

3 OCD Aztec, 1 HLB, 1 DS, 1 GSC, 1 HRB, 1 RR, 1 File = 4

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-78

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DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
5. State Oil & Gas Lease No.
LG3748

SUNDRY NOTICES AND REPORTS ON OIL AND GAS RESERVOIR.
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG A WELL OR TO ABANDON A WELL. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	7. Unit Agreement Name
2. Name of Operator BCO, INC.	8. Farm or Lease Name State H
3. Address of Operator 135 Grant, Santa Fe, N.M. 87501	9. Well No. 5
4. Location of Well UNIT LETTER B 800 FEET FROM THE North LINE AND 2200 FEET FROM THE East LINE, SECTION 2 TOWNSHIP 23N RANGE 7W NMPM.	10. Field and Pool, or Wildcat Undesignated Graneros Lybrook Gallup
15. Elevation (Show whether DF, RT, GR, etc.) 6950 GR	12. County Rio Arriba

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	Complete and place in production <input checked="" type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

September 18, 1987 Moved to H-5. Rigged up. Tagged cement at 4546'. Drilled to 4653' where tagged DV tool. Drilled through DV.

September 21, 1987 Tagged cement at 6305'. Drilled to 6447' which is PBTD. Rolled hole with KCL. Came out. Logging tools not working.

September 22, 1987 Bluejet logged cement from 4500'-6447'. Bluejet will send copy of Cement Bond Log to OCD. Determined top of first stage cement is 5266'. Pressure tested at 3000 lbs. Held. Perforated 0.39" holes at 6352', 6356', 6362', 6366', 6370', 6374', 6395'. Went in with straddle packers. Spotted 1500 gallons 7½% double inhibited acid. Broke down each hole except 6366', which shot did not penetrate.

September 23, 1987 Treated 42,000 gallons of water with 160 gallons TRI-S, 84 gallons of 3N, 8400 lbs of KCL, 42 gallons LP55 scalecheck, 900 lbs WG-11, 120 lbs HYG-3, 120 lbs K-34 and 15 lbs GBW-30. Sand water foam fracked (70%) 6352'-6395' with 98,700 gallons of foam, 95,095 lbs 20-40 sand, 2,116,500 standard cubic feet of nitrogen. Average treating pressure 4600 lbs at 24 foam bbls per minute. ISIP 3790, 5 min 3540, 10 min 3400, 15 min 3360. (Continue)

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Elizabeth B. Keeshan TITLE Vice President DATE October 9, 1987

Original Signed by FRANK T. CHAVEZ

SUPERVISOR DISTRICT #3

DATE 10-12-87

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

SUNDRY NOTICES AND REPORTS ON WELLS

Lease No. LG3748
State H-5
Undesignated Graneros/Lybrook
Page Two

September 24, 1987 Well flowing to tank.

September 25-26, 1987 Swabbed well to keep flowing.

September 27, 1987 Swabbed well to determine initial potential of Graneros: 20 BOPD and 40 MCF with 18 barrels recovered frac water. Casing pressure was 680-780 on different swabs.

September 28, 1987 Came out of hole with tubing. Bluejet set retrievable bridge plug at 5610' on wire line. Came out of hole. Pressure tested plug at 2500 lbs. Perforated with 0.39" holes at 5300', 5406', 5412', 5418', 5424', 5494', 5530', 5534', 5538', 5542' and 5576'. Started in hole with straddle packers.

September 29, 1987 Spotted 2000 gallons 15% double inhibited HCL acid. Broke down each perforation.

September 30, 1987 Bluejet reshot hole at 5530'. Went in with straddle packer. Spotted 500 gallons 15% double inhibited HCL acid. Broke down perforation.

October 1, 1987 Treated 66,000 gallons of water with 265 gallons TRI-S; 130 gallons of 3N; 11,200 lbs of KCL; 65 gallons LP-55 scalecheck, 1400 lbs WG-11, 200 lbs HYG-3, 200 lbs K-34 and 35 lbs GBW-30. Sand water foam fracked (70%) 5300'-5576' with 164,055 gallons of foam, 268,500 lbs 20-40 sand, 3,020,200 standard cubic feet of nitrogen. Average treating pressure 3650 lbs at 35 foam bbls per minute. ISIP 2550; 5 min 2150; 10 min 2140; 15 min 2140.

October 2, 1987 Well flowing to frac tank. Went in to retrieve bridge plug. Tagged sand at 5566'. Cleaned out to 5610'. Came out of hole with bridge plug. Went in with expandable check. Tagged sand at 6398'. Cleaned out to 6446'. Landed 2-3/8 tubing at 6366'. Pumped out expandable check. Put 1200 lbs on back side. Pulled three swabs. Put well to tank on 24/64 choke.

October 5, 1987 Well still flowing on 24/64. Dropped piston. Tripped piston. Rigged down.

October 6, 1987 Determined initial potential of Gallup is 60 BOPD and 420 MCF of gas with 12 barrels of recovered frac water. Tubing pressure was 260; casing pressure 460 on a 24/64 choke.