 575-499-5114 (Cell)

Brooke Wilson
Natural Resource Specialist
575-234-6237

Paul Murphy
Natural Resource Specialist
757-234-5975, 575-885-9264 (Cell)

Arthur Arias
Environmental Protection Specialist
575-234-6230, 575-499-3378 (Cell)

Henryetta Price
Environmental Protection Specialist
575-234-5951, 575-706-2780 (Cell)

Shelly Tucker
Environmental Protection Specialist
575-234-5905, 575-361-0084 (Cell)