

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-039-24359
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-2258

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

1. Type of Well:
OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. Name of Operator
BCO, Inc.

3. Address of Operator
135 Grant Avenue, Santa Fe, NM 87501

4. Well Location
Unit Letter J : 1805 Feet From The South Line and 1730 Feet From The East Line
Section 16 Township 23N Range 7W NMPM Rio Arriba County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
7315 GR

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

12. 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.

6/22/89 Rigged up. Went in hole with 2 3/8" tubing. Tagged cement at 5745'. Drilled cement to 5760' which is PBTD.

6/23/89 Halliburton Logging Services logged cement from 5752-5250 and 4010-3600. A copy of the log will be mailed directly to the OCD. Pressure tested casing to 2500 pounds for 30 minutes. Casing held. Perforated with one 3 1/8" 0.39" select fire shot at 5541, 5545, 5548, 5654, 5656, 5658, 5669, 5720, 5746. Went in with straddle packers. Tested tools. Spotted 1000 gallons 15% double inhibited HCl acid. Broke down 5746, 5720, and 5669 individually. Broke down 5658, 5656, and 5654 as a group. Broke down 5548, 5545, and 5541 as a group.

6/24/89 Swabbed fluid down to 5400'. Came out of hole with tubing. Rigged up frac valve.
(continued)

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

SIGNATURE Elizabeth B. Keeshan TITLE Vice President DATE 7/3/89
TYPE OR PRINT NAME Elizabeth B. Keeshan TELEPHONE NO. 983-1228

(This space for State Use)

Original Signed by FRANK T. CHAVEZ

APPROVED BY _____ TITLE _____ DATE JUL 06 1989
CONDITIONS OF APPROVAL, IF ANY:

SUNDRY NOTICES AND REPORTS ON WELLS

Lease No: V-2258

Page Two

- 6/27/89 Treated 56937 gallons of water with 260 gallons TRI-S, 110 gallons of 3N, 51 gallons Clay Fix II, 12 gallons LP55 scalecheck, 270 gallons LGC V and 26 pounds GBW-30. Sand water foam fracked 5541-5746 with 101,000 gallons 70% foam, 320,000 pounds of 20-40 sand, 2,936,486 standard cubic feet of nitrogen. Average treating pressure 3800 pounds at 33 foam barrels per minute. ISIP 2800, 5 minutes 2380, 10 minutes 2360, 15 minutes 2350.
- 6/28/89 Well flowing to tank. Killed well. Went in with seat nipple and expandable check on 2 3/8" tubing. Tagged sand at 5748'. Cleaned out sand to 5760'. Landed tubing at 5716. Pumped out expandable check. Placed well in production to clean out. Well flowing on 18/64 choke.
- 7/3/89 Determined initial potential of well at 36 barrels of oil, 288 MCF of gas and 9 barrels of recovered frac water. Well was flowing on an 18/64 choke for the 24 hour test period. Dropped piston. Will run one trip each day with piston to keep paraffin cut. Will adjust setting of well as needed.