

PADILLA & SNYDER

ATTORNEYS AT LAW

200 W. MARCY, SUITE 212

P.O. BOX 2523

SANTA FE, NEW MEXICO 87504-2523

(505) 988-7577

September 1, 1987

HAND-DELIVERED

William J. Lemay
Director, N. M. Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87501

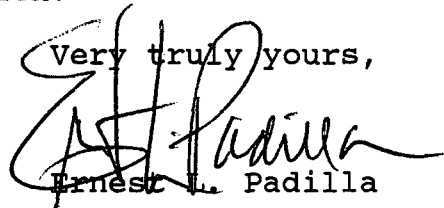
Re: Application of BCO, Inc. for Downhole
Commingling, Rio Arriba County, New Mexico

Dear Mr. Lemay:

Enclosed in duplicate, for administrative approval, is the application of BCO, Inc. for downhole commingling in Rio Arriba County, New Mexico. Should you need additional information please do not hesitate to call us.

In addition, by copy of this letter we are sending a complete copy of the application to offset operators and to Mr. Frank Chavez, the Division's Aztec District Supervisor. A waiver form, attached hereto is also being sent to offset operators so that they may indicate their approval or disapproval of the application.

Very truly yours,



Ernest L. Padilla

ELP:njp

Enclosure as stated

cc: Mr. Frank Chavez - OCD, Aztec, N.M. - 1st Class
Hixon Development - Certified Mail
Union Texas Petroleum - Certified Mail
Alexander Energy - Certified Mail
Department of the Interior - Certified Mail

WAIVER

Union Texas Petroleum hereby waives any objection to the application of BCO, Inc. for downhole commingling in Section 16, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

UNION TEXAS PETROLEUM

By: _____;

Title: _____

WAIVER

Department of the Interior hereby waives any objection to the application of BCO, Inc. for downhole commingling in Section 16, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

DEPARTMENT OF THE INTERIOR
Bureau of Land Management

By: _____

Title: _____

WAIVER

Alexander Energy hereby waives any objection to the application of BCO, Inc. for downhole commingling in Section 16, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

ALEXANDER ENERGY

By: _____

Title: _____

WAIVER

Hixon Development hereby waives any objection to the application of BCO, Inc. for downhole commingling in Section 16, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

HIXON DEVELOPMENT

By: _____,

Title: _____

BEFORE THE OIL CONSERVATION DIVISION

In the Matter of the Application
of BCO, Inc. for administrative
approval of Downhole Commingling,
Rio Arriba County, New Mexico

No. _____

APPLICATION

Applicant, BCO, Inc., by and through its undersigned attorneys, and in support of this application pursuant to Rule 303(C) of the General Rules and Regulations of The Division states as follows:

1. Applicant is the operator of certain oil and gas working interests in Section 16, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico (said lands).

2. Applicant is drilling a well within said lands and has intentions of drilling additional wells thereon and requests to commingle the production of the Basin Dakota, Lybrook-Gallup and Greenhorn pools and formation encountered in such wells.

3. Applicant operates and has drilled other wells on lands adjoining and in the immediate area of said lands and has previously obtained permission to downhole commingle within the wellbores of wells located on such lands as follows:

(a) By Division Order R-5310 (Exhibit A), to commingle Lybrook-Gallup, Basin-Dakota, undesignated Greehorn, and Mancos Stringer within the well-bore of the Dunn Well No. 2 located in Unit F of Section 10 Township 23 North, Range 7 West.

(b) By Division Order R-6719 (Exhibit B), to downhole commingle within the wellbores of wells located on such lands as follows:

Township 23 North, Range 7 West

(1) Dunn Well No. 3

Unit I of Section 3

(2) State H Well No. 3

Unit M of Section 2

(3) State H Well No. 4

Unit D of Section 2

(c) By Division Order No. R-6929 (Exhibit C), to commingle the production from the Lybrook-Gallup (including the Greenhorn formation) and Basin Dakota pool within the wellbore of wells located in Sections 2, 3, 4, 9 and 10 of Township 23 North, Range 7 West, NMPM, Rio Arriba County.

5. Production from the Basin-Dakota, Lybrook-Gallup and Greenhorn pools and formations thereof are capable of low production only, all of which are oil producing zones.

6. The proposed commingling may result in the recovery of additional hydrocarbons from each of the subject formations and pools thereof, thereby preventing waste.

7. The reservoir characteristics of each of the subject pools and formations thereof are such that underground waste would not be caused by the proposed commingling.

8. Approval of this application will not impair correlative rights.

9. In accordance with Rule 303(C) of the General Rules of the Division:

(a) The production from the commingled zones will meet the standards set forth in 303(C)(a)(1).

(b) The oil zones will require artificial lift.

(c) Neither zone produces more water than combined oil.

(d) The fluids from each zone are compatible with each other.

(e) Total value of the crude will not be reduced by commingling.

(f) Ownership of the zones is common.

(g) Commingling will not jeopardize the efficiency of present or future secondary recovery operations.

10. Attached hereto and incorporated herein by reference are Exhibits A through H in support of this application and which meet the requirements of Rule 303(C)(2).

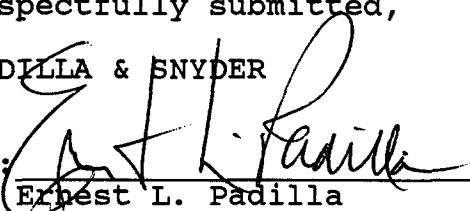
WHEREFORE, Applicant respectfully requests:

1. That the Division enter its order approving this application

2. And for such other relief as the Division may deem appropriate in the premises.

Respectfully submitted,

PADILLA & SNYDER

By: 

Ernest L. Padilla

Post Office Box 2523

Santa Fe, New Mexico 87504-2523

(505) 988-7577

Attorneys for Applicant

LIST OF EXHIBITS

Exhibit A	Order R-5310
Exhibit B	Order R-6719
Exhibit C	Order R-6929
Exhibit D	Operator List
Exhibit E	Plat
Exhibit F	Production Information
Exhibit G	Well Completion Reports
Exhibit H	Allocation Recommendation

EXHIBIT A

THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5736
Order No. R-5310

APPLICATION OF BCO INC. FOR
DOWNHOLE COMMINGLING, RIO
ARRIBA COUNTY, NEW MEXICO.

BEFORE EXAMINER STAFF'S OIL CONSERVATION DIVISION
EXHIBIT NO. <u>3</u>
CASE NO. _____
Submitted by _____
Hearing Date _____

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 29, 1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 27th day of October, 1976, the Commission a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, ECO Inc., is the owner and operator of the Dunn Well No. 2, located in Unit F of Section 10, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

(3) That the applicant seeks authority to commingle Lybrook Gallup, Basin-Dakota, undesignated Greenhorn, and Mancos stringer production within the wellbore of the above-described well.

(4) That from each of the aforesaid pools and zones, the subject well is capable of low marginal production only.

(5) That the proposed commingling may result in the recovery of additional hydrocarbons from each of the subject pools and zones, thereby preventing waste, and will not violate correlative rights.

(6) That the reservoir characteristics of each of the subject pools and zones are such that underground waste would not be caused by the proposed commingling provided that the well is not shut-in for an extended period.

(7) That to afford the Commission the opportunity to assess the potential for waste and to expeditiously order appropriate

remedial action, the operator should notify the Aztec district office of the Commission any time the subject well is shut-in for 7 consecutive days.

(8) That in order to allocate the commingled production to each of the commingled zones in the subject well, applicant should consult with the supervisor of the Aztec district office of the Commission after completion of the well to determine an allocation formula for the Mancos-Gallup production and the Greenhorn-Dakota production.

IT IS THEREFORE ORDERED:

(1) That the applicant, BCO Inc., is hereby authorized to commingle Lybrook-Gallup, Basin-Dakota, undesignated Greenhorn and Mancos stringer production within the wellbore of the Dunn Well No. 2, located in Unit F of Section 10, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

(2) That upon completion of the well, applicant shall consult with the supervisor of the Aztec district office of the Commission and determine an allocation formula for the Mancos-Gallup production and the Greenhorn-Dakota production.

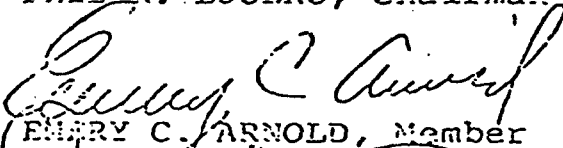
(3) That the operator of the subject well shall immediately notify the Commission's Aztec district office any time the well has been shut-in for 7 consecutive days and shall concurrently present, to the Commission, a plan for remedial action.

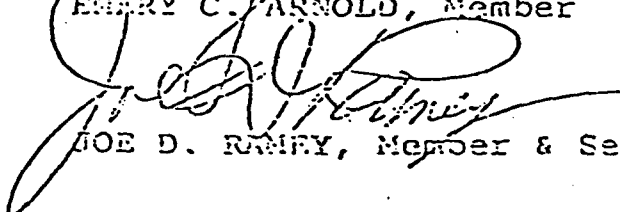
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

S E A L

jr/

EXHIBIT B

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

APPLICATION OF BCO, INC. FOR
DOWNHOLE COMMINGLING, RIO ARRIBA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

CASE NO. <u>779</u> BEFORE EXAMINER STAMETS Order No. <u>R-8719</u> OIL CONSERVATION DIVISION EXHIBIT NO. <u>2</u> CASE NO. _____ Submitted by _____ Hearing Date _____
--

This cause came on for hearing at 9 a.m. on June 17, 1981,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 1st day of July, 1981, the Division
Director, having considered the testimony, the record, and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS:

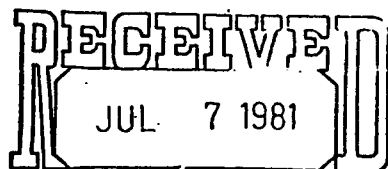
(1) That due public notice having been given as required
by law, the Division has jurisdiction of this cause and the
subject matter thereof.

