

District I
1625 N French Dr , Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr , Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144 CLEZ
July 21, 2008

For closed-loop systems *that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure*, submit to the appropriate NMOCD District Office.

Closed-Loop System Permit or Closure Plan Application

(that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

Type of action: ☐ Permit ☒ Closure

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144.

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.
Operator: **BOPCO, L.P.** OGRID: **260737**
Address: **P.O. Box 2760, Midland, Texas 79702**
Facility or well name: **Hudson "1" Federal #8H**
API Number: **30-015-37272** OCD Permit Number: **209588**
U/L or Qtr/Qtr C Section I Township **23 S** Range **30 E** County: **Eddy**
Center of Proposed Design: Latitude **N 32.338533** Longitude **W 103.836222** NAD: ☐ 1927 ☒ 1983
Surface Owner: ☒ Federal ☐ State ☐ Private ☐ Tribal Trust or Indian Allotment

2.
☒ **Closed-loop System:** Subsection H of 19.15.17.11 NMAC
Operation: ☒ Drilling a new well ☐ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) ☐ P&A
☐ Above Ground Steel Tanks or ☒ Haul-off Bins

3.
Signs: Subsection C of 19.15.17.11 NMAC
☒ 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
☒ Signed in compliance with 19.15.3.103 NMAC

4.
Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC
Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.
☒ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC
☒ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC
☒ Closure Plan (Please complete Box 5) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC
☐ Previously Approved Design (attach copy of design) API Number: _____
☐ Previously Approved Operating and Maintenance Plan API Number: _____

5.
Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)
Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than two facilities are required.
Disposal Facility Name: _____ Disposal Facility Permit Number: _____
Disposal Facility Name: _____ Disposal Facility Permit Number: _____
Will any of the proposed closed-loop system operations and associated activities occur on or in areas that *will not* be used for future service and operations?
☐ Yes (If yes, please provide the information below) ☒ No
Required for impacted areas which will not be used for future service and operations:
☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC
☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC
☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC



6.
Operator Application Certification:
I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.
Name (Print): Title: _____
Signature: Dennette Childers Date: 2-23-2010
e-mail address: _____ Telephone: _____

7. **OCD Approval:** ☐ Permit Application (including closure plan) ☒ Closure Plan (only)

OCD Representative Signature: Scors R Dade Approval Date: 03/01/2010

Title: DIST II Supervisor OCD Permit Number: 209588

8. **Closure Report (required within 60 days of closure completion):** Subsection K of 19.15.17.13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☒ Closure Completion Date: February 8, 2010

9. **Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:**

Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: Controlled Recovery, Inc

Disposal Facility Permit Number: R-9166

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please demonstrate compliance to the items below) ☒ No

Required for impacted areas which will not be used for future service and operations.

☐ Site Reclamation (Photo Documentation)

☐ Soil Backfilling and Cover Installation

☐ Re-vegetation Application Rates and Seeding Technique

10. **Operator Closure Certification:**

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): Annette Childers

Title: Regulatory Clerk

Signature: Annette Childers

Date: 2-23-2010

e-mail address: machilders@basspet.com

Telephone: (432) 683-2277

BOPCO, L.P.
Hudson "1" Federal 8H
Section 1, T-23-S, R-30-E
Eddy County, New Mexico

