

<b>District I</b> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 <b>District II</b> 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 <b>District III</b> 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 <b>District IV</b> 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462	<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b> <b>Oil Conservation Division</b> <b>1220 S. St Francis Dr.</b> <b>Santa Fe, NM 87505</b>	Form C-103 August 1, 2011 Permit 233184 WELL API NUMBER 30-015-43959 5. Indicate Type of Lease S 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name BLACK RIVER 15 10 STATE COM X 8. Well Number 004H 9. OGRID Number 160825 10. Pool name or Wildcat																																																																																																
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)																																																																																																		
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3. Address of Operator P O Box 50820, Midland, TX 79710		10. Pool name or Wildcat																																																																																																
4. Well Location Unit Letter <u>P</u> : <u>170</u> feet from the <u>S</u> line and feet <u>360</u> from the <u>E</u> line Section <u>15</u> Township <u>24S</u> Range <u>27E</u> NMPM _____ County <u>Eddy</u>																																																																																																		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3221 GR																																																																																																		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____																																																																																																		
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table style="width:100%;"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/></td> </tr> </table>			NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:		PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTER CASING <input type="checkbox"/>	TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE OF PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>		Other: _____		Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/>																																																																													
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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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. **See Attached Work Description** See Attached 1/27/2017 Spudded well.																																																																																																		
<b>Casing and Cement Program</b> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>01/28/17</td> <td>Surf</td> <td>FreshWater</td> <td>17.5</td> <td>13.375</td> <td>54.5</td> <td>J55</td> <td>0</td> <td>440</td> <td>370</td> <td>1.6</td> <td>C</td> <td></td> <td>800</td> <td>0</td> <td></td> </tr> <tr> <td>01/31/17</td> <td>Int1</td> <td>Brine</td> <td>12.25</td> <td>9.625</td> <td>36</td> <td>J55</td> <td>0</td> <td>2356</td> <td>740</td> <td>1.82</td> <td>C</td> <td></td> <td>1300</td> <td>0</td> <td></td> </tr> <tr> <td>02/05/17</td> <td>Int2</td> <td>CutBrine</td> <td>8.75</td> <td>7</td> <td>26</td> <td>P110</td> <td>0</td> <td>9470</td> <td>960</td> <td>2.61</td> <td>C</td> <td></td> <td>1500</td> <td>0</td> <td></td> </tr> <tr> <td>02/24/17</td> <td>Liner1</td> <td>OilBasedMud</td> <td>6.125</td> <td>4.5</td> <td>13.5</td> <td>p110</td> <td>8512</td> <td>18250</td> <td>600</td> <td>2.29</td> <td>H</td> <td></td> <td>7000</td> <td>0</td> <td></td> </tr> <tr> <td>02/25/17</td> <td>Prod</td> <td></td> <td>6.125</td> <td>5.5</td> <td>20</td> <td>P110</td> <td></td> <td>8512</td> <td></td> <td></td> <td></td> <td></td> <td>7000</td> <td>0</td> <td></td> </tr> </tbody> </table>			Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole	01/28/17	Surf	FreshWater	17.5	13.375	54.5	J55	0	440	370	1.6	C		800	0		01/31/17	Int1	Brine	12.25	9.625	36	J55	0	2356	740	1.82	C		1300	0		02/05/17	Int2	CutBrine	8.75	7	26	P110	0	9470	960	2.61	C		1500	0		02/24/17	Liner1	OilBasedMud	6.125	4.5	13.5	p110	8512	18250	600	2.29	H		7000	0		02/25/17	Prod		6.125	5.5	20	P110		8512					7000	0	
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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 <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .																																																																																																		
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Black River 15-10 State Com X #4H  
API# 30-015-43959

1/27/2017 – SPUD

1/28/2017 - SURFACE CASING - DRILL 17.5" HOLE TO 440'. RUN 440' OF 13-3/8" 54.5# J-55 BTC. CEMENT WITH 370 SACKS PREMIUM C +3LBS/SX P-302, +1/4 LBS/SX P-301, 2%P-401 MIXED AT 13.8 PPG AND 1.60 YIELD. DISPLACED WITH 61.4 BBLS FRESH WATER. FULL RETURNS, FLOATS HEAD, BUMPED PLUG, CIRCULATED 123 SACKS TO SURFACE. TESTED CASING TO 800PSI FOR 30 MINS.HELD OK. WOC 21 HRS

1/31/2017 -1st INTERMEDIATE CASING - DRILL 12.25" HOLE TO 2,356'. RUN 2,356' OF 9-5/8" 36# J-55 BTC. LEAD 580 SACKS PRO-VALUE C, 12.8 PPG, 1.82 YIELD, + 5% P-402, +1/4 LBS/SX P-301, 2% P-202. TAIL: 160 SACKS PREMIUM C, 13.8 PPG, 1.60 YIELD, 2 LBS/SX P-302, ¼ LBS/SX P-301, 1% P-401. DISPLACED WITH 178 BBLS FRESH WATER, FULL RETURNS, FLOATS HEAD, BUMPED PLUG, CIRCULATED 123 SACKS TO SURFACE. TESTED CASING TO 1300 PSI FOR 30 MINS. HELD OK. WOC 13.5 HRS

2/5/2017 – 2<sup>nd</sup> INTERMEDIATE CASING- DRILL 8.75" HOLE TO 9470'. RUN 9470' OF 7" 26# P-110 CY BK. CEMENT WITH 20 BBLS FW, 45 BBLS PRO-FLUSH WITH LCM, LEAD 620 SACKS CLASS C, 11.6 PPG, 2.61 YIELD WITH PRO FIBER, TAIL WITH 340 SACKS, 13.1 PPG, 1.69 YIELD. CIRCULATED CEMENT TO SURFACE. TESTED CASING TO 1500 PSI FOR 30 MINS. HELD OK. WOC 24 HRS

2/24/2017 – PRODUCTION CASING - DRILL 6.125" HOLE TO 18,250'. RUN 9738' OF 4.5" 13.5# P-110 CY BK WITH LINER AT 8512'. CEMENT WITH 600 SACKS CLASS H, 13.5 PPG, 2.29 YIELD, CIRCULATED CEMENT TO LINER TOP. RAN TIE BACK STRING 0-8512' 5.5" 20# P110 BK. WOC 18 HRS

2/26/2017 – RIG RELEASE

3/4/2017 – TESTED PRODUCTION CSG TO 7000 PSI FOR 5 MINS. HELD OK.

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

Comments  
Permit 233184

**DRILLING COMMENTS**

Operator: BC OPERATING, INC. P O Box 50820 Midland, TX 79710	OGRID: 160825
	Permit Number: 233184
	Permit Type: Drilling

**Comments**

Created By	Comment	Comment Date
There are no Comments for this Permit		