✓ (2) That the applicant, BCO, Inc., is the owner and operator
of the Dunn Well No. 3 located in Unit I of Section 3 and State
H Wells Nos. 3 and 4, located in Units M and D, respectively,
of Section 2, Township 23 North, Range 7 West, NMPM, Rio Arriba,
County, New Mexico.

✓ (3) That the applicant seeks authority to commingle
Lybrook-Gallup and Basin-Dakota production within the wellbores
of the above-described wells.

(4) That from the Basin-Dakota zone, the subject wells
are capable of low marginal production only.

(5) That from the Lybrook-Gallup zone, the subject wells
are expected to be capable of low marginal production only.



BCO, INC.

(6) That the proposed commingling may result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste, and will not violate correlative rights.

(7) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed commingling provided that the wells are not shut-in for an extended period.

(8) That to afford the Division the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Aztec district office of the Division any time the subject wells are shut-in for 7 consecutive days.

(9) That in order to allocate the commingled production to each of the commingled zones in the wells, applicant should consult with the supervisor of the Aztec district office of the Division and determine an allocation formula for each of the production zones.

IT IS THEREFORE ORDERED:

(1) That the applicant, BCO, Inc., is hereby authorized to commingle Lybrook-Gallup and Basin-Dakota production within the wellbores of the Dunn Well No. 3 located in Unit I of Section 3 and State Wells Nos. 3 and 4, located in Units M and D, respectively, of Section 2, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

(2) That the applicant shall consult with the Supervisor of the Aztec district office of the Division and determine an allocation formula for the allocation of production to each zone in each of the subject wells.

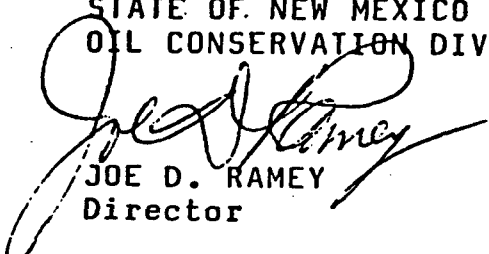
(3) That the operator of the subject wells shall immediately notify the Division's Aztec district office any time the wells have been shut-in for 7 consecutive days and shall concurrently present, to the Division, a plan for remedial action.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Case No. 7279
Order No. R-67

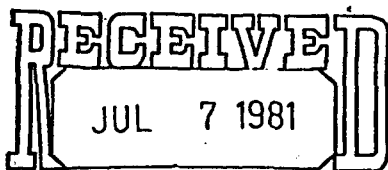
DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

S E A L

fd/



B C O, INC.

EXHIBIT C

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7505
Order No. R-6929

APPLICATION OF BCO, INC. FOR
DOWNHOLE COMMINGLING, RIO ARRIBA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 16, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 26th day of March, 1982, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, BCO, Inc., is the owner and operator of certain wells and leases in Sections 2, 3, 4, 9, and 10, Township 23 North, Range 7 West, Rio Arriba County, New Mexico.

(3) That the applicant seeks authority to commingle Lybrook-Gallup (including the Greenhorn formation) and Basin-Dakota production within the wellbore of its current and future wells in said five sections.

(4) That from each of said zones, wells within the subject area are and are expected to be capable of low marginal production only.

(5) That the proposed commingling may result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste, and will not violate correlative rights.

(6) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed commingling provided that any well therein is not shut-in for an extended period.

(7) That to afford the Division the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Aztec district office of the Division any time any commingled well in the subject area is shut-in for 7 consecutive days.

(8) That in order to allocate the commingled production to each of the commingled zones in any well in the subject area, applicant should consult with the supervisor of the Aztec district office of the Division and determine an allocation formula for each of the production zones.

IT IS THEREFORE ORDERED:

(1) That the applicant, BCO, Inc., is hereby authorized to commingle Lybrook-Gallup (including the Greenhorn formation) and Basin-Dakota production within the wellbore of its current or future wells in Sections 2, 3, 4, 9, and 10 of Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

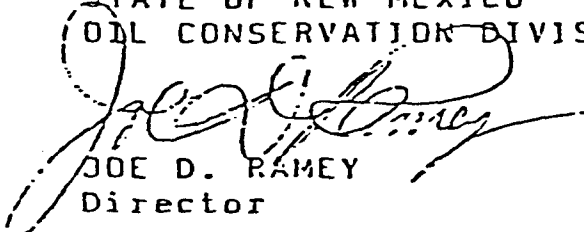
(2) That the applicant shall consult with the Supervisor of the Aztec district office of the Division and determine an allocation formula for the allocation of production to each zone in any well downhole commingled under terms of this order.

(3) That the operator shall immediately notify the Division's Aztec district office any time any well downhole commingled under terms of this order has been shut-in for 7 consecutive days and shall concurrently present, to the Division, a plan for remedial action.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

S E A L
fd/

EXHIBIT D

OPERATOR:

BCO, INC.
135 Grant Avenue
Santa Fe, New Mexico 87501

OFFSET OPERATORS:

HIXON DEVELOPMENT
Post Office Box 2810
Farmington, New Mexico 87499
Attention: Aldrich L. Kuchera

UNION TEXAS PETROLEUM
375 U.S. HWY 64
Farmington, New Mexico 87401
Attention: Bob Frank

ALEXANDER ENERGY
Triad Center
Suite 600
501 NW Expressway
Oklahoma City, Oklahoma 73118
Attention: Roger Alexander

DEPARTMENT OF THE INTERIOR
Bureau of Land Management
Caller Service 4104
Farmington, New Mexico 87499
Attention: Ron Fellows

EXHIBIT E

Area of Application

Offset Areas

Operator Name

TOWNSHIP 23 NORTH, RANGE 7 WEST, 0272
06

ALEXANDER
ENERGY
CORPORATION

UNION TEXAS

HIXON DEVELOPMENT

AREA OF APPLICATION

HIXON DEVELOPMENT

UNLEASED
USA

BCO

BCO

BCO

BCO

NM 16536
GSLse

SF 070272
GSLse

NM 000273
GSLse

SF 070272-A
Lse OG

SF 070272
Lse OG

NM 36230
50'

16

21

17

20

15

76

22

NM 0213705

NM 0213706

NM 0213707

NM 0213708

NM 0213709

NM 0213710

NM 0213711

NM 0213712

NM 0213713

NM 0213714

NM 0213715

NM 0213716

NM 0213717

NM 0213718

NM 0213719

NM 0213720

NM 0213721

NM 0213722

NM 0359177

NM 0359178

NM 0359179

NM 0359180

NM 0359181

NM 0359182

NM 0359183

NM 0359184

NM 0359185

NM 0359186

NM 0359187

NM 0359188

NM 0359189

NM 0359190

NM 0359191

NM 0359192

NM 0359193

NM 0359194

EXHIBIT F

WELL S T R	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC 1986	PROD MP	ACCUM
UNDES GRANERO (SJ) 5M TO 8M	GR												5M TO 6M	
HARRY L. BIGBEE														
NANCY														
4F1224N 8M OIL	RECOMPLETED TO												UNDES MANCOS (SJ) 6M TO 7M	4671
UNDES GRANERO (SAND) 5M TO 6M	GR												5M TO 6M	
DEWEY A. GLOVER, JR.														
JICARILLA A														
1P2923N 3M OIL	PLUGGING APPROVED	1970												12864
UNDES DAKOTA (RA) 7M TO 8M	DK												7M TO 8M	
AMOCO PRODUCTION CO														
AMOCO FEDERAL OGD CANYON														
1E2424N 2M OIL	LAST PROD. DATE 04/85													U 1280
UNDES DAKOTA (SAND) 7M TO 8M	DK												7M TO 8M	
NORTH AMERICAN EXPLORATION CORP														
CROSSWISE														
1M3123N 2M OIL	PLUGGING APPROVED	1977												2817
UNDES PARADOX (SJ) 7M TO 8M	PP												7M TO 8M	
SUN OIL COMPANY														
NAVAJO TABLE MESA														
1N2728N17M OIL	PLUGGING APPROVED	1972												22302
232728N17M OIL	PLUGGING APPROVED	1972												47533
COMPANY TOTAL OIL														69835
UNDES. OJO ALAMO (SJ)	OA												OM TO 5M	
LEE M. CRANE														
MARTIN														
1N3430N11M OIL		431	265	556	595	481	405	348	422	404	414	408	255	4984 ^F 4264