SITE PHOTOGRAPHS

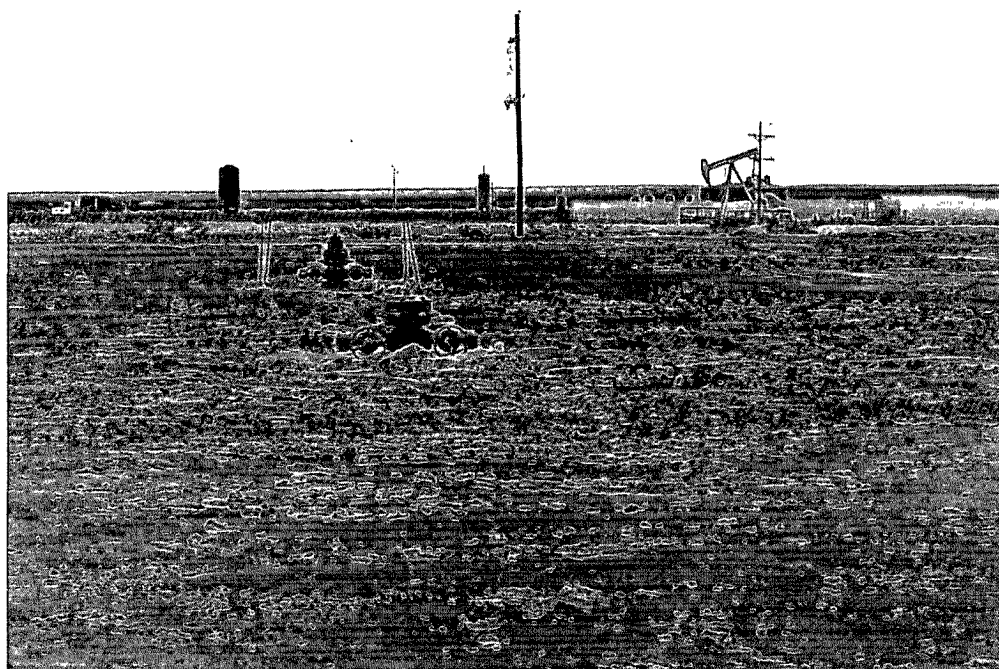
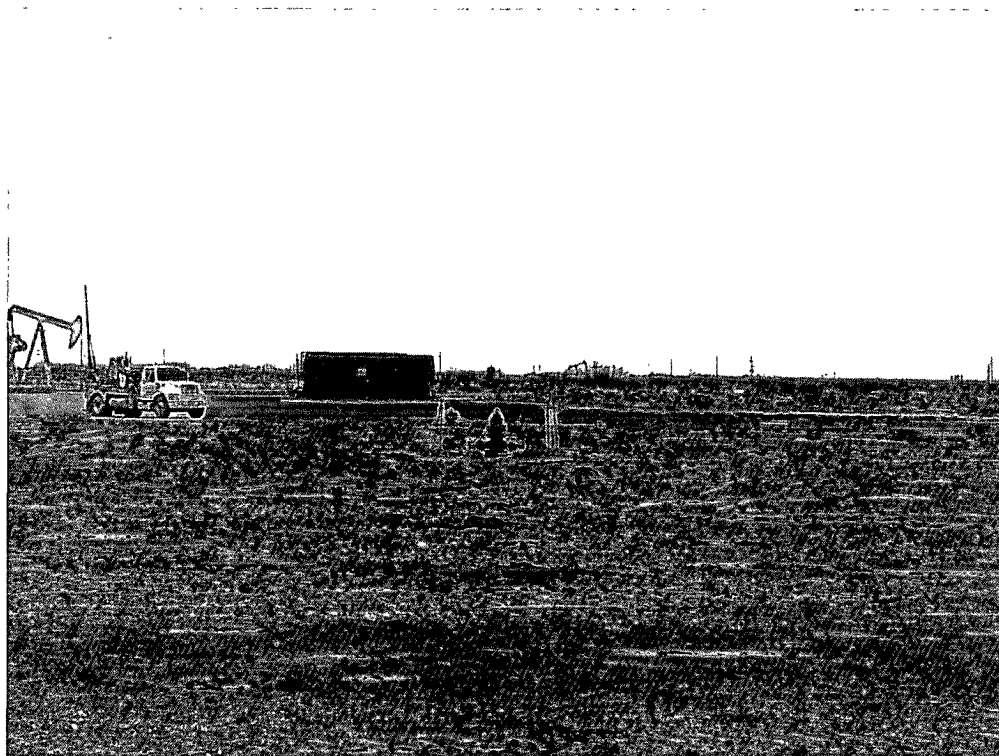
Taken February 8, 2010

