

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-6161 Fax:(505) 393-0720

District II  
1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720

District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
Energy, Minerals and Natural Resources  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-103  
Permit125277

|                                                                                                                                                                                                                                                                                                                                         |  |                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------|
| <p align="center"><b>SUNDRY NOTICES AND REPORTS ON WELLS</b></p> <p>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)</p>                                                                                                 |  | WELL API NUMBER<br>30-025-39734 |
|                                                                                                                                                                                                                                                                                                                                         |  | 5. Indicate Type of Lease<br>S  |
|                                                                                                                                                                                                                                                                                                                                         |  | 6. State Oil & Gas Lease No.    |
| 7. Lease Name or Unit Agreement Name<br>SOUTH DENTON 6 STATE                                                                                                                                                                                                                                                                            |  | 8. Well Number<br>002           |
| 9. OGRID Number<br>160825                                                                                                                                                                                                                                                                                                               |  | 10. Pool name or Wildcat        |
| 1. Type of Well: O<br>2. Name of Operator<br>BC OPERATING, INC.<br>3. Address of Operator<br>P O Box 50820, Midland, TX 79710                                                                                                                                                                                                           |  |                                 |
| 4. Well Location<br>Unit Letter <u>D</u> : <u>330</u> feet from the <u>N</u> line and <u>330</u> feet from the <u>W</u> line<br>Section <u>6</u> Township <u>16S</u> Range <u>38E</u> NMPM Lea County                                                                                                                                   |  |                                 |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3781 GR                                                                                                                                                                                                                                                                            |  |                                 |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____ |  |                                 |

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

**NOTICE OF INTENTION TO:**

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
 TEMPORARILY ABANDON ☐ CHANGE OF PLANS ☐  
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
 Other: \_\_\_\_\_

**SUBSEQUENT REPORT OF:**

REMEDIAL WORK ☐ ALTER CASING ☐  
 COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐  
 CASING/CEMENT JOB ☐  
 Other: Spud ☒

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1/4/2011 Spudded well.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Electronically Signed TITLE Engineering Tech DATE 1/5/2011

Type or print name Pam Botkin E-mail address pbotkin@blackoakres.com Telephone No. 432-684-9696

**For State Use Only:**

APPROVED BY: Paul Kautz TITLE Geologist DATE 1/5/2011