COPY

EXHIBIT G

WELL S T R	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC 1986	PROD	HP	ACCU
3E 324N 5W OIL	68	176	69	177	143	147	125	103				31	1039F		39618
GAS	4638	5906	6139	7816		6077	6223	5671				4533	47653		
WAT						12	2	11				11	47		
4G 924N 5W OIL	28	23	45	30	28	12	2	11				11	255P		17437
GAS	2347	1995	1600	48		2009	1833					2539	12421		
WAT						75	5	8				3	31		
6M3-25N 5W OIL	82	79	7	175	3	10	5	5				90	662F		15630
GAS	2466	2417	263	1832	2346	2439	2218	1853				1772	17606		
WAT						5	13	6				16	47		1861
9O1J24N 5W OIL	8	12	5	3	946	731	53	46					5380		
GAS	980	798	944	979			5	5					13		
WAT							2	2					939		597
10J 924N 5W OIL	6	5	7	5	5	3	3	936					2932		
GAS	1284	1302	1001	1231	1090	1298	1249						154674		136920
WAT													169		
LEASE TOTAL OIL	226	433	285	486	349	332	232					250			
GAS	15632	22170	17189	21532	13170	18014	17621	15214				14132			
WAT						39	43	31				30			
JICARILLA N 1K 424N 5W OIL	58	62	54	51	53	79	59	2				12	430P		11601
GAS	4059	5059	3902	3815	3136	4523	3461	2234				1427	21816		
WAT						11	8	6				8	8		
2N 324N 5W OIL	42	20	25	19	12	21	20	9				11	223F		15882
GAS	1649	1129	1290	483	177	299	201	2256	837	555	564	638	10078		
WAT						8	9	3				13	73		
3O 424N 5W OIL				373	219	130	181	102				52	169		1226
GAS				12376	6854	13975	10275					12623	58502		
WAT						17	15	15				32	76		1080
4P 324N 5W OIL	20	15	10	12	3	19	19	15					1645		
GAS	2235	2252	2496	2200	3045	2732	2087	1598					135F		
WAT						8	21	7					36		
LEASE TOTAL OIL	120	93	89	455	311	248	217	128	14	11	63	200	2014		29789
GAS	7943	8400	7688	6498	18234	14410	19724	16363	837	3050	564	14690	118841		
WAT					21	34	62	33				53	231		
JICARILLA O 1M1J22N 3W OIL															
LAST PRD. DATE 02/85															
COMPANY TOTAL OIL	563	966	431	941	668	949	948	1135	244			798	7807		9557
GAS	62460	69663	45880	46944	44903	62685	93516	84555	15334	16868	6229	56922	605859		266798
WAT		20			38	93	151	118	17	5	13	112	567		

LONE PINE DAKOTA D DD OM TO 5M

BASIN FUELS INCORPORATED

854 EDNA

IF 317N 8W OIL PLUGGING APPROVED 1975

TENNECO OIL COMPANY

LONE PINE D UNIT

1L 317N 8W OIL PLUGGING APPROVED 1984
 2I 177N 8W OIL PLUGGING APPROVED 1980
 3J 177N 8W OIL LAST PRD. DATE 12/76
 4K 177N 8W OIL LAST PRD. PRIOR TO 6/73
 5P1 177N 8W OIL PLUGGING APPROVED 1981
 6N 177N 8W OIL LAST PRD. DATE 05/80
 7P 177N 8W OIL PLUGGING APPROVED 1980
 8M 177N 8W OIL PLUGGING APPROVED 1984
 9O1 177N 8W OIL PLUGGING APPROVED 1984
 10B1 177N 8W OIL PLUGGING APPROVED 1981
 11D1 177N 8W OIL PLUGGING APPROVED 1981
 12J1 177N 8W OIL INJECTION WELL
 13F1 177N 8W OIL LAST PRD. DATE 12/76
 14H1 177N 8W OIL INJECTION WELL
 15G1 177N 8W OIL PLUGGING APPROVED 1981
 16M1 177N 8W OIL PLUGGING APPROVED 1981
 17L1 177N 8W OIL INJECTION WELL
 18E1 177N 8W OIL PLUGGING APPROVED 1981
 19I1 177N 8W OIL PLUGGING APPROVED 1981
 20K1 177N 8W OIL PLUGGING APPROVED 1981
 21L1 177N 8W OIL PLUGGING APPROVED 1981
 22J1 177N 8W OIL PLUGGING APPROVED 1980
 23A1 177N 8W OIL LAST PRD. PRIOR TO 6/73
 24N1 177N 8W OIL PLUGGING APPROVED 1980
 25P1 177N 8W OIL PLUGGING APPROVED 1980
 26B2 177N 8W OIL PLUGGING APPROVED 1980
 27B2 177N 8W OIL LAST PRD. PRIOR TO 6/73
 28C2 177N 8W OIL LAST PRD. DATE 12/79
 29E 317N 8W OIL

