tr Appropriate
District Office

Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.
30-039-25349

5. Indicate Type of Lease STATE [X] FEE [ ]

6. 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

RECEIVED
MAY 2 7 1994
OIL CON. DIV.
DIST. 3

7. Lease Name or Unit Agreement Name
STATE J

1. Type of Well:
   OIL WELL [X]   GAS WELL [ ]   OTHER [ ]

2. Name of Operator
   BCO, INC.

3. Address of Operator
   135 GRANT, SANTA FE, NM 87501

8. Well No.
7

9. Pool name or Wildcat
LYBROOK GALLUP

4. Well Location

Unit Letter __G__ : __2230__ Feet From The __NORTH__ Line and __2265__ Feet From The __EAST__ Line

Section __16__   Township __23N__   Range __7W__   NMPM   RIO ARRIBA   County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
7255' GR.

11.   Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK [ ]   PLUG AND ABANDON [ ]

TEMPORARILY ABANDON [ ]   CHANGE PLANS [ ]

PULL OR ALTER CASING [ ]

OTHER: _____ [ ]

SUBSEQUENT REPORT OF:

REMEDIAL WORK [ ]   ALTERING CASING [ ]

COMMENCE DRILLING OPNS. [ ]   PLUG AND ABANDONMENT [ ]

CASING TEST AND CEMENT JOB [ ]

OTHER: Complete & place in production [X]

12. 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.

3/07/94   Schlumberger ran cased hole gamma ray log from TD to
            surface. Cased hole compensated Neutron and CBL were
            run over selected intervals. Schlumberger provided
            copies to Oil Conservation Division & Bureau of Land
            Management. Loggers TD is 5744'.

4/6/94   Cementers, Inc. pressure tested 4 1/2" long-string
            casing at 4000 pounds for 30 minutes. Casing held
            pressure.

            Continued on following page.

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

SIGNATURE _Elizabeth B. Keeshen_   TITLE _President_   DATE _May 25, 1994_

TYPE OR PRINT NAME

TELEPHONE NO.

(This space for State Use)

APPROVED BY Original Signed by FRANK T. CHAVEZ   TITLE SUPERVISOR DISTRICT # 3   DATE MAY 2 7 1994

CONDITIONS OF APPROVAL, IF ANY:

Operator: BCO, Inc.
135 Grant
Santa Fe, NM 87501

SUNDRY NOTICE & REPORTS ON WELLS
PAGE TWO
STATE J #7

4/20/94   Schlumberger perforated with one 0.39" select fire
            shot at 5480, 5485, 5490, 5593, 5595, 5610, 5684 and
            5688.

5/17/94   Rigged up completion rig.

5/18/94   Went in hole with Halliburton Straddle Packer and 2
            3/8" tubing, pickled tubing and casing with 500
            gallons of 10 percent FE-HCL, spotted 1000 gallons of
            10% FE-HCL acid down the tubing and displaced with 2%
            Clayfix II water. The perforations were individually
            isolated and broken down with 3 barrels of acid
            followed by 3 to 6 barrels of 2% Clayfix II water.
            The tubing and packer were tripped from the well
            prior to the frac.

5/20/94   Rigged up Halliburton to frac. Treated 56,640
            gallons of water with 95 gallons of Clayfix II, 460
            gallons of LGC-V, 240 gallons of AQF-2, 56 gallons of
            Losurf 300, 15 pounds of BE-6, 2 pounds of GBW-3, 20
            gallons BA-20, 63 pounds of SP Breaker, and 44
            gallons of Scalecheck LP-55. Sand-water foam frack
            (70 quality N2 Foam) 5480' to 5688' with 186,817
            gallons of foam, 362,500 pounds of 16/30 Brady Sand
            and 3,389,021 standard cubic feet of Nitrogen. The
            average treating pressure was 3,550 PSIG at 31 foam
            barrels per minute. ISIP was 2520 PSIG, 2137 PSIG at
            5 minutes, 2127 PSIG at 10 minutes and 2115 PSIG at
            15 minutes. The well was opened on a 1/2" positive
            choke.

5/21/94   Killed well, went in with tubing to clean sand to
            PBTD at 5744'. Landed 2 3/8", 4.7#, J-55 tubing at
            5681'. Kicked well off with 67,100 standard cubic
            feet of Nitrogen and placed well in production to
            test tank to clean up.

5/25/94   Determined initial potential of well to be 30 BOPD,
            17 BWPD, 180 MCF/DAY.

            TUBING PRESSURE = 260 PSIG
            CASING PRESSURE = 535 PSIG
            CHOKE = (28/64)"