

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

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. 30-039-24375
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-2258
7. Lease Name or U.S. Land Office Name State "J" RECEIVED MAY 17 1989
8. Well No. 3 OIL CON. DIV.
9. Pool name or Wildcat Lybrook Gallup Ext. DIST. 3

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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	2. Name of Operator BCO, Inc.	3. Address of Operator 135 Grant, Santa Fe, NM 87501	4. Well Location Unit Letter <u>E</u> : <u>1850</u> Feet From The <u>North</u> Line and <u>990</u> Feet From The <u>West</u> Line Section <u>16</u> Township <u>23N</u> Range <u>7W</u> NMPM <u>Rio Arriba</u> County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 7243 GR			

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input 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.

5/10/89 - 5/13/89 Drilled 7 7/8" hole to 3849'.

5/13/89 Notified by driller, Herman Walters, at 2:00 a.m. that hole had deviated between 2400' and 2500'. This had not been discovered until 3849' when second deviation survey instrument had been taken out to location and new surveys had been run. The driller had questioned the original survey reports of 1° - 1 1/2° all down the hole because of difficulties they were encountering in drilling. The revised survey results are as follows: 2400' - 1°, 2500' - 4°, 2600' - 4°, 2900' - 6°. 3849' - 7 1/2°. About 7:30 a.m. set a whipstock plug with 250 sacks of Class B cement with 2% CaCl. Cement was mixed at 15.6 pounds with a yield of 1.18 cubic feet

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 5/15/89
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 SUPERVISOR DISTRICT # DATE MAY 17 1989

CONDITIONS OF APPROVAL, IF ANY:

SUNDRY NOTICES AND REPORTS ON WELLS

Lease No: V-2258

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per sack or a total of 295 cubic feet. Expected plug to be set from 2100-2900'.

5/14/89 Waited on cement until 6:00 p.m. Started back in hole. Located top of cement at 2256'. Drilled soft, contaminated cement for 50'. Then started drilling good cement.

5/15/89 Drilling from 2300-2396' got 100% cement cuttings back. The percentage of formation cuttings increased to 100% by 2500'. Deviation surveys since re-entry: 2396' - 2°, 2438' - 2°, 2470' - 2 1/2°, 2500' - 2 1/2°.