

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.	30-045-28665
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	V-2413
7. Lease Name or Unit Agreement Name	STATE K
8. Well No.	1
9. Pool name or Wildcat	ALAMITO GALLUP

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>P</u> : <u>400</u> Feet From The <u>SOUTH</u> Line and <u>900</u> Feet From The <u>EAST</u> Line Section <u>36</u> Township <u>23N</u> Range <u>8W</u> NMPM SAN JUAN County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) GL: 6942'	

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: <u>OIL CON. DIV. DIST. 3</u> <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <u>Completion</u> <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.

6/15/92 Rigged up Big "A" Well Service Rig #11. Petro Wireline ran Cement Bond Log with zero surface pressure from 5060'-4450', 3700'-3500', 3200'-2900', 1400'-1300'. Good Cement Bond.

HB&R, Inc. tested casing to 4000 PSIG. Held for 15 minutes with no pressure loss. Perforated Gallup 4775', 4780', 4882', 4888', 4895', 4902', 4963', 4976', 4980', 5017' with 0.32" EHD Perfs in 3 1/8" select fire gun.

6/16/92 Cleaned tubing and casing with 400 gallons of 15% FE HCL. Pumped 1000 gallons 7.5% FE HCL. Broke down perfs 4775'-5017' individually with straddle packer using 100 gallons of acid per perf. Average ISIP = 558 PSIG.

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

SIGNATURE Elizabeth B. Keeshan TITLE President DATE 6/22/92

TYPE OR PRINT NAME Elizabeth B. Keeshan TELEPHONE NO. 505-983-1228

(This space for State Use)

Original Signed by FRANK T CHAVEZ  
APPROVED BY \_\_\_\_\_ TITLE SUPERVISOR DISTRICT # 3 DATE JUN 23 1992  
CONDITIONS OF APPROVAL, IF ANY:

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

SUNDRY NOTICES AND REPORTS ON WELLS

Lease No.: V-2413

Page Two

- 
- 6/17/92 Halliburton fracture stimulated well with 280,000 lb 16/30 Brady Sand in 153,531 gallons of 70 quality constant internal phase nitrogen foam. Average injection rate 25 bbl/minute at 2500 PSIG. ISIP 950 PSIG with water flush. Opened well on 1/2" choke 1 hour after frac.
- 6/18/92 At 6:30 a.m. well had produced 60 bbl in previous 7.5 hrs flowing to tank. Instantaneous oil cut 20%, flowing pressure 140 PSIG on open choke. 8:30 a.m. flowing pressure 65 PSIG. Killed well with 12 bbl KCL water.
- Tagged sand with tubing 4986: Cleaned out to 5060' using nitrogen and water sweeps. Landed 151 joints of 2.375" 4.7# J-55 tubing at 4980" and placed well on production to frac tank.
- 6/19/92 Flow testing - installed piston and spring stop.
- 6/20/92 Flow testing.
- 6/21/92 Initial potential 50 bbl oil, 20 bbl water and 200 MCF of gas in 24 hours. Flowing casing pressure 455 PSIG, flowing tubing pressure 160 PSIG. Flow cycle 2:00 hours on, 30 minutes off.