COMPANY TOTAL OIL

LYBROCK GALLUP

GP 5M TO 6M

BCEV INCORPORATED

BCEV

1C1 323N 7W OIL

GAS

WAT

1J1 023N 7W OIL

GAS

WAT

2K 423N 7W OIL

GAS

WAT

LEASE TOTAL OIL

GAS

WAT

DUNN

1J1 023N 7W OIL

GAS

WAT

4O 923N 7W OIL

GAS

WAT

5C 923N 7W OIL

GAS

WAT

6P 923N 7W OIL

GAS

WAT

7K 923N 7W OIL

GAS

WAT

8E 923N 7W OIL

GAS

WAT

9B 323N 7W OIL

GAS

WAT

10A 323N 7W OIL

GAS

WAT

11H 323N 7W OIL

GAS

WAT

12O 323N 7W OIL

GAS

WAT

LEASE TOTAL OIL

GAS

WAT

FEDERAL A 1233N 7W OIL

GAS

WAT

GENERAL B 21223N 7W OIL

GAS

WAT

STATE H 10 223N 7W OIL

GAS

WAT

2K 223N 7W OIL

GAS

WAT

6X 223N 7W OIL

GAS

WAT

COPY

WELL S. T. R.	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC 1986	PROD MP	ACCU
4D 223N 7W	OIL 308	303	308	316	288	263	282	272	313	308	263	296	3514P	25913
	GAS 3801	3994	4070	4172	3778	3732	3984	4047	4353	4310	3840	4146	48227	
	WAT 25	24	25	27	23	20	28	26	32	34	24	24	312	
LEASE TOTAL	OIL 58	53	53	55	51	40	48	48	57	54	47	52	6356	87209
	GAS 7909	7772	8047	8098	7600	7343	7778	7991	8257	8257	7537	8013	94362	
	WAT 42	38	40	42	36	31	42	30	46	52	38	48	487	
COMPANY TOTAL	OIL 3048	2512	2692	2503	2415	2175	2244	2074	2319	2338	2196	2233	28178	516449
	GAS 34409	31338	33638	32006	31173	31171	26149	31458	32316	31794	31170	30530	361978	
	WAT 369	246	245	267	233	183	196	179	198	238	144	206	2754	
BYRON OIL INDUSTRIES														
DUNN FEDERAL														
1J 423N 7W	OIL 63	63	62	68	47	46	25	45	57	51	43	48	618F	29669
	GAS 1662	1817	1578	934	1177	485	553	781	687	654	840	693	11841	
	WAT 1												1	
2P 423N 7W	OIL 230	267	275	457	383	372	366	337	340	293	301	299	3920F	19604
	GAS 5368	5614	4302	8149	7490	6540	5191	5731	4301	5428	4651	4410	67581	
	WAT 293	330	337	525	430	418	191	182	191	247	247	247	347	
LEASE TOTAL	OIL 7030	7431	5880	9083	8667	7425	5744	6512	4968	6082	5497	5103	79422	49273
	GAS 7030	7431	5880	9083	8667	7425	5744	6512	4968	6082	5497	5103	79422	
	WAT 8												8	
HANSON FEDERAL														
1L 323N 7W	OIL 222	195	204	112	228	125	133	156	125	113	134	136	1881F	67639
	GAS 2494	2726	2367	1401	1766	7	829	1172	1005	983	1259	1037	17766	
	WAT 1												1	
2N 323N 7W	OIL 175	161	146	155	146	144	140	151	135	129	103	118	171F	9845
	GAS 3461	3379	2736	3609	2460	3177	3143	2801	1597	2373	1932	2720	33308	
	WAT 397	356	350	267	374	383	373	305	260	242	237	254	3598	
LEASE TOTAL	OIL 5955	6105	5103	5010	4226	3505	3972	3973	2602	3356	3191	3757	51154	77484
	GAS 5955	6105	5103	5010	4226	3505	3972	3973	2602	3356	3191	3757	51154	
	WAT 51												51	
LYBROOK														
10 423N 7W	OIL 414	305	232	3327	2451	199	2292	2930	187	181	180	144	1842F	1842
	GAS 943	943	943	943	943	943	943	943	943	943	943	943	943	
	WAT 1												1	
21 423N 7W	OIL 100	85	85	100	85	85	100	85	85	85	100	85	100	4400
	GAS 85	85	85	85	85	85	85	85	85	85	85	85	85	
	WAT 85	85	85	85	85	85	85	85	85	85	85	85	85	
LEASE TOTAL	OIL 100	85	85	100	85	85	100	85	85	85	100	85	100	6242
	GAS 100	85	85	100	85	85	100	85	85	85	100	85	100	
	WAT 85	85	85	85	85	85	85	85	85	85	85	85	85	
COMPANY TOTAL	OIL 12985	13536	10983	14097	27093	1578	13923	15120	13323	1254	1184	12740	14378	132999
	GAS 12985	13536	10983	14097	27093	1578	13923	15120	13323	1254	1184	12740	14378	
	WAT 85												85	
JACK A COLE														
MARCUS														
3I 723N 6W	OIL 130	115	140	89	96	89	57	77	66	84	89	60	1092F	1536
	GAS 1256	1078	1459	824	1051	1023	973	755	779	688	631	514	11031	
	WAT 1												1	
5E 623N 6W	OIL 1256	1078	1459	824	1051	1023	973	755	779	688	631	514	11031	2801
	GAS 7580	5892	5309	5481	4811	4600	4665	4707	4604	4604	4604	4604	4604	
	WAT 230	179	176	154	154	148	148	117	103	115	95	95	1594F	1916
6A 123N 7W	OIL 7340	6115	6189	6918	4780	4345	8173	5345	4854	4251	4228	3769	66307	
	GAS 7340	6115	6189	6918	4780	4345	8173	5345	4854	4251	4228	3769	66307	
	WAT 1												1	
7N 123N 7W	OIL 881223N 7W													325
	GAS 881223N 7W													
	WAT 881223N 7W													
LEASE TOTAL	OIL 614	487	546	431	464	397	263	411	333	381	2172	2814	4986	55
	GAS 16146	13085	13047	13399	10642	9777	13811	10807	9973	11082	15570	14489	151628	6633
	WAT 1												1	
MARCUS A														
151 123N 7W	OIL 150	123N 7W												604
	GAS 150	123N 7W												
	WAT 150	123N 7W												
16C1223N 7W	OIL 16C1223N 7W													604
	GAS 16C1223N 7W													
	WAT 16C1223N 7W													
LEASE TOTAL	OIL 614	487	546	431	464	397	263	411	333	381	2172	2814	4986	604
	GAS 16146	13085	13047	13399	10642	9777	21864	17555	15803	15896	22335	25650	195316	7237
	WAT 1													
DIETRICH RESOURCE CORP.														
E-TUN-NAM-DAH														
431 823N 7W	OIL 157	137	140	144	121	158	136	111	112	138	162	21	1537P	11258
	GAS 1342	1092	1191	1131	1165	1172	1105	1103	822	875	979	1101	12976	
	WAT 31	28	31	30	31	31	31	30	19	25	30	31	348	
FEDERAL														
22F 623N 7W	OIL 24	32	36	28	30	18	38	184	161	216	194	176	236P	3712
	GAS 210	185	211	193	200	197	179	184	161	216	194	176	236P	
	WAT 21	28	31	30	31	31	31	13	30	30	30	31	348	
MAT TAM E YAZA														
1C 823N 7W	OIL 57	52	48	32	74	59	56	54	58	9	19	518P	8083	
	GAS 1257	1105	1181	1115	1100	1047	947	1234	1086	1120	939	758	12888	
	WAT 31	28	31	27	31	31	31	28	30	31	30	31	360	
COMPANY TOTAL	OIL 248	221	224	204	151	250	233	157	166	194	191	40	2251	23053
	GAS 2809	2382	2583	2439	2455	2416	2231	2531	1869	2211	2109	2035	28070	
	WAT 93	84	93	87	93	93	93	71	79	87	90	93	1056	
JUGAN PRODUCTION CORPORATION														
ADJOSE														
2A 523N 7W	OIL 178	160	183	174	158	54	44	55	2	21	9	1038F	17169	
	GAS 178	160	183	174	158	54	44	55	2	21	9	1038F	17169	
	WAT 1												1	
GALLYMALOE														
2K2523N 7W	OIL 136	79	207	176	165	164	163	62	145	169	162	90	1718P	4951
	GAS 1281	1637	1879	1522	1408	1606	1519	1008	1335	1525	1221	1221	1727	
	WAT 13	13	16	15	15	15	16	8	14	16	14	14	167	
BUMBLE														
202724N 6W	OIL 187	172	181	169	175	179	173	126	128	210	184	184	1787F	11527
	GAS 453	418	449	409	381	342	394	106	188	356	32	293	3878	
	WAT 816	14	16	15	16	15	16	7	7	15	10	10	148	
KENNY														
183623N 7W	OIL 140	210	350	140	1073	2452	2589	140	1073	2452	2589	140	709F	709
	GAS 60	1073	2452	140	1073	2452	2589	140	1073	2452	2589	140	709F	
	WAT 25	27	36										25	
KINSALE														
212623N 7W	OIL 145	136	147	125	136	125	136	18	151	169	134	1544F	7103	
	GAS 676	623	718	579	537	631	602	367	568	666	651	519	7137	
	WAT 16	14	16	15	16	15	16	8	14	16	15	16	177	
LAVA FALLS														
1J2724N 6W	OIL 288	235	237	234	225	219	204	29	150	256	9	207	2293F	16384
	GAS 974	845	835	775	868	799	799	255	470	820	81	636	8092	
	WAT 1												1	
PHANTOM RANCH														
1F2124N 6W	OIL 178	198	229	195	180	200	181	2	173	220	8	221	1085P	3612
	GAS 578	527	552	574	534	536	568	145	290	487	46	305	5142	
	WAT 8												8	
SAPP C														
14 523N 7W	OIL 23	23	19	23	22	23	21	24	24	25	18	19	264F	19962
	GAS 468	449	453	425	300	408	277	500	493	445	432	399	5049	
	WAT 2136	1718	1576	1856	1754	1892	1540	1881	1745	1108	1108	778	2082P	13396
20 523N 7W	OIL 107	90	97	86	94	84	85	81	56	88	33	33	982F	8562
	GAS 1341	1329	1455	1351	1260	1230	1287	1534	1328	1370	1397	922	15810	
	WAT 16	16	16	16	16	16	16	16	16	16	16	16	16	
LEASE TOTAL	OIL 311	287	324	269	313	279	262	251	160	219	293	330	338	41920
	GAS 3495	3466</												

COPY

SUBMIT IN DUPLICATE

(See also instructions on
reverse side)

LEASE DESIGNATION AND SERIAL NO.

SF-078272

IF INDIAN, ALLOTTEE OR TRIBE NAME

UNIT AGREEMENT NAME

FARM OR LEASE NAME

Dunn

WELL NO.

12

FIELD AND POOL, OR WILDCAT

Lybrook Gallup

SEC., T., R., M., OR BLOCK AND SURVEY
OR AREA

Sec 3 T23N R7W

COUNTY OR
PARISH

Rio Arriba

STATE

New Mexico

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ DRY ☐ Other _____

2. TYPE OF COMPLETION:

NEW WELL ☒ WORK OVER ☐ REPAIR ☐ PLUG BACK ☐ DIFF. EKNR. ☐ Other _____

3. NAME OF OPERATOR

BCO, INC.

4. ADDRESS OF OPERATOR

135 Grant Avenue, Santa Fe, New Mexico 87501

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface

990' FSL 1800' FEL Sec 3 T23N, R7W, N.M.P.M. Rio Arriba County

At top prod. interval reported below

Same

At total depth

Same

14. PERMIT NO.

DATE ISSUED

15. DATE SPUDDED

16. DATE T.D. REACHED

17. DATE COMPL. (Ready to prod.)

18. ELEVATIONS (DP, RER, RT, OR, ETC.)*

19. ELEV. CASINGHEAD

June 9, 1985

June 17, 1985

September 10, 1985

7020 GR

7023

20. TOTAL DEPTH, MD & TVD

6477

21. PLUS, BACK T.D., MD & TVD

6475

22. IF MULTIPLE COMPL.,
HOW MANY*

Two

23. INTERVALS
DRILLED BY

→

ROTARY TOOLS

XX

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

Gallup - 5394-6286

25. WAS DIRECTIONAL
SURVEY MADE

Yes-Filed

26. TYPE ELECTRIC AND OTHER LOGS RUN Cement Bond Log Computer Laser, Induction Log,
Compensated Density Dual Spaced Neutron Log

27. WAS WELL CORED

No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	J-55 24#	307	12 1/2"	180 Sacks - Class B	
4 1/2"	N-80 11.6#	6597	7-7/8"	1950 Sacks - Class H	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	6369'	

31. PERFORATION RECORD (Interval, size and number)

One 3-1/8".32 diameter select fire shot at
6286, 6278, 6276, 6270, 6266, 5566, 5549,
5530, 5523, 5520, 5517, 5419, 5406, 5400, 5394

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6266-6286	Gal. #'s SCF Foam
5394-5566	Acid Sand Nitrogen Gal
	1500 300,000 5,400,600 200,000
	1500 275,000 3,371,160 124,000

33. PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
9/4/85		Flow				Shut-in	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BSL	GAS—MCF.	WATER—BSL	GAS-OIL RATIO
9/10/85	24	18/64	→	36	180	8 (frac)	5000
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BSL	GAS—MCF.	WATER—BSL	OIL GRAVITY-API (CORR.)	
700	680	→	33	180	8 (frac)	40	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Vented

TEST WITNESSED BY

Robert Ramirez

35. LIST OF ATTACHMENTS

Cementing Record

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Elizabeth B. Keeshan TITLE Comptroller

DATE 10/4/85

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes 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.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.O.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease	
State ☒	Fee ☐
5. State Oil & Gas Lease No.	
LG 3748	

10. TYPE OF WELL	
OIL WELL ☒	GAS WELL ☐ DRY ☐ OTHER ☐
b. TYPE OF COMPLETION	
NEW WELL ☐	WORK OVER ☒ DEEPEN ☐
PLUG BACK ☒	DIFF. RESVR. ☐ OTHER ☐

