

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

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, Santa Fe, NM 87501

4. Well Location

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

8. Well No.
3

9. Pool name or Wildcat
Lybrook Gallup Ext.

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 <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 type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER <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.

5/26/89 Halliburton Logging Services ran an Acoustic Cement Bond Log from 5753 to 5080; 1750 to 600. HLS determined top of cement is 860. HLS will mail one copy of log to OCD. Tested casing at 2500 pounds for 30 minutes. Casing held. Perforated with one 3 1/8" 0.39 select fire at 5683; 5612; 5598; 5595; 5592; 5487; 5483 and 5480. Went in with straddle packers. Spotted 1000 gallons 15% HCL double inhibited acid. Broke down 5683 and 5612 individually. Broke down 5598; 5595 and 5592 as a group. Broke down 5487; 5483 and 5480 as a group.

5/30/89 Treated 16,660 gallons of water with 133 gallons of LGC V, 75 gallons Tri-S, 30 gallons 3-N, 15 gallons Clay Fix II; 20 gallons LP-55; and 8 pounds GBW-30. Sand water foam fracked (70% quality foam) 5480' - 5683' with 77,856 gallons of foam, 39,000 pounds 20-40 sand, 751,441 standard cubic feet of nitrogen. Average treating pressure 4300 pounds at 30 foam barrels per minute. (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 6/29/89

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 _____

CONDITIONS OF APPROVAL, IF ANY:

JUN 30 1989

SUNDRY NOTICES AND REPORTS ON WELLS

Lease No: V-2258

Page Two

- Screened off. Attempted to clean out sand in casing in order to restart frac. Tubing broke free from moorings. Shut frac valves in.
- 6/2/89 Opened frac valves hydraulically and blew well down with 1/4" choke above valves. Killed well with 30 barrels water. Removed frac valves. Placed BOP in position. Went in with expandable check on 2 3/8" tubing. Tagged sand at 4671'. Cleaned out to 5753'. Landed 2 3/8" tubing at 5589'. Pumped expandable check. Put well in production to clean out. Will test well to determine whether to refrac.
- 6/3/89 - 6/18/89. Tested well. Produced 75 barrels of oil in total and gas mixed with nitrogen. Determined necessary to refrac if well to be completed and placed in production.
- 6/19/89 Tagged bottom 5684'. Came out of hole. Cleaned out sand to 5717' with a sand pump. Ran 5 jts 2 7/8" tubing with Baker full bore packer at 197'.
- 6/20/89 Treated 42,362 gallons of water with 180 gallons Tri-S, 85 gallons of 3-N, 43 gallons of Clay Fix II, 240 Gallons LGC V, 25 pounds GBW-30. Sand water foam fracked (70% quality foam) 5480' - 5683' with 131,145 gallons of foam, 221,700 pounds of 20-40 sand, and 2,408,545 standard cubic feet of nitrogen. The average treating pressure was 3800 pounds at 30 foam barrels per minute. ISIP 3000, 5 min. 2440, 10 min. 2420, 15 min. 2410.
- 6/21/89 Flowing. Killed well. Unset packer. Came out of hole with 2 7/8" and packer. Went in hole with notched collar and seat nipple on 2 3/8" tubing. Tagged sand at 5696'. Landed well at 5670'. Started to swab. Placed well in production.
- 6/29/89 Determined potential of well to be 13 BOPD and 195 MCF with 6 barrels of recovered frac water.