District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV

State of New Mexico Energy, Minerals & Natural Responses S OCD

Form C-104 Revised August 1, 2011

County

Oil Conservation Division

APR 2 4 Submit one copy to appropriate District Office 1220 South St. Francis Dr.

Santa Fe, NM 87505

■ AMENDED REPORT RECEIVED

1220 S. St. Francis Dr., Santa Fe, NM 87505 REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

1 Operator name and Add	ress	² OGRID Number		
BC OPERATING, INC.		160825		
P.O. BOX 50820		³ Reason for Filing Code/ Effective Date		
MIDLAND, TX 79710		NW		
⁴ API Number	⁵ Pool Name		⁶ Pool Code	
30-025-43137	RED TANK; BONE SPRING, EAST		51687	
⁷ Property Code	8 Property Name		⁹ Well Number	
313309	CHILI PARLOR 17 FEDERAL		2Н	
II 10 C	lan.			

Surface Location Ul or lot no. Section Township Range Lot Idn Feet from the

P	8	22S	33E		240'	SOUTH L	ine	360'	EAS	ST Line	LEA		
11 Bo	11 Bottom Hole Location												
Ul or lot no.	Section 17	Township 22S	Range 33E	Lot Idn	Feet from the 191	SOUTH L	ine	Feet from the 667		ST line	County LEA		
12 Lse Code F		cing Method		onnection	¹⁵ C-129 Pern	it Number 16 C-129 Effect		C-129 Effective	Date	¹⁷ C-12	29 Expiration Date		

Feet from the

⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
269577	PERMIAN CRUDE TRANSPORT	0
	200 W. ILLINOIS, SUITE 200, MIDLAND, TX 79701	
	LUCID ENERGY GROUP	G
	3100 MCKINNON ST., SUITE 800, DALLAS, TX 75201	

IV. Well Completion Data

IV. WEII COII	Thienon 1	Data				
²¹ Spud Date 9/15/2016		eady Date 18/2017	²³ TD 15,945'	²⁴ PBTD 15,825'	²⁵ Perforations 11,294' – 15,825	
²⁷ Hole Siz	e	²⁸ Casing	& Tubing Size	²⁹ Depth Set		30 Sacks Cement
26"			20"	795'		1390
17.5"	17.5"		0.625"	4,631'		3590
8.75"	8.75"		5.5"	15,945'		1610
		2	2-7/8"	10,170'		

V. Well Test Data

v. vvch iest	Data				
³¹ Date New Oil 3/3/2017	32 Gas Delivery Date	³³ Test Date 3/19/2017	³⁴ Test Length 24 HRS	35 Tbg. Pressure 710	³⁶ Csg. Pressure 0
³⁷ Choke Size 39/64"	³⁸ Oil 896	³⁹ Water 3469	⁴⁰ Gas 1136		41 Test Method F
been complied with	at the rules of the Oil Conse and that the information giv of my knowledge and belie	en above is true and	OIL Co	ONSERVATION DIVIS	SION
Printed name: SARAH PRESLEY	4-0	7	Title: Petroleu	m Engineer 199uis	Petroleum Eng
Title: REGULATORY AN	JALYST		Approval Date: 04/2	25/17	
E-mail Address: spresley@bcoperating.com			ĺ ·		
Date: 4.17.2017	Phone: (432) 684-969	6			

Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS

5. Lease Serial No. NMNM96244

SUNDRY	141411414190244					
Do not use thi abandoned we	6. If Indian, Allottee of	r Tribe Name				
	TRIPLICATE - Other inst			EIVE	7. If Unit or CA/Agree	ement, Name and/or No.
Type of Well	1. Type of Well					
Name of Operator BC OPERATING, INC.	Contact: E-Mail: SPRESLE	SARAH PRE Y@BCOPERAT			9. API Well No. 30-025-43137	
3a. Address P.O. BOX 50820 MIDLAND, TX 79710		3b. Phone No. Ph: 432-684	(include area code) 4-9696		10. Field and Pool or E RED TANK; BO	
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description)			11. County or Parish, S	State
Sec 8 T22S R33E Mer NMP S	SESE 240FSL 360FEL				LEA COUNTY C	COUNTY, NM
12. CHECK THE AI	PPROPRIATE BOX(ES)	TO INDICAT	E NATURE O	F NOTICE,	REPORT, OR OTH	IER DATA
TYPE OF SUBMISSION			ТҮРЕ О	FACTION		
☐ Notice of Intent	☐ Acidize	□ Deep	en	☐ Product	ion (Start/Resume)	■ Water Shut-Off
	☐ Alter Casing	☐ Hydr	aulic Fracturing	□ Reclam	ation	■ Well Integrity
Subsequent Report ■ Subsequent Report ■ ■ Subsequent Report ■	☐ Casing Repair	□ New	Construction	□ Recomp	olete	Other Drilling Operations
☐ Final Abandonment Notice	☐ Change Plans ☐ Convert to Injection	Plug	and Abandon	☐ Tempor	arily Abandon	Diffing Operations
If the proposal is to deepen directions Attach the Bond under which the won following completion of the involved testing has been completed. Final Attach the steen completed. Final Attach the site is ready for for 10/8/2016 - DRILL 8.75" HOL PRO VALUE C, 11.0 PPG, 4. YIELD, 50% CACO BY WEGH PPG CEMENT WITH LCM. DPLUG, FLOATS HELD. DID N 11/13/2016 - TEST CASING NOT SET TO STANKE TO STANKE THE STANKE TO STANKE THE STANKE TO STANKE THE ST	rk will be performed or provide operations. If the operation repandonment Notices must be fill inal inspection. E TO 15,945'. RUN 15,94 17 YIELD W/PRO-FIBER HT. PUMP 50 BBLS PRO ISPLACED WITH 350 BB IOT CIRCULATE, CBL RITO 6800 PSI FOR 5 MINSTONES TO 6800 PSI FOR 5 MINSTONES True and correct.	the Bond No. on sults in a multiple ed only after all rules. St. OF 5.5" 20% LCM. TAIL W. MIX LCM SW. BLS FW (349.7 UN 11/12/16 - S.	file with BLM/BIA completion or recepturements, included P110RY BK. CITH 940 SX PR EEP. 40 BBL W 3 CALC.), FULI TOC 200' FRO	A. Required su completion in a ling reclamatio CEMENT W O-VALUE H VATER, 47 I A. RETURNS M SURFAC	bsequent reports must be new interval, a Form 316 n, have been completed a ITH LEAD 670 SX I, 13.5 PPG, 2.29 BBLS SCAVENGER B DURING JOB, BUNE.	filed within 30 days 0-4 must be filed once and the operator has SWEEP 1.5
	Electronic Submission # For BC C	372611 verified PERATING, III	C., sent to the H	lobbs		
Name (Printed/Typed) SARAH F	PRESLEY		Title REGUL	ATORY AN	ALYST	
Signature (Electronic S	Submission)		Date 04/11/2	017	3	
	THIS SPACE FO	OR FEDERA	L OR STATE	OFFICE U	SE	
Approved By			Title			Date
Conditions of approval, if any, are attache certify that the applicant holds legal or equivinch would entitle the applicant to condu	uitable title to those rights in the		Office			
Title 18 U.S.C. Section 1001 and Title 43	U.S.C. Section 1212, make it a	crime for any per	son knowingly and	willfully to m	ake to any department or	agency of the United

Fitle 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.

Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS DEBS OCT

5. Lease Serial No. NMNM96244

abandoned well	I. Use form 3160-3 (APD)	for such p	roposals.	4 2017	6. If Indian, Allottee of	Tribe N	ame	
SUBMIT IN T	RIPLICATE - Other instru	ıctions on µ	AIII		7. If Unit or CA/Agreer	nent, Na	ame and/or No.	
1. Type of Well Soil Well ☐ Gas Well ☐ Other RECEIVE 8. Well Name and No. CHILI PARLOR 17 FEDER								
2. Name of Operator Contact: SARAH PRESLEY 9. API Well No. BC OPERATING, INC. E-Mail: spresley@bcoperating.com 30-025-43137								
3a. Address P.O. BOX 50820 MIDLAND, TX 79710	ĺ	3b. Phone No. Ph: 432-684	(include area code) 4-9696		10. Field and Pool or Ex RED TANK; BON	xplorato	ory Area RING	
4. Location of Well (Footage, Sec., T.	, R., M., or Survey Description)				11. County or Parish, S	tate		
Sec 8 T22S R33E Mer NMP S	ESE 240FSL 360FEL				LEA COUNTY C	OUNT	Y, NM	
12. CHECK THE AP	PROPRIATE BOX(ES) To	O INDICAT	TE NATURE O	F NOTICE,	REPORT, OR OTH	ER DA	ATA	
TYPE OF SUBMISSION			TYPE OF	ACTION				
☐ Notice of Intent	☐ Acidize	□ Deep	en	☐ Product	ion (Start/Resume)	□ Wa	ater Shut-Off	
	☐ Alter Casing	☐ Hydr	aulic Fracturing	☐ Reclama	ation	□ W	ell Integrity	
Subsequent Report ■	☐ Casing Repair	□ New	Construction	□ Recomp	olete	Ot Ot		
☐ Final Abandonment Notice	☐ Change Plans	Plug	and Abandon	☐ Tempor	arily Abandon	חוח	ng Operations	
	☐ Convert to Injection	☐ Plug	Back	☐ Water D	Disposal			
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 recomplete 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 recompletion 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. 11/13/2016 - TEST CASING TO 6800 PSI FOR 5 MINS 2/8/2017 TO 2/16/2017 - SHOOT PERFS AND FRAC WELL *SEE ATTACHED JOB SUMMARY* 2/17/2017 - CLEAN OUT W/COIL TUBING TO 15,708' 2/18/2017 - RAN 2-7/8" TUBING WELL. SET @ 10, 170' -COMMENCED FLOWBACK. WELL ON PRODUCTION.								
Name (Printed/Timed) SADALI DE			C., sent to the H	obbs	•			
Name (Printed/Typed) SARAH PF	RESLET		Title REGUL	ATORY AN	ALTSI			
Signature (Electronic S	ubmission)		Date 04/11/20	017				
	THIS SPACE FOR	FEDERA	L OR STATE	OFFICE U	SE			
Approved By			Title			I	Date	
Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conduction	itable title to those rights in the su		Office					
tle 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.								

