

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505	Form C-103 August 1, 2011 Permit 228579 WELL API NUMBER 30-015-42731 5. Indicate Type of Lease S 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name STERLING 20 STATE																																																																
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: O		8. Well Number 001H																																																																
2. Name of Operator BC OPERATING, INC.		9. OGRID Number 160825																																																																
3. Address of Operator P O Box 50820, Midland, TX 79710		10. Pool name or Wildcat																																																																
4. Well Location Unit Letter O : 240 feet from the S line and feet 1650 from the E line Section 17 Township 23S Range 27E NMPM County Eddy																																																																		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3179 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: Drilling/Cement <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: Drilling/Cement <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 INFORMATION** See Attached 11/3/2016 Spudded well.																																																																		
Casing and Cement Program <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>11/04/16</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>432</td> <td>420</td> <td>1.6</td> <td>C</td> <td></td> <td>900</td> <td>0</td> <td>N</td> </tr> <tr> <td>11/06/16</td> <td>Int1</td> <td>Brine</td> <td>12.25</td> <td>9.625</td> <td>40</td> <td>J55</td> <td>0</td> <td>2123</td> <td>660</td> <td>12.8</td> <td>C</td> <td></td> <td>1300</td> <td>0</td> <td>N</td> </tr> <tr> <td>11/12/16</td> <td>Prod</td> <td>CutBrine</td> <td>8.75</td> <td>7</td> <td>26</td> <td>p110</td> <td>0</td> <td>9357</td> <td>920</td> <td>2.61</td> <td>C</td> <td></td> <td>1500</td> <td>0</td> <td>N</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	11/04/16	Surf	FreshWater	17.5	13.375	54.5	J55	0	432	420	1.6	C		900	0	N	11/06/16	Int1	Brine	12.25	9.625	40	J55	0	2123	660	12.8	C		1300	0	N	11/12/16	Prod	CutBrine	8.75	7	26	p110	0	9357	920	2.61	C		1500	0	N
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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"/> .																																																																		
SIGNATURE _____		TITLE _____																																																																
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STERLING 20 STATE #1H
API# 30-015-42731

11/3/2016 - SPUD

11/4/2016 - SURFACE CASING - DRILL 17.5" HOLE TO 432'. RUN 432' OF 13-3/8" 54.5# J-55 BTC. CEMENT WITH 420 SACKS CLASS C CEMENT, 13.8 PPG, 1.60 YIELD. FULL RETURNS DURING JOB, BUMPED PLUG, FLOATS HELD. CIRCULATED 210 SACKS TO SURFACE. TESTED CASING TO 900 PSI FOR 30 MINS. HELD OK.

11/6/2016 - INTERMEDIATE CASING - DRILL 12.25" HOLE TO 2123'. RUN 2123' OF 9-5/8" 40# J-55 BTC. CEMENT WITH LEAD 500 SACKS PRO-VALUE C, 12.8 PPG, 1.82 YIELD, TAIL: 160 SACKS PREMIUM C, 13.8 PPG, 1.60 YIELD, FULL RETURNS DURING JOB, BUMPED PLUG WITH 500 PSI, FLOATS HELD, CIRCULATED 62 SACKS OF CEMENT TO SURFACE. TESTED CASING TO 1300 PSI FOR 30 MINS. HELD OK.

11/12/2016 - PRODUCTION CASING - DRILL 8.75" HOLE TO 9357'. RUN 9357' OF 7" 26# P-110 CY BK. CEMENT WITH LEAD SLURRY 325 BBLS 700 SACKS PRO-ECO C, 11.6 PPG, 2.61 YIELD, TAIL: 66 BBLS 220 SACKS 13.1 PPG, PRO ECO C, 1.69 YIELD, DROP PLUG, DISPLACE WITH 356 BBLS FW, PLUG DOWN AT 13:30, BUMPED PLUG WITH 2,230 PSI, PRESSURE INCREASED TO 2,890, FLOATS HELD, CIRCULATED 46 BBLS (99 SACKS) TO PIT. TESTED CASING TO 1500 PSI FOR 30 MINS. HELD OK.

District I
1625 N. French Dr., Hobbs, NM 88240
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811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

Comments

Permit 228579

DRILLING COMMENTS

Operator: BC OPERATING, INC. P O Box 50820 Midland, TX 79710	OGRID:	160825
	Permit Number:	228579
	Permit Type:	Drilling

Comments

Created By	Comment	Comment Date
ksharp	Amend as discussed	11/15/2016