7. Unit Agreement Name
8. Farm or Lease Name
State H

2. Name of Operator
BCO, Inc.

9. Well No.
4

3. Address of Operator
135 Grant Avenue, Santa Fe, New Mexico 87501

10. Field and Pool, or Wildcat
Lybrook Gallup & Undesignated Graneros

4. Location of Well
UNIT LETTER <u>D</u> LOCATED <u>970</u> FEET FROM THE <u>N</u> LINE AND <u>910</u> FEET FROM

12. County
Rio Arriba

THE <u>W</u> LINE OF SEC. <u>2</u> TWP. <u>23N</u> REC. <u>7W</u> NMPM
--

15. Date Spudded	16. Date T.D. Reached	17. Date Compl. (Ready to Prod.)	18. Elevations (DF, RKB, RT, GR, etc.)	19. Elev. Casinghead
8-31-80	9-11-80	8-19-81 Gallup & Graneros	6904 GR	6906
		11-16-80 Graneros		

20. Total Depth	21. Plug Back T.D.	22. If Multiple Compl., How Many	23. Intervals Drilled By	Rotary Tools	Cable Tools
6505	6426	TWO		XX	

24. Producing Interval(s), of this completion - Top, Bottom, Name
5318-5557 Gallup
6272-6277 Graneros Co-mingled under Order # R-6719

25. Was Directional Survey Made
yes
filed 9-18-80

26. Type Electric and Other Logs Run
Induction Electrical, Compensated Density, Compensated Neutron, Gamma Ray Bond Log

27. Was Well Cored
No

28. CASING RECORD (Report all strings set in well)
--

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8	23.0	294	12 1/4	200 sacks	
4 1/2	11.6	6503	7 7/8	1400 sacks	

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2 3/8	6277	

31. Perforation Record (Interval, size and number)
--

One 3 1/8" select fire shot at 5557, 5546, 5512, 5506, 5488, 5480, 5454, 5450, 5446, 5442, 5406, 5340, 5326, 5322, 5318

6272-6277 3 1/8" 5 shots

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
--

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
6272-6277	Previously reported
5318-5557	216,970 gallons water,

315,000 #.10-20 sand, 1,891,5 standard cubic ft. of nitrog

33. PRODUCTION

Date First Production	Production Method (Flowing, gas lift, pumping - Size and type pump)	Well Status (Prod. or Shut-in)
1-16-80 Graneros	Well will be tested at a later date after NGPA filing	made SHUT IN
8-19-81 Gallup		

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
--------------	--------------	------------	-------------------------	------------	-----------	--------------	-----------------

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API (Corr.)
--------------------	-----------------	-------------------------	------------	-----------	--------------	---------------------------

14. Disposition of Gas (Sold, used for fuel, vented, etc.)
Sold thru BCO, Inc. North Lybrook Gathering Line

Test Witnessed By

15. List of Attachments

16. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

COPY

SIGNED Harry R. Bugh

TITLE President

DATE 8-19-81

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in triplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

T. Anhy _____	T. Canyon _____
T. Salt _____	T. Strawn _____
B. Salt _____	T. Atoka _____
T. Yates _____	T. Miss _____
T. 7 Rivers _____	T. Devonian _____
T. Queen _____	T. Silurian _____
T. Grayburg _____	T. Montoya _____
T. San Andres _____	T. Simpson _____
T. Glorieta _____	T. McKee _____
T. Paddock _____	T. Ellenburger _____
T. Blinbry _____	T. Gr. Wash _____
T. Tubb _____	T. Granite _____
T. Drinkard _____	T. Delaware Sand _____
T. Abo _____	T. Bone Springs _____
T. Wolfcamp _____	T. _____
T. Penn. _____	T. _____
T. Cisco (Bough C) _____	T. _____

Northwestern New Mexico

T. Ojo Alamo	1,365	T. Penn. "B"
T. Kirtland-Fruitland	1,544	T. Penn. "C"
T. Pictured Cliffs	1,992	T. Penn. "D"
T. Cliff House	3,501	T. Leadville
T. Menefee	3,561	T. Madison
T. Point Lookout	4,218	T. Elbert
T. Mancos	4,494	T. McCracken
T. Gallup	5,308	T. Ignacio Qtzte
Base Greenhorn	6,250	T. Granite
T. Dakota	6,262	T.
T. Morrison		T.
T. Todilto		T.
T. Entrada		T.
T. Wingate		T.
T. Chinle		T.
T. Permian		T.
T. Penn. "A"		T.

OIL OR GAS SANDS OR ZONES

No. 1, from _____ to _____ No. 4, from _____ to _____
No. 2, from _____ to _____ No. 5, from _____ to _____
No. 3, from _____ to _____ No. 6, from _____ to _____

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from _____ to _____ feet _____

No. 2, from _____ to _____ feet _____

No. 3, from _____ to _____ feet _____

No. 4, from _____ to _____ feet _____

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

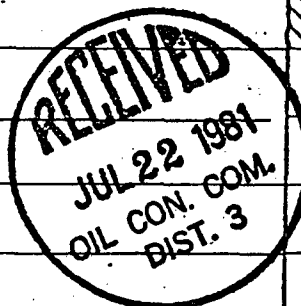
P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.O.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease	
State ☒	Fee ☐
5. State Oil & Gas Lease No.	
LG 3748	
7. Unit Agreement Name	
8. Farm or Lease Name	
State H	
9. Well No.	
3	
10. Field and Pool, or Wildcat	
Lybrook Gallup & Undesignated Graneros	



1a. TYPE OF WELL

OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER ☐

b. TYPE OF COMPLETION

NEW WELL ☐ WORK OVER ☒ DEEPEN ☐ PLUG BACK ☒ DIFF. RESVR. ☐ OTHER ☐

2. Name of Operator

BCO, Inc.

3. Address of Operator

135 Grant Avenue, Santa Fe, New Mexico 87501

4. Location of Well

UNIT LETTER M LOCATED 990 FEET FROM THE S LINE AND 990 FEET FROM

THE W LINE OF SEC. 2 TWP. 23N RGE. 7W NMPM

12. County

Rio Arriba

15. Date Spudded

9-14-80

16. Date T.D. Reached

9-25-80

17. Date Compl. (Ready to Prod.)

7-14-81 Gallup & Dakota

18. Elevations (DF, RKB, RT, GR, etc.)

6968 GR

19. Elev. Casinghead

6970

20. Total Depth

6545

21. Plug Back T.D.

6453

22. If Multiple Compl., How

Many TWO

23. Intervals

Drilled By

Rotary Tools

XX

Cable Tools

24. Producing Interval(s), of this completion - Top, Bottom, Name

5364-5602 Gallup

6326-6331 Dakota Co-mingled under Order # R-6719

25. Was Directional Survey

Made Yes

Filed 10-9-80

26. Type Electric and Other Logs Run

Induction Electrical, Compensated Density,

Compensated Neutron, CBL Gamma Ray, and Correlation Log.

27. Was Well Cored

No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8	23.0	296	12 1/4	200 sacks	
4 1/2	11.6	6543	7 7/8	1400 sacks	

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 3/8	6350	

31. Perforation Record (Interval, size and number)

5364-5602 3 1/8" 15 shots or one shot at
 5364, 5368, 5372, 5454, 5484, 5487,
 5490, 5496, 5515, 5524, 5532, 5552,
 5568, 5590, and 5602
 6326-6331 3 1/8" 5 shots

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
6326-6331	Previously reported
5364-5602	94,000 gals. H ₂ O; 200,000 # 10-20 sand, 1,200,000 standard cubic ft. of nitrogen

33. PRODUCTION

Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)				Well Status (Prod. or Shut-in)	
11-18-80		Well to be tested at a later date				Shut In	
Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
							Gallons per Barrel
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API (Corr.)	

34. Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold thru BCO, Inc. North Lybrook Gathering Line

Test Witnessed By

COPY

35. List of Attachments

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED Harry R. Bagley TITLE PresidentDATE 7-21-81

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in triplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southwestern New Mexico

Northwestern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alamo _____	1340	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland _____	1584	T. Penn. "C" _____
D. Salt _____	T. Atoka _____	T. Pictured Cliffs _____	1978	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	3503	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	3552	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	4228	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	4500	T. McCracken _____
T. San Andres _____	T. Simpson _____	T. Gallup _____	5354	T. Ignacio Qtzle _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	6302	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	6316	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____		T. _____
T. Tubb _____	T. Granite _____	T. Todilto _____		T. _____
T. Drinkard _____	T. Delaware Sand _____	T. Entrada _____		T. _____
T. Abo _____	T. Bone Springs _____	T. Wingate _____		T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____		T. _____
T. Penn. _____	T. _____	T. Permian _____		T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn. "A" _____		T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from _____ to _____

No. 2, from _____ to _____

3, from _____ to _____

No. 4, from _____ to _____

No. 5, from _____ to _____

No. 6, from _____ to _____

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

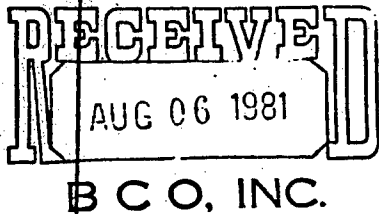
No. 1, from _____ to _____ feet _____

No. 2, from _____ to _____ feet _____

No. 3, from _____ to _____ feet _____

No. 4, from _____ to _____ feet _____

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
							

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

(other instructions on reverse side)

