

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
BC Operating, Inc.

3a. Address
P.O. Box 50820
Midland, Texas 79710

3b. Phone No. (include area code)
432-684-9696

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL: 330' FSL & 2200' FEL of Section 17, T22S, R33E
BHL: 330' FNL & 2200' FEL of Section 17, T22S, R33E

5. Lease Serial No.
NMNM114984

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
Chili Parlor 17 federal #1H

9. API Well No.
30-025-41540

10. Field and Pool or Exploratory Area
Red Tank, Bone Spring, East

11. County or Parish, State
Lea County, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☒ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Surface Hole Size

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

BC Operating, Inc. proposes to change the surface hole size from 17.5" to 16". Cement volumes will be adjusted accordingly.

Currently the well has 17.5" hole with 13.375" 54.5#, J-55, STC casing being set at 1075'

Proposing to have 16" hole with 13.375" 54.5#, J-55, STC casing being set at 1075'.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Steve Morris

Title Drilling Engineer

Signature

Date 09/17/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

APPROVED

SEP 18 2014

/s/ Chris Walls

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

SEP 22 2014

Chili Parlor 17 Federal 1H Surface Cement Volumes

No. Sx	Yield (ft/sk)	Volume (cuft)	Hole O.D. (in)	Casing O.D. (in)	Cmt Top (MD ft)	Cmt Bottom (MD ft)	Description	Comments
							Lead Slurry 13.5 ppg	80' Lead cement in casing with no excess 81.52cuft.
360	1.73	623	16.000	13.375	0.	775	Class C+1%CaC12Calc Chlrde, 0.4% ltr- 2.4% Bentonite (Gel), 0.2% Celloflake loss circ,Flo-1 Tail Slurry 14.8ppg	695' Lead cement in open hole with 85% excess, 541cuft. 300' Tail cement in open hole with 85% excess, 234cuft.
190	1.23	234	16.000	13.375	775	1,075	Class C+1% CaC12,Calc Chlrde, 0.5% ltr- 2 low temp Rtrdr, o. 1% Twr-2 free h2o ctrl.	