Hudson "1" Federal 8H

**BOPCO, LP – Hudson “1” Federal 8H
Site Photographs taken February 8, 2010**

(p. 1 of 1)

***Wellhead with four posts surrounding is Hudson “1” Federal 8H.**



NMOCD Closed-Loop System Closure Report

**BOPCO, L.P.
Hudson "1" Federal 8H
Section 1, T-23-S, R-30-E
Eddy County, New Mexico**



SPORT ENVIRONMENTAL SERVICES, PLLC

502 N. Big Spring Street, Midland, Texas 79701
Business: 432.683.1100 Fax: 888.500.0622

February 16, 2010

Mr. Mike Bratcher
State of New Mexico
Oil Conservation Division
1301 W. Grand
Artesia, NM 88210

Re: **Closed-Loop System Closure Report**
BOPCO, L.P., Hudson "1" Federal 8H
Section 1, T-23-S, R-30-E
Eddy County, New Mexico

Dear Mr. Bratcher,

On behalf of BOPCO, L.P., Sport Environmental Services is providing the enclosed NMOCD Closed-Loop System Closure Report for BOPCO, L.P.'s Hudson "1" Federal 8H location.

BOPCO, L.P.'s Hudson "1" Federal 8H and James Ranch Unit #108H locations are approximately 100 feet from each other. The James Ranch Unit #108H was drilled December 6, 2009 and once the rig was released it was moved to the Hudson "1" Federal 8H (January 6, 2010). The site closure consisted of removing visual signs of contaminated soil from both locations and restoring the impacted area with reclaimed caliche. Approximately 36 cubic yards of visually impacted soil was excavated and disposed of offsite at the NMOCD permitted and approved facility, Controlled Recovery Inc. (Permit #R-9166). Caliche from the edge of the location was used as backfill.

The Bureau of Land Management interim reclamation will be performed prior to the deadline. The location will be assessed to determine if the pad location can be reduced. If we can effectively operate with a reduced footprint, seeding will occur during the next growing season for optimal growth, in the summer of 2010. BLM Seed Mixture #2 will be applied using the broadcast method. When broadcasting the seed, the pounds per acre will be doubled. As required by NMAC 19.15.17.13(I)(2), successful reclamation is considered to be 70% re-growth of the native perennial vegetative cover (un-impacted by overgrazing, fire or other intrusion damaging to native vegetation) consisting of at least three native plant species, including at least one grass, but not including noxious weeds, and maintain that cover through two successive growing seasons. During the two growing seasons, that prove viability, there will be no artificial irrigation of the vegetation. Repeat seeding or planting will occur, until required vegetation coverage is successfully achieved. Evaluation of growth will not be made before completion of at least

one full growing season after seeding. Photographs of existing vegetation were taken prior to constructing the drilling pit location, as a tool to confirm re-growth of 70% native vegetative coverage.

Species to be planted in pounds of pure live seed* per acre:

<u>Species</u>	<u>lb/acre</u>
Sand dropseed (<i>Sporobolus cryptandrus</i>)	1.0
Sand love grass (<i>Eragrostis trichodes</i>)	1.0
Plains bristlegrass (<i>Setaria macrostachya</i>)	2.0

*Pounds of pure live seed:

Pounds of seed **X** percent purity **X** percent germination = pounds pure live seed

Enclosed please find documentation demonstrating that the checklist requirements set forth with the Closure Report Regarding Waste Removal Closure for Closed-loop Systems That Utilize Haul-off Bins Form C-144 CLEZ, Box 9, have been met. The closure report consists of the disposal facility name and permit number and February 8, 2010 photo documentation of stained soil removal.

If you have any questions or comments with regard to this matter, please contact me at my office (432.683.1100). I would be more than happy to review this closure report with you.

Sincerely,



Tasha Finley
Regulatory Compliance Manager

Enclosures: NMOCD Closed-Loop System Closure Report

Cc via Email:

Annette Childers
BOPCO, L.P.
dba Bass Enterprises Production Co.
P.O. Box 2760
Midland, TX 79702