Form approved.
Budget Bureau No. 42-7355.5

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL ☒ GAS WELL ☒ DRY ☐ Other _____		5. LEASE DESIGNATION AND SERIAL NO. SF-078272	
b. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEP-EN ☒ PLUG BACK ☐ DIFF. RESVR. ☐ Other _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME _____	
2. NAME OF OPERATOR BCO, Inc.		7. UNIT AGREEMENT NAME _____	
3. ADDRESS OF OPERATOR P. O. Box 669 Santa Fe, New Mexico 87501		8. FARM OR LEASE NAME Dunn	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 2070' FNL 2260' FWL Section 10 T23N R7W N.M.P.M. At top prod. interval reported below Same At total depth Same		9. WELL NO. 2	
14. PERMIT NO. _____ DATE ISSUED _____		10. FIELD AND POOL, OR WILDCAT Lybrook Gallup Undes Greenhorn-Dakota	
15. DATE SPECDED 3/16/76		11. SEC., T., R., N., OR BLOCK AND SURVEY OF AREA 10-23N-7W	
16. DATE T.D. REACHED 4/20/76		12. COUNTY OR PARISH Rio Arriba	
17. DATE COMPL. (Ready to prod.) 5/11/76 Greenhorn-Dak. 9/23/76 Gallup		13. STATE New Mexico	
18. ELEVATIONS (DF, RES, RT, GR, ETC.)* 7265 GR		19. ELEV. CASINGHEAD 7267	
20. TOTAL DEPTH, MD & TVD 6743		21. PLUG BACK TO MD & TVD Casing 6730 Open hole 6741	
22. IF MULTIPLE COMPL., HOW MANY? Co-mingle 3 zones		23. INTERVALS DRILLED BY 0-6730	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* Gallup 5598-5931; Greenhorn 6485-6499; Dakota 6551-6743		25. WAS DIRECTIONAL SURVEY MADE Yes	
26. TYPE ELECTRIC AND OTHER LOGS RUN Borehole compensated; Sonic-Gamma; F; Dual Induction; CBL; Dual Spacing TDT		27. WAS WELL CORED No	
28. CASING RECORD (Report all strings set in well)			
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE
8-5/8	24.70	142	12-1/4
4-1/2	11.60	6730	7-7/8
CEMENTING RECORD		AMOUNT PULLED	
100 Class B			
3 stage 1050 sacks			
29. LINER RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*
30. TUBING RECORD			
SIZE	DEPTH SET (MD)	PACKER SET (MD)	
2-3/8	6712		
31. PERFORATION RECORD (Interval, size and number)			
Upper Dakota 6724-6729 W/4SPF Lower Graneros 6642-6647 W/2SPF Upper Graneros 6551-56; 6586-88 W/2SPF Greenhorn 6485-87; 6494-99 W/2SPF Bottom Gallup 5759-60; 5771-72; 5778-79; 5788-89; 5802-03; 5824-25; 5836-37; 5853-54; 5873-74; 5896-97; 5913-1/2 - 14-1/2; 5930-31 W/2SPF Mayre 5715-22 W/2SPF 5723-25 W/4SPF Skelly 5598-5612 W/2SPF			
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED		
6724-6735	500 15% 23M H ₂ O 15M 40-60		
6642-6647	250 15% 27M H ₂ O 25M 20-40		
6551-6588	250 15% 32M H ₂ O 10M 20-40 20M 10		
6485-6499	250 15% 2000 28% 16M H ₂ O 15M 20		
	5M 10-20		
5759-5931	500 15% 22M H ₂ O 22M 10-20		
5715-5725	500 15% 20M H ₂ O 21M 10-20		
5598-5612	500 15% 22M H ₂ O 21M 10-20		
33. PRODUCTION			
DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)		WELL STATUS (Producing or shut-in)
Gallup 9/28/76	Gas Lift		Producing
Greenhorn-Dakota 5/8/76	Gas Lift		Producing
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD
Gallup 10/13/76	24	Open	15
Greenhorn-Dak 7/28/76	24	Open	1
FLOW, TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.
Gallup Various	665-500	15	80
Greenhorn-Dak Vari	735-640	1	269
			WATER—BBL.
			0
			7
			OIL GRAVITY-API (CORR.)
			40
			45
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)			
Sold to El Paso 11/11/76 via BCO gathering line to Sec 23 T24N R7W			
TEST WITNESSED BY H. R. Bigbee			
35. LIST OF ATTACHMENTS N.M.O.C.C Co-mingling order R-5310 Attached to Form 9-331 of this same date			
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records			
SIGNED <i>Harvey R. Bigbee</i>		TITLE President	
		DATE 11/17/76	

*(See Instructions and Spaces for Additional Data on Reverse Side)

COPY

General: This form is designated for use for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State law or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or field, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See 30 CFR instructions on items 22 and 24, and 23, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and all directional surveys, shut-in tests, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see, see item 33.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for applicable instructions.

Item 18: Indicate which elevation is used as reference as reference is reference (where not otherwise shown) for depth measurements given in other agency on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(top(s), bot, bottom(bot(s)) and name(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 23: "Sacks Cement": If separately produced, supplement the well completion record for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONE ZONES:		38. GEOLOGIC MARKERS	
SHOW ALL IMPORTANT ZONE (NEAR OR OF) POROUS ZONE INTERVAL TESTED, CURRICULUM (ON USED)		CORRELATION TESTS, INCLUDING TIME TOOL OF TIME TOOL, TIME TOOL GIVEN, PLOWING AND RECOVERIES	
FORMATION	TOP OF	NAME	TRUE VERT. DEPTH
		MEAN DEPTH	
		Picture Cliffs	2242
		Chacra	3035
		Cliff House	3752
		Menefee	3826
		Pt. Lookout	4535
		Gallup	5570
		Greenhorn	6478
		Dakota	6535

EXHIBIT H

EXHIBIT H

Allocation Recommendation: Applicant recommends that the District Supervisor of the Aztec District Office of the Oil Conservation Division, after consultation with Applicant, make the allocation of production from the commingled zones once testing from the initial well drilled on the area of application has been completed.

PADILLA & SNYDER

ATTORNEYS AT LAW

200 W. MARCY, SUITE 212

P.O. BOX 2523

SANTA FE, NEW MEXICO 87504-2523

(505) 988-7577

SEP 21 1987

September 17, 1987

Mr. William J. Lemay
Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Re: Application of BCO, Inc. for Downhole Commingling,
Rio Arriba County, New Mexico

Dear Mr. Lemay:

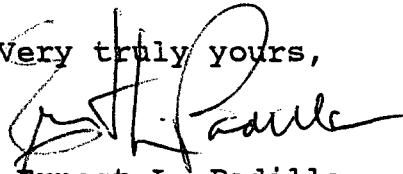
Enclosed relative to the above-referenced application is the original Waiver of Alexander Energy Corporation, one of the offset operators listed in the application. The only other waiver which we have not received is from the Department of the Interior on unleased federal acreage.

We anticipate that we will not receive the waiver from the Department of the Interior because it is our understanding that the Department of the Interior does not make such waivers as a matter of policy.

The application was filed on September 1, 1987, and therefore the 20-day period should have elapsed on September 21, 1987, at which time we request that an Order be issued.

Please let us know if you require any other information regarding the application.

Very truly yours,



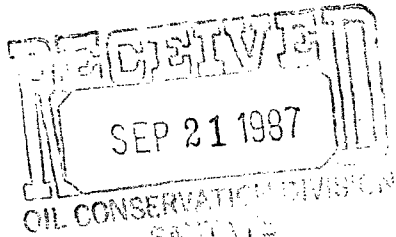
Ernest L. Padilla

ELP:crk

Enclosure as stated

cc: BCO, Inc.
w/Enclosure

Oil Conservation Division
Aztec, New Mexico



WAIVER

Alexander Energy hereby waives any objection to the application of BCO, Inc. for downhole commingling in Section 16, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

ALEXANDER ENERGY

By: *[Signature]*

Title: *Vice President*

9/9/87

PADILLA & SNYDER

ATTORNEYS AT LAW

200 W. MARCY, SUITE 212

P.O. BOX 2523

SANTA FE, NEW MEXICO 87504-2523

(505) 988-7577

September 28, 1987

HAND-DELIVERED

David Catanach
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87501

Re: Application of BCO, Inc. for Administrative
Approval Downhole Commingling, Rio Arriba County,
New Mexico.

Dear Mr. Catanach:

This letter acknowledges our telephone conversation of this morning during which you expressed concerns as to the Division's authority to issue an Order allowing downhole commingling for all of Section 16. You did indicate, however, that you foresaw no problem with the issuance of an Order insofar as the well which BCO, Inc. will be completing in the near future.

Enclosed please find copies of well records, including C-101, C-102, C-103's, and well deviation tests, for the State J Well No. 1.

As noted in the form C-103, which was approved by Mr. Frank Chavez on August 21, 1987, BCO intended to complete the well in September. Accordingly, we request that our application be revised to allow the issuance of an Order for downhole commingling insofar as the State J No. 1 is concerned. Thereafter, if necessary, we would proceed to a hearing on the remaining portion of our application for Section 16.

Please let me know if you have any questions or if we need to provide further information.

Very truly yours,


Ernest L. Padilla

ELP:njp
Enclosures as stated

cc: BCO, Inc.

CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-101
Revised 10-1-78

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5A. Indicate Type of Lease
STATE ☒ FEE ☐
5. State Oil & Gas Lease No.
V 2258

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
DRILL ☒ DEEPEN ☐ PLUG BACK ☐
b. Type of Well
OIL WELL ☒ GAS WELL ☐ OTHER ☐
2. Name of Operator
BCO, INC.
3. Address of Operator
135 Grant, Santa Fe, N.M. 87501
4. Location of Well
UNIT LETTER A LOCATED 540 FEET FROM THE North LINE
AND 820 FEET FROM THE East LINE OF SEC. 16 TWP. 23N RGE. 7W
10. Field and Pool, or Wildcat
Undesignated Graneros to Gallup
12. County
Rio Arriba

19. Proposed Depth 6620
19A. Formation Graneros / Gallup
20. Rotary or C.T. Rotary
21. Elevations (Show whether DF, RT, etc.) 7210 GR
21A. Kind & Status Plug. Bond \$50,000 statewide bond on file with OCD
21B. Drilling Contractor Walters Drilling Co.
22. Approx. Date Work will start August 1, 1987

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4	8-5/8 new	23.0	200	150	Circulate
7-7/8	4-1/2 new	11.6	6620	1750	Circulate

Propose to drill 12-1/4" hole approximately 200' and run approximately 200' of 8-5/8" surface casing which will be cemented with approximately 150 sacks of cement. Will drill 7-7/8" hole to about 6620'. Intend to run Induction Electric Gamma Log and Density Neutron Log. Will cement approximately 6620' of 4-1/2" casing to surface with approximately 1750 sacks of cement. We intend to perforate and frac Graneros and Gallup formations as determined after reviewing logs. We may delay completion until Spring of 1988. It is anticipated we will request commingling of the Graneros and Gallup in accordance with Oil Conservation Commission Order 2279. Attached is a copy of a topographic map showing the approximate location of the well. Intend to request off-lease storage at the Dunn 2E location in the SW¹/₄SW¹/₄ of Section 10T23NR7W. The surface of this location is owned by BCO, Inc. We request off-lease storage so that oil is stored at a greater distance from Highway 44.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Elizabeth B. Keeshan Title Vice President BCO, INC. JUL 17, 1987

(This space for State Use)

DEPUTY OIL & GAS INSPECTOR, DIST. #3

JUL 20 1987

APPROVED BY Ernie Busch TITLE DATE

CONDITIONS OF APPROVAL, IF ANY:

Hold C-104 for off lease storage approval
EB

APPROVAL EXPIRES 1-20-88
UNLESS DRILLING IS COMMENCED.
SPUD NOTICE MUST BE SUBMITTED
WITHIN 10 DAYS.

All measurements must be from the outer boundaries of the Section.

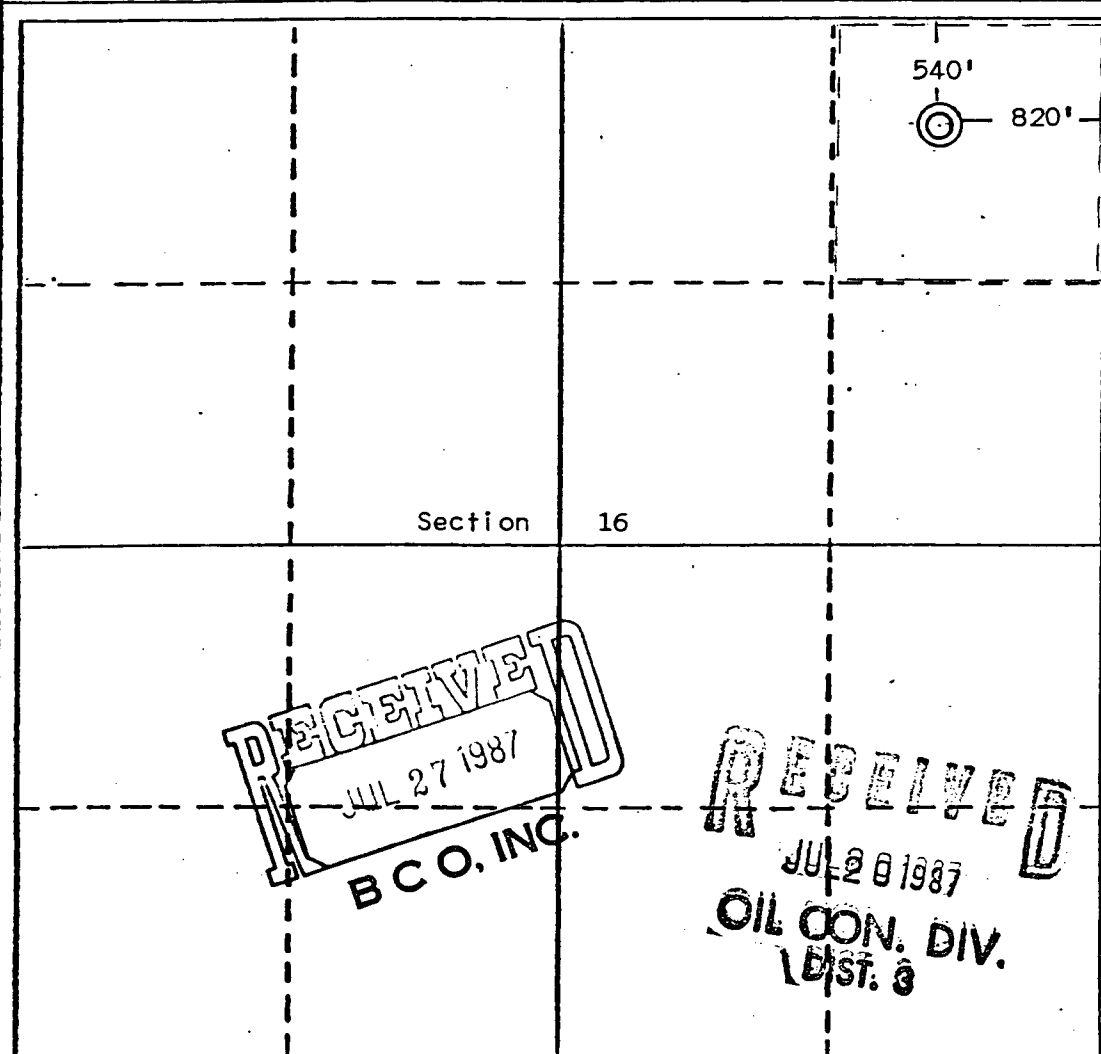
Operator BCO, Inc.			Lease State J			Well No. 1		
Unit Letter A	Section 16	Township 23 North	Range 7 West	County Rio Arriba				
Actual Postage Location of Well: 540 feet from the North line and 820 feet from the East line								
Ground Level Elev. 7210	Producing Formation Graneros/Gallup		Pool Undesignated Graneros ON Lybrook Gallup EXT			Dedicated Acreage: 40/40 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division



CERTIFICATION

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

Elizabeth B. Keeshan

Name

Elizabeth B. Keeshan

Position

Vice President

Company

BCO, Inc.

Date

July 16, 1987

I hereby certify that the well location shown on this plat is true and correct to the best of my knowledge and belief, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

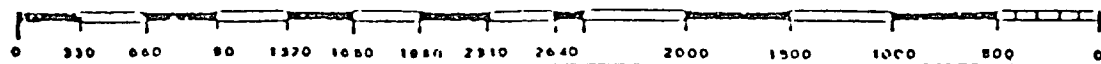
July 9, 1987

Registered Professional Engineer and/or Land Surveyor

Edgar L. Risenhoover

Certificate No. 5979

Edgar L. Risenhoover, L.S.







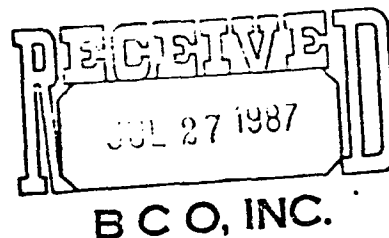
GARREY CARRUTHERS
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

This application has been approved with the following conditions:

1. Trash is to be taken to a sanitary landfill, not buried at the wellsite, unless approved by the landowner.
2. Wells which produce oil during cleanup and testing shall be flowed through a separator and the oil recovered in a tank.
3. Cement quantities shall be reported in cubic feet on all reports, with a description of additives and different slurries used.
4. Casing and cementing reports must show water shut-off test, as required by Rule 107(c).
5. Reports of commencement of drilling operations must be filed within 10 days of spud, as required by Rule 1103.
6. It is the responsibility of the operator to make the appropriate contracts and arrangements with surface owners prior to commencing activities.



OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-78

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State ☒ Fee ☐
5. State Oil & Gas Lease No.
V-2258

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. OIL WELL ☒ GAS WELL ☐ OTHER- ☐	7. Unit Agreement Name
2. Name of Operator	8. Farm or Lease Name
BCO, INC.	State J
3. Address of Operator	9. Well No.
135 Grant, Santa Fe, N.M. 87501	1
4. Location of Well	10. Field and Pool, or Wildcat
UNIT LETTER A 540 FEET FROM THE North LINE AND 820 FEET FROM	Undesignated Graneros 6M
THE East LINE, SECTION 16 TOWNSHIP 23N RANGE 7W NMPM.	to 7M/ Lybrook Gallup
15. Elevation (Show whether DF, RT, GR, etc.)	12. County
7210 GR	Rio Arriba

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data			
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☒	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐	OTHER ☐	CASING TEST AND CEMENT JOB ☐	OTHER ☐

17. 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.

