

Submit To Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-105
Revised June 10, 2003

WELL API NO.
30-015-34839

5. Indicate Type of Lease
STATE ☒ FEE ☐

State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER _____
b. Type of Completion:
NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF.
WELL OVER BACK RESVR. ☐ OTHER _____

2. Name of Operator

BC Operating, Inc

3. Address of Operator

P.O. Box 50820 Midland, Texas 79710

4. Well Location

Unit Letter _____ L _____ 1980 Feet From The _____ South _____ Line and _____ 1680 Feet From The _____ East _____ Line

Section 6 Township 25 S Range 29 E NMPM Eddy County

10. Date Spudded 11/14/06 11. Date T.D. Reached 11/30/06 12. Date Compl. (Ready to Prod.) 3/6/07 13. Elevations (DF& RKB, RT, GR, etc.) 2885' GR 14. Elev. Casinghead 2888' GR

15. Total Depth 5200' 16. Plug Back T.D. 5158' 17. If Multiple Compl. How Many Zones? n/a 18. Intervals Drilled By _____ Rotary Tools X Cable Tools _____

19. Producing Interval(s), of this completion - Top, Bottom, Name 5026-32' 5034-39' (Delaware) 20. Was Directional Survey Made No

21. Type Electric and Other Logs Run CNGR, DLL 22. Was Well Cored No

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

| CASING SIZE | WEIGHT LB./FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|----------------|-----------|-----------|------------------|---------------|
| 8 5/8" | 32# | 684' | | 350 sxs | |
| 5 1/2" | 17# | 5200' | | 1275 sxs | |
| | | | | | |
| | | | | | |
| | | | | | |

| 24. LINER RECORD | | | | 25. TUBING RECORD | | |
|------------------|-----|--------|--------------|-------------------|------|-----------|
| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN | SIZE | DEPTH SET |
| | | | | | | |
| | | | | | | |
| | | | | | | |

| 26. Perforation record (interval, size, and number) | | 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. | |
|---|--|---|---|
| 5026-32', 5034-39', 26 holes 2 JSF | | DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED |
| | | 5026-32' 5034-39' | Acid - 2500 gal 15% NEFE |
| | | 5026-32' 5034-39' | Frac-25604 gal linear gel & 43056# 20/40 sand |
| | | | |

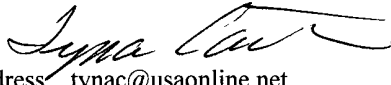
28. PRODUCTION

| Date First Production | | Production Method (Flowing, gas lift, pumping - Size and type pump) | | | Well Status (Prod. or Shut-in) | | |
|-----------------------|-----------------|---|------------------------|-----------|--------------------------------|-----------------------------|-----------------|
| 03/07/2007 | | Pumping - 2"x1 1/2"x20' | | | Producing | | |
| Date of Test | Hours Tested | Choke Size | Prod'n For Test Period | Oil - Bbl | Gas - MCF | Water - Bbl. | Gas - Oil Ratio |
| 3/18/07 | 24 | | | 40 | 0 | 112 | |
| Flow Tubing Press. | Casing Pressure | Calculated 24-Hour Rate | Oil - Bbl. | Gas - MCF | Water - Bbl. | Oil Gravity - API - (Corr.) | |
| | | | | | | | |

29. Disposition of Gas (Sold, used for fuel, vented, etc.) No Gas Test Witnessed By _____

30. List Attachments

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

Signature  Printed Name Tyna Carter Title Regulatory Analyst Date 3/23/07
E-mail Address tynac@usaonline.net

INSTRUCTIONS

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 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate 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 | | Northwestern New Mexico | |
|-------------------------|-----------------------|-------------------------|------------------|
| T. Anhy 1196 | T. Canyon | T. Ojo Alamo | T. Penn. "B" |
| T. Salt | T. Strawn | T. Kirtland-Fruitland | T. Penn. "C" |
| B. Salt | T. Atoka | T. Pictured Cliffs | T. Penn. "D" |
| T. Yates | T. Miss | T. Cliff House | T. Leadville |
| T. 7 Rivers | T. Devonian | T. Menefee | T. Madison |
| T. Queen | T. Silurian | T. Point Lookout | T. Elbert |
| T. Grayburg | T. Montoya | T. Mancos | T. McCracken |
| T