

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240

District II - (575) 748-1283

811 S. First St., Artesia, NM 88210

District III - (505) 334-6178

1000 Rio Brazos Rd., Aztec, NM 87410

District IV - (505) 476-3460

1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-42230

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

VO6800 / 40445

7. Lease Name or Unit Agreement Name

Abe State

8. Well Number #3H

9. OGRID Number

160825

10. Pool name or Wildcat

WC-025 G-07 S213330F; Bone Spring

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

BC Operating, Inc.

3. Address of Operator

P.O. Box 50820 Midland, Texas 79710

4. Well Location

Unit Letter A : 240 feet from the North line and 360 feet from the East lineSection 29 32 Township 21S Range 33E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3701' GL

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 PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐DOWNHOLE COMMINGLE ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☒OTHER: ☐

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

10/13/2016 **Depth 1,705'; Footage 0'.** Testing BOPE at report time. 4 Hours running casing, 4 hours rig up cementers and cement 13 3/8" casing to surface. 8 hours WOC and wellhead work, 8 hours nipple up BOP and test. Last survey: 1,616 MD, 1.08 INC, 194.52 AZI.

CASING DETAIL:

Float shoe	1.55
1 Joint 13-3/8" 61# J55 BTC	44.57
Float collar	1.25
37 Joints 13-3/8" 61# J55 BTC	1,654.29
TOTAL	1,701.66

CEMENT DETAIL: 20 bbls spacer, 910 sacks Pro-Value C, 12.8 ppg, 1.85 yield. Tail 440 sacks Premium C at 13.8 ppg, 1.60 yield. Full returns during job, Landed plug at 850 psi, Floats held, circulated 521 sacks to surface. Displaced with 251 bbls 10# brine (calculated 251.57 bbls)

Spud Date:

10/11/2016

Rig Release Date:

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

SIGNATURE Pam Stevens TITLE Regulatory Analyst DATE 10/13/2016Type or print name Pam Stevens E-mail address: pstevens@bcoperating.com PHONE: 432-684-9696

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 10/20/16

Conditions of Approval (if any):