

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-015-43096
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name BLACK RIVER 15 STATE SWD
8. Well Number 1
9. OGRID Number 160825
10. Pool name or Wildcat SWD; CHERRY CANYON
11. Elevation (<i>Show whether DR, RKB, RT, GR, etc.</i>) 3,219'

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 SWD

2. Name of Operator
BC OPERATING, INC.

3. Address of Operator
P.O. BOX 50820, MIDLAND, TX 79710

4. Well Location
 Unit Letter K : 2334 feet from the SOUTH line and 1914 feet from the WEST line
 Section 15 Township 24S Range 27E NMPM EDDY County

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input 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"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: COMPLETION <input checked="" type="checkbox"/>	

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

SEE ATTACHED COMPLETION SUMMARY

OIL CONSERVATION
 ARTESIA DISTRICT
 MAY 19 2017

Spud Date: 3/2/2017

Rig Release Date: 3/9/2017

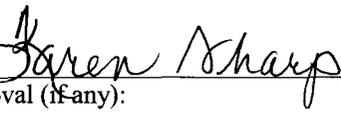
RECEIVED

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

SIGNATURE  TITLE REGULATORY ANALYST DATE 5.17.2017

Type or print name SARAH PRESLEY E-mail address: SPRESLEY@BCOPERATING.COM PHONE: (432) 684-9696

For State Use Only

APPROVED BY:  TITLE Staff Mgr DATE 5-31-17
 Conditions of Approval (if any):

Black River 15 State SWD #1 Completion Summary

April 4, 2017

- Move in and rig up workover unit.

April 5, 2017

- Clean out to PBTD with tubing. (4,191')
- Rig up wireline truck.
- Run a 6.2" gauge ring to PBTD'.
- Run Radial Cement Bond, GR, and CCL logs from PBTD to surface.
 - Perforated the following intervals in the 7" casing as follows:

	Interval			Perforation		
	Top	Bottom	Length	Density	Phasing	Size
Interval # 1	4,014	4,024'	10'	6 sht/ft	60°	.46"
Breakdown perforations with 20 bbls fresh water						
Interval # 2	3,856'	3,866'	10'	6 sht/ft	60°	.46"
Interval # 3	3,708'	3,718'	10'	6 sht/ft	60°	.46"

April 6, 2017

- Continue perforating as follows:

	Interval			Perforation		
	Top	Bottom	Length	Density	Phasing	Size
Interval # 4	3,670'	3,680'	10'	6 sht/ft	60°	.46"
Interval # 5	3,646'	3,656'	10'	6 sht/ft	60°	.46"
Interval # 6	3,560'	3,600'	40'	6 sht/ft	60°	.46"
Interval # 7	3,500'	3,510'	10'	6 sht/ft	60°	.46"
Interval # 8	3,310'	3,350'	40'	6 sht/ft	60°	.46"
Interval # 9	3,290'	3,300'	10'	6 sht/ft	60°	.46"
Interval # 10	3,220'	3,280'	60'	6 sht/ft	60°	.46"
Interval # 11	3,138'	3,148'	10'	6 sht/ft	60°	.46"
Interval # 12	3,115'	3,125'	10'	6 sht/ft	60°	.46"

- Run in hole with 7" RBP and packer.
 - Set RBP @ 4,099'
 - Set Packer @ 3,800'

April 7, 2017

- Acidized Interval 1. (10.3 bpm @ 2,648 psi) (794 psi ISIP)
- Move 7" RBP and packer.
 - Set RBP @ 3,800'
 - Set Packer @ 3,440'
- Acidized Interval 2. (10.4 bpm @ 2,295 psi) (788 psi ISIP)
- Move 7" RBP and packer.
 - Set RBP @ 3,440'
 - Set Packer @ 3,050'
- Acidized Interval 3. (10.3 bpm @ 2,077 psi) (872 psi ISIP)

April 10, 2017

- Pull packer & RBP
- Ran in hole w/ nickel OD/ plastic ID coated injection packer on 4 ½" 11.60# J55 IPC injection string to 3,072'.
- Set and tested packer.
- Rigged up wellhead.
- Conducted MIT test on casing/tubing annulus.
 - Tested and charted annulus to 500 psi for 30 minutes.
 - Notified State of intent to run test. Left message on Richard Inge work phone.

April 11, 2017

- Ran step rate test.
- Well shut in pending disposal.