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 [X] FEE [ ]

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.)

7. Lease Name or Unit Agreement Name
State "U"

RECEIVED
MAY 31 1989
OIL CON. DIV
DIST. 3

1. Type of Well:
OIL WELL [X] GAS WELL [ ] OTHER

2. Name of Operator
BCO, Inc.

8. Well No.
3

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

9. Pool name or Wildcat
Lybrook Gallup Ext.

4. Well Location
Unit Letter E : 1850 Feet From The North Line and 990 Feet From The West Line

Section 16 Township 23N Range 7W NMPM Rio Arriba 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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK [ ]	PLUG AND ABANDON [ ]	REMEDIAL WORK [ ]	ALTERING CASING [ ]
TEMPORARILY ABANDON [ ]	CHANGE PLANS [ ]	COMMENCE DRILLING OPNS. [ ]	PLUG AND ABANDONMENT [ ]
PULL OR ALTER CASING [ ]		CASING TEST AND CEMENT JOB [X]	
OTHER: [ ]		OTHER: [ ]	

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 - 5/20/89 Drilled 7-7/8" hole to 5800'. Bits were run as follows:

Bit #	Type	Date Out	Depth Out	Rotation Hours	Feet Drilled	Avg. Hour	Deviation
1	OSC-16	5/9/89	225	2 3/4	225	82	1/2°
2	6116	5/10/89	2257	15 1/4	2032	133	1 °
3	V-527	5/13/89	3947	42 1/2	1915	45	Note
	Note: Discovered deviation problem reported on sundry filed 5/15/89. Set whipstock plug to 2240' and redrilled hole.						
4	L-116	5/16/89	3205	28 1/2	965	34	3/4°
5	HP-52A	5/20/89	5800	89	2595	29	1 °

5/20/39 - 5/21/89 Halliburton ran Induction Guard Log and Spectral Density Log. Halliburton will mail one copy of each log to the OCD.

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

SIGNATURE James C. Bennett for TITLE Vice-President DATE 5/30/89

TYPE OR PRINT NAME Elizabeth B. Keeshan TELEPHONE NO. 983-1228

(This space for State Use)

APPROVED BY Original Signed by FRANK T. CHAVEZ TITLE SUPERVISOR DISTRICT #3 DATE MAY 31 1989

CONDITIONS OF APPROVAL, IF ANY:

Operator: BCO, Inc.
135 Grant Avenue
Santa Fe, NM 87501

SUNDRY NOTICES AND REPORTS ON WELLS

Lease No: V-2258

5/21/89 Ran 5797' of 4 1/2" 11.6# J-55 casing. One string cement job was run from TD to 860' (top of cement identified by Halliburton Logging Services on Acoustic Cement Bond Log run May 26, 1989). Copy to be mailed to OCD by Halliburton. Pumped 5 barrels water, 10 barrels $CaCl_2$ water, 10 barrels water; 20 barrels Flochek 2-1. Washed out pumps and lines. Pumped 10 barrels dye water, pumped 3 barrels water. The lead cement was 1145 sacks of 50/50 Class "G"/Poz Mix A with 4% gel, 10# gilsonite per sack, 10% salt, 10% Cal Seal mixed at 12.7# with a yield of 1.8 cubic feet per sack or 2061 cubic feet (about 370 barrels of slurry). This was followed by 150 sacks of Class "G" cement with 2% $CaCl_2$, 6 1/4# of gilsonite per sack, 8# salt per sack, 1/2# flocele per sack. This was mixed at 15.2# with a yield of 1.377 cubic feet per sack or 207 cubic feet (approximately 37 barrels of slurry). Had trouble pumping. Bridged off with 40 barrels slurry in the hole (about 2580' of cement). Discovered debris in suction lines of pump. Halliburton Services is analyzing debris and how it got into system.

5/22/89 - 5/25/89 Drilled cement from 3220' to 5753' which is PBTD.