

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

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

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

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

WELL API NO. 30-043-20807
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG3924

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. Type of Well:
 OIL WELL GAS WELL OTHER

2. Name of Operator
BCO, Inc.

3. Address of Operator
135 Grant, Santa Fe, NM 87501

4. Well Location
 Unit Letter 0 : 840 Feet From The South Line and 1840 Feet From The East Line
 Section 32 Township 23N Range 7W NMPM Sandoval County

7. Lease Name or Unit Agreement Name
Alamito

8. Well No.
#1

9. Pool name or Wildcat
Basin Fruitland Coal

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
6883 GR

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <u>Test Formation</u> <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

Have determined that in order to test Basin Fruitland Coal effectively, need to squeeze perforation at 894' and drill out and swab well down. Will remove Model G packer; squeeze perforation at 894'; drill out cement; swab well down and evaluate formation. Discussed procedure with Ernie Busch of OCD. Received verbal permission to squeeze perforation at 894'.

RECEIVED
OCT 17 1989
OIL CON. DIV.
DIST. 3

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

SIGNATURE Elizabeth B. Keeshan TITLE Vice President DATE 10-16-89

TYPE OR PRINT NAME Elizabeth B. Keeshan TELEPHONE NO. 983-1228

(This space for State Use)

APPROVED BY Original Signed by [Signature] SUPERVISOR DISTRICT 3 DATE OCT 17 1989

CONDITIONS OF APPROVAL, IF ANY: