

HOBBS OCD

Submit 1 Copy To Appropriate District Office

State of New Mexico

Form C-103

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

Energy, Minerals and Natural Resources

October 13, 2009

OIL CONSERVATION DIVISION

1220 South St. Francis
Santa Fe, NM 87505

WELL API NO.

30-025-39734

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

38111

7. Lease Name or Unit Agreement Name

South Denton 6 State

8. Well Number 2

9. OGRID Number

160825

10. Pool name or Wildcat

San Andres & Glorieta

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 SWD

2. Name of Operator

BC Operating, Inc.

3. Address of Operator

PO Box 50820, Midland, TX 79710

4. Well Location

Unit Letter D : 330 feet from the N line and 330 feet from the W line
Section 6 Township 16S Range 38E NMPM Lea County

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

3751' GR

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 ☐

Changed wording:

OTHER: Flush joint liner casing installation

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SUBSEQUENT REPORT OF:

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

OTHER: See Remarks Below

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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.

Procedure: *** WAS WORDED WRONG FIRST TIME. SHOULD BE INSTALL FLUSH JOINT LINER CASING***

Flow well back until dead. Bleed pressure off backside first, if possible. RU PU, ND WH & NU BOP. TOO H w/pkr & add on/off tool w/profile to pkr.

RU WL & set CIBP @ 5175' w/2 sx cmt. RDMO WL. Run 1200' of 4 1/2" 11.60# J-55 FL-4S flush jt csg to CIBP. PU 1' off cmt top. Open 5 1/2" annular valves & cement 4 1/2" csg in place as per service company. Max pumping rate equals 1.5 bpm. Circ cmt to top of flush jt csg. Drop flush jt liner casing on CIBP, back off flush jt & reverse out cmt. WOC 12 hrs. TIH w/3 3/4" bit on new 2 3/8" workstring. RU reverse unit & DO cmt & CIBP's. Clean well out to TD @ 6850'. Circ hole clean. TOO H w/bit. RD reverse unit.

TIH w/4 1/2" 11.60# nickel plated injection pkr, 1300' of 2 7/8" 6.5# J-55 fiberglass lined & 3 1/2" 9.3# J-55 fiberglass lined injection tbg. Set pkr @ +/-5150'. Pressure test csg/tbg annulus to 500# for 30 mins. Flange up WH & RD PU. Schedule Braidenhead & MIT tests w/NMOCD.

Spud Date:

1/6/11

Rig Release Date:

1/16/11

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 07/01/2013

Type or print name Pam Stevens E-mail address pstevens@bcoperating.com PHONE: 432-684-9696

For State Use Only

APPROVED BY: Mary Brown TITLE Compliance Officer DATE 8/30/2013

Conditions of Approval (if any):

SEP 11 2013