August 3, 1987

Spudded well at 3:00 p.m. Drilled 12-1/4" hole and ran 5 joints, or 207' of 8-5/8" 23# limited service surface pipe. Set at 220. Cemented with 155 sacks Class B cement mixed with 2% CACL and 1/4 lb flocele per sack. The cement was mixed at 15.6 lbs with a yield of 1.18 cubic feet per sack or 183 cubic feet. Plug down 8:15 p.m. Circulated 12 barrels cement.

August 4, 1987

Waiting on cement to harden.

RECEIVED
AUG 27 1987
BCO, INC.

RECEIVED
AUG 19 1987
OIL CON. DIV.
DIST. 3

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

SIGNED Elizabeth B. Keeshan TITLE Vice President DATE August 18, 1987

APPROVED BY [Signature] TITLE SUPERVISOR DISTRICT #3 DATE AUG 19 1987

CONDITIONS OF APPROVAL, IF ANY:

AREA CODE 505
983-1228

BCO, Inc.
OIL WELL OPERATOR
135 GRANT
SANTA FE, N. M. 87501

August 19, 1987

TO: New Mexico Oil Conservation Division
RE: Deviation Tests

Well Number and Name: State J-1
State Lease Number: V-2258
Section, Township and Range: Sec 16 T23N R7W

I hereby certify, to the best of my knowledge and belief, that the following are the results of deviation tests taken on the above well:

DEPTH	DEGREES
231	1°
1630	3/4°
1756	3/4°
2258	1°
2698	3/4°
3198	3/4°
3700	3/4°
4201	1°
4793	3/4°
5291	3/4°
5850	1°

Elizabeth B. Keeshan
Elizabeth B. Keeshan, Vice President

STATE OF NEW MEXICO)
)ss.
COUNTY OF SANTA FE)

ON THIS 19th day of August, 19 87, before me personally appeared ELIZABETH B. KEESHAN, known to me to be Vice President of BCO, Inc., and who executed the foregoing instrument and acknowledged that she executed same as her free act of deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate last above written.

My Commission Expires: 6/30/90

[Signature]

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-78

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

RECEIVED

AUG 21 1987

OIL CON. DIV.

DIST. 9

5a. Indicate Type of Lease

State ☒ Fee ☐

5. State Oil & Gas Lease No.

V-2258

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT DEPTH OR IN. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

7. Unit Agreement Name

8. Farm or Lease Name

State J

9. Well No.

1

10. Field and Pool, or Wildcat
Undesignated Graneros
Lybrook Gallup

12. County

Rio Arriba

15. Elevation (Show whether DF, RT, GR, etc.)

7210 GR

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK ☐
TEMPORARILY ABANDON ☐
PULL OR ALTER CASING ☐

PLUG AND ABANDON ☐
CHANGE PLANS ☐

REMEDIAL WORK ☐
COMMENCE DRILLING OPS. ☐
CASING TEST AND CEMENT JOB ☒

ALTERING CASING ☐
PLUG AND ABANDONMENT ☐

OTHER ☐

OTHER ☐

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1703.

August 4-11, 1987 Drilled 7-7/8" hole to 6620'. Bits were run as follows:

Bit #	Type	Date Out	Footage Out	Rotation Hours	Feet Drilled	Avg per Hour	Deviation
1	HTC	8/3	231'	3	231'	77	1°
2	X3A	8/4	1756'	9-3/4	1525'	156	3/4°
3	FP52A	8/7	4793'	62-1/2	3037'	49	3/4°
4	FP52J	8/11	6620'	82	1827'	22	1°

August 11, 1987 Conditioned hole until able to get logs to bottom.

August 12, 1987 Ran Dual Induction Log and Spectral Density DSN II logs. Welex will mail a copy of each log to the address of 11.6#N80 4 1/2" casing. Two-stage cement job was run.

(Continued)

RECEIVED
SEP 1 1987

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

SIGNED Elizabeth B. Keeshan

TITLE Vice President

DATE August 19, 1987

APPROVED BY

TITLE SUPERVISOR DISTRICT # 3

DATE AUG 21 1987

CONDITIONS OF APPROVAL, IF ANY:

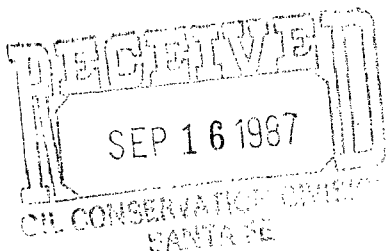
August 13, 1987

Stage One: T.D. to 4800'. Ran 10 bbls mud flush. Mixed 402 sacks Class H cement with 2% CaCl, 8 lbs salt per sack, $\frac{1}{2}$ lb flocele per sack $6\frac{1}{2}$ lbs gilsonite per sack (about 98 bbls slurry). Mixed at 15.1 lbs per gallon with a yield of 1.37 cubic feet per sack or 550 cubic feet. Cement was not designed to circulate above DV tool. It did not circulate above DV tool. Top of cement will be reported on a subsequent notice when we log cement. The plug was pumped at 6:15 a.m. It did not bump. Pumped and flowed back twice. Total displacement was 104 bbls (estimated 103). Opened stage tool at 7:30 a.m.

Stage Two: 4800' to surface. Waited four hours for Stage One to set. Pumped 10 bbls of water, 20 bbls of FloCheck, 5 bbls of water. Mixed 1275 sacks of 65/35 poz Class H cement mixed with 3% gel, $12\frac{1}{2}$ lbs gilsonite per sack, 5.6# salt per sack, 8.2# Calseal per sack. Mixed at 13 lbs per gallon with a yield of 1.78 cubic feet per sack or 2270 cubic feet (about 404 bbls slurry). Cement was designed to circulate. Circulated 116 bbls of cement. Plug was pumped at 12:20 p.m. Plug bumped.

August 13, 1987

Drilling rig rigged down. Intend to complete well in September.



PADILLA & SNYDER

ATTORNEYS AT LAW

200 W. MARCY, SUITE 212

P.O. BOX 2523

SANTA FE, NEW MEXICO 87504-2523

(505) 988-7577

September 14, 1987

William J. Lemay
Director, N.M. Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87501

Re: Application of BCO, Inc. for Downhole
Commingling, Rio Arriba County, New Mexico

Dear Mr. Lemay:

Enclosed relative to the above-referenced application
are the originals of:

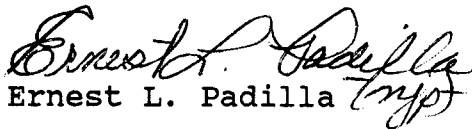
1. Waiver of Hixon Development Corporation;
2. Waiver of Union Texas Petroleum;

and copies of return receipts

1. Hixon Development
2. Alexander Energy Corporation
3. Union Texas Petroleum
4. Department of Interior.

Should you have any questions please let me know.

Very truly yours,


Ernest L. Padilla *ELP*

ELP:njp

Enclosures as stated

cc: BCO, Inc. W/Enclosures

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:

HIXON DEVELOPMENT
Atten: Aldrich L. Kuchera
P. O. Box 2810
Farmington, NM 87499

4. Article Number
P-484 032 727

Type of Service: ☒ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee
X

6. Signature - Agent
X *Hixon*

7. Date of Delivery
9-2-83

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Feb. 1986

DOMESTIC RETURN RECEIPT

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:

DEPARTMENT OF THE INTERIOR
Bureau of Land Management
Caller Service 4104
Farmington, NM 87499

4. Article Number
P-484 032 730

Type of Service: ☒ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee
X

6. Signature - Agent
X *Ben Fellows*

7. Date of Delivery
9-2-83

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Feb. 1986

DOMESTIC RETURN RECEIPT

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:

Union Texas Petroleum
Atten: Bob Frank
375 U.S. Hwy 64
Farmington, NM 87401

4. Article Number
P-484 032 728

Type of Service: ☒ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee
X

6. Signature - Agent
X *Bob Frank*

7. Date of Delivery
9-2-83

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Feb. 1986

DOMESTIC RETURN RECEIPT

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:

ALEXANDER ENERGY
Atten: Roger Alexander
Triad Center, Suite 600
501 NW Expressway
Oklahoma City, OK 73118

4. Article Number
P-484 032 729

Type of Service: ☒ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee
X *Roger Alexander*

6. Signature - Agent
X

7. Date of Delivery
9-3-83

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Feb. 1986

DOMESTIC RETURN RECEIPT

WAIVER

Union Texas Petroleum hereby waives any objection to the application of BCO, Inc. for downhole commingling in Section 16, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

UNION TEXAS PETROLEUM

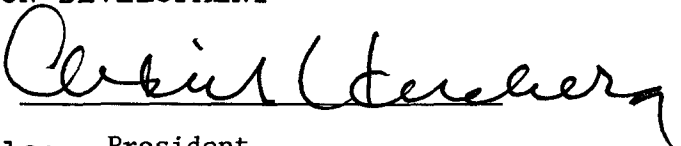
By: WK Cooper

Title: Dist. Prod. Manager

WAIVER

Hixon Development hereby waives any objection to the application of BCO, Inc. for downhole commingling in Section 16, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

HIXON DEVELOPMENT

By: 

Title: President