HOBBS OCD

Form 3160-4 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APR 2 4 2017

FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG Lease Serial No. NMNM96244 Oil Well ☐ Gas Well □ Dry ☐ Other 6. If Indian, Allottee or Tribe Name la. Type of Well Deepen ☐ Diff. Resvr. b. Type of Completion New Well ■ Work Over ☐ Plug Back 7. Unit or CA Agreement Name and No. Lease Name and Well No. CHILI PARLOR 17 FEDERAL 2H Contact: SARAH PRESLEY E-Mail: SPRESLEY@BCOPERATING.COM Name of Operator BC OPERATING, INC 3a. Phone No. (include area code) Ph: 432-684-9696 3. Address P.O. BOX 50820 9. API Well No. MIDLAND, TX 79710 30-025-43137 Location of Well (Report location clearly and in accordance with Federal requirements)* Sec 8 T22S R33E Mer NMP 10. Field and Pool, or Exploratory RED TANK; BONE SPRING SESE 240FSL 360FEL 11. Sec., T., R., M., or Block and Survey or Area Sec 8 T22S R33E Mer NMP At top prod interval reported below Sec 17 T22S R33E Mer NMP NENE 330FNL 392'FEL Sec 17 T22S R33E Mer NMP 12. County or Parish LEA COUNTY 13. State SESE 191FSL 667FEL NM At total depth 17. Elevations (DF, KB, RT, GL)* 3592 GL 15. Date T.D. Reached 10/05/2016 14. Date Spudded 09/15/2016 Date Completed 18. Total Depth: MD 15945 19. Plug Back T.D.: MD 15825 20. Depth Bridge Plug Set: MD TVD 10961 TVD 110952 TVD 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) CBL 22. Was well cored? No No No ☐ Yes (Submit analysis)☐ Yes (Submit analysis)☐ Yes (Submit analysis)☐ Yes (Submit analysis) Was DST run? Directional Survey? 23. Casing and Liner Record (Report all strings set in well) Stage Cementer **Bottom** No. of Sks. & Slurry Vol. Cement Top* Hole Size Size/Grade Wt. (#/ft.) Amount Pulled Type of Cement (MD) (MD) (BBL) Depth 8.750 5.500 P110 15945 15945 1610 20.0 200 133.0 0 795 795 960 0 26.000 20,000 J55 0 0 4631 4631 3590 17.500 9.625 L80 40.0 24. Tubing Record Depth Set (MD) Packer Depth (MD) Size Depth Set (MD) Packer Depth (MD) Size Depth Set (MD) Packer Depth (MD) 2.875 10170 10200 25. Producing Intervals 26. Perforation Record No. Holes Perf. Status A) **BONE SPRING** 11177 15776 11177 TO 15776 0.480 OPEN B) C) D) 27. Acid, Fracture, Treatment, Cement Squeeze, Etc Amount and Type of Material Depth Interval 11177 TO 15776 9639569 BBLS PROPPANT, 641 BBLS ACID, 133989 BBLS 28. Production - Interval A Water Gas Gravity Date First Gas MCF Oil Gravity Production Method BBL Corr. API Produced Date Tested Production 03/03/2017 03/19/2017 896.0 1136.0 3469.0 41.2 **GAS LIFT** Choke Tbg. Press 24 Hr Gas MCF Gas:Oil Well Status Csg Size Flwg. 710 Rate BBL BBI. Ratio SI POW 39/64 0.0 28a. Production - Interval B Oil Gravity Date First Test Hours Test Gas Water Gas Production Method MCF Corr. API BBL BBL Gravity Produced Date Tested Prod Choke 24 Hr Gas MCF Water Well Status Tbg. Press Csg. Gas:Oil Size Flwg. Press Rate BBL BBL Ratio SI

28b. Prod	luction - Interva	al C										
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	у	Gas Gravity		Production Method	
Choke	Tbg. Press.	Csg.	24 Hr.	Oil	Gas	Water	Gas:Oil		Well Sta	atus		
Size	Flwg. SI	Press.	Rate	BBL	MCF	BBL	Ratio					
28c. Prod	luction - Interva	al D										
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	у	Gas Gravity		Production Method	
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio		Well Sta	atus		
29. Dispo	osition of Gas(S	old, used f	or fuel, vent	ed, etc.)								
	nary of Porous	Zones (Inc	lude Aquife	rs):						31. For	mation (Log) Markers	
Show tests,	all important z including depth ecoveries.	ones of po	rosity and co	ontents there	eof: Cored in e tool open,	ntervals and flowing and	d all drill-ste d shut-in pro	em essures				
	Formation		Тор	Bottom		Descripti	ions, Conten	its, etc.			Name	Top Meas. Depth
BONE SP	RE MOUNTA PRING FORM	ATION	8700	8700 11950						TO DE CH BR BO FB:	STLER P OF SALT LAWARE MOUNTAIN GRO ERRY CANYON SANDSTO USHY CANYON SANDSTO NE SPRING LIME SG SAND SG SAND	975 1125 UP 4950 NE 5800
	e enclosed attac ectrical/Mechai		(1 full set so	a'd)		2. Geologi	c Report		2 1	OST Re	port 4. Direction	nal Survey
	indry Notice for					6. Core An	-			other:	port 4. Direction	nai Suivey
					-							
	34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions): Electronic Submission #372995 Verified by the BLM Well Information System. For BC OPERATING, INC., sent to the Hobbs											
Name	e(please print)	SARAH I	PRESLEY				Т	itle REGU	JLATO	RY AN	ALYST	
Signa	ture	(Electroni	c Submissi	on)				Date 04/17/	/2017			

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 fradulent statements or representations as to any matter within its jurisdiction.

	Plug	Cluster Depth					
Stage	Depth	1	2	3	4		
1	15,825'	15,776'	15,728'	(toe sleeves)			
2	15,708'	15,684'	15,646'	15,603'	15,560'		
3	15,540'	15,510'	15,470'	15,430'	15,390'		
4	15,370'	15,342'	15,307'	15,264'	15,221'		
5	15,201'	15,181'	15,138'	15,100'	15,052'		
6	15,032'	15,005'	14,969'	14,926'	14,883'		
7	14,863'	14,843'	14,805'	14,768'	14,730'		
8	14,710'	14,674'	14,605'	14,573'	14,543'		
9	14,523'	14,500'	14,462'	14,424'	14,374'		
10	14,354'	14,336'	14,300'	14,260'	14,207'		
11	14,187'	14,165'	14,124'	14,081'	14,038'		
12	14,018'	13,998'	13,955'	13,920'	13,869'		
13	13,849'	13,815'	13,777'	13,738'	13,700'		
14	13,680'	13,665'	13,635'	13,574'	13,531'		
15	13,511'	13,491'	13,448'	13,405'	13,362'		
16	13,342'	13,320'	13,285'	13,240'	13,193'		
17	13,173'	13,153'	13,112'	13,060'	13,024'		
18	13,004'	12,984'	12,930'	12,898'	12,864'		
19	12,844'	12,815'	12,771'	12,729'	12,686'		
20	12,666'	12,646'	12,611'	12,571'	12,530'		
21	12,510'	12,464'	12,420'	12,394'	12,365'		
22	12,345'	12,308'	12,265'	12,218'	12,182'		
23	12,162'	12,139'	12,096'	12,060'	12,010'		
24	11,990'	11,970'	11,927'	11,884'	11,841'		
25	11,821'	11,801'	11,753'	11,715'	11,672'		
26	11,652'	11,632'	11,583'	11,541'	11,503'		
27	11,483'	11,463'	11,425'	11,380'	11,334'		
28	11,314'	11,294'	11,243'	11,203'	11,177'		

Proppant 9,639,569 lbs
 Acid 641 bbls
 Fluid 133,989 bbls

Tubing 2 7/8" 10,170' 2 3/8" 30' Packer 10,200'

	Plug	Cluster Depth					
Stage	Depth	1	2	3	4		
1	15,825'	15,776'	15,728'	(toe sleeves)			
2	15,708'	15,684'	15,646'	15,603'	15,560'		
3	15,540'	15,510'	15,470'	15,430'	15,390'		
4	15,370'	15,342'	15,307'	15,264'	15,221'		
5	15,201'	15,181'	15,138'	15,100'	15,052'		
6	15,032'	15,005'	14,969'	14,926'	14,883'		
7	14,863'	14,843'	14,805'	14,768'	14,730'		
8	14,710'	14,674'	14,605'	14,573'	14,543'		
9	14,523'	14,500'	14,462'	14,424'	14,374'		
10	14,354'	14,336'	14,300'	14,260'	14,207'		
11	14,187'	14,165'	14,124'	14,081'	14,038'		
12	14,018'	13,998'	13,955'	13,920'	13,869'		
13	13,849'	13,815'	13,777'	13,738'	13,700'		
14	13,680'	13,665'	13,635'	13,574'	13,531'		
15	13,511'	13,491'	13,448'	13,405'	13,362'		
16	13,342'	13,320'	13,285'	13,240'	13,193'		
17	13,173'	13,153'	13,112'	13,060'	13,024'		
18	13,004'	12,984'	12,930'	12,898'	12,864'		
19	12,844'	12,815'	12,771'	12,729'	12,686'		
20	12,666'	12,646'	12,611'	12,571'	12,530'		
21	12,510'	12,464'	12,420'	12,394'	12,365'		
22	12,345'	12,308'	12,265'	12,218'	12,182'		
23	12,162'	12,139'	12,096'	12,060'	12,010'		
24	11,990'	11,970'	11,927'	11,884'	11,841'		
25	11,821'	11,801'	11,753'	11,715'	11,672'		
26	11,652'	11,632'	11,583'	11,541'	11,503'		
27	11,483'	11,463'	11,425'	11,380'	11,334'		
28	11,314'	11,294'	11,243'	11,203'	11,177'		

Tubing 2 7/8" 10,170' 2 3/8" 30' Packer 10,200'