OCD-HOBBS

Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR

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

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5.	Lease Serial No	•

BUREAU OF LAND MANAGEMENT					5. Lease Serial No.		
SUNDRY NOTICES AND REPOR	NM 0327106						
Do not use this form for proposals to dr abandoned well. Use Form 3160-3 (ARB	6. If Indian, Allottee or Tribe Name						
SUBMIT IN TRIPLICATE- Other instructi	7. If Unit or CA/Agreement, Name and/or No. NM 68289C						
1. Type of Well Oll Well Gas Well Other MAR () 6 2008					8. Well Name and No. Antelope Ridge Unit #6		
Name of Operator BOLD ENERGY, LP 233 545	9. API Well No. 30-025-26291						
Address 415 W. Wall, Suite 500 Midland, Texas 79701 4	10. Field and Pool, or Exploratory Area Antelope Ridge Morrow						
Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL & 1980' FEL, Sec 3 - T24S - R34E Unit Letter "G"		11 County or Parish, State Lea County, New Mexico					
12. CHECK APPROPRIATE BOX(ES) TO INC	NCATE 1	VATURE	OF NOTICE, R	EPORT, OR	OTHER DATA		
TYPE OF SUBMISSION		TYPE	OF ACTION				
Notice of Intent Alter Casing	Deepen Fracture Tre		Production (Sta	rt/Resume)	Water Shut-Off Well Integrity		
Change Plans	New Consti Plug and At Plug Back		Recomplete Temporarily Ab Water Disposal	andon	Other Request to extend TA status for 1 year		
determined that the site is ready for final inspection.) BOLD ENERGY, LP respectfully requests a 1-year extension BOLD ENERGY's intention is to convert this well to a salt we extending the approved TA period through 4/1/09, BOLD ENERGY and the salt was a salt we have the salt with the salt was a	vater dispo	sal well pe	r the attached ap	proved SWD j	permit (SWD-1105). By		
additional SWD needs of this unit. Attached: SWD-1105							
Attached: SWD-1105	After or p	lans to	1/08 the P&A mus	e well mu t be sub			
14. I hereby certify that the foregoing is true and correct	Lnj	6/96	V exp	1000	13/12/00,		
Name (Printed/Typed) Shannon L. Klier		Title Ope	rations Engineeri	ng Manager			
Signature SULLin		Date	2/26/08		APPROVED		
THIS SPACE FOR FE	DERAL	OR ST	ATE OFFICE	USE			
Approved by		Titl	e	I	Date MAR 4 2008		
Conditions of approval, if any, are attached. Approval of this notice does certify that the applicant holds legal or equitable title to those rights in the which would entitle the applicant to conduct operations thereon.			ice		WESLEY W. INGRAM		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a cri	ime for any	person knov	vingly and willfully	to make to an	y department or agency of the United		

(Instructions on page 2)



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Administrative Order SWD-1105

APPLICATION OF BOLD ENERGY LP FOR PRODUCED WATER DISPOSAL, LEA COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), BOLD ENERGY LP (OGRID 233545) made application to the New Mexico Oil Conservation Division for permission to utilize for produced water disposal its Antelope Ridge Unit Well No. 6 (API No. 30-025-26291) located 1980 feet from the North line and 1980 feet from the East line of Section 3, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

BOLD ENERGY LP is hereby authorized to utilize its Antelope Ridge Unit Well No. 6 (API No. 30-025-26291) located 1980 feet from the North line and 1980 feet from the East line of Section 3, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico, in such manner as to permit the injection of produced water for disposal purposes into the Bell Canyon and Cherry Canyon members of the Delaware Mountain Group through perforations from 5227 feet to 6290 feet and through plastic-lined tubing set with a packer located within 100 feet of the

top of the injection interval.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

After installing injection tubing, the casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The wellhead injection pressure on the well shall be limited to **no more than 1045 psi.** In addition, the injection well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface injection pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the injection formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment and of any mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Hobbs district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

PROVIDED FURTHER THAT, jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall provide written notice of the date of commencement of injection to the Hobbs district office of the Division.

The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator received by the Division prior to the termination date, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on December 12, 2007.

MARK E. FESMIRE, P.E.

Director

MEF/wvjj

cc: Oil Conservation Division – Hobbs

State Land Office - Oil, Gas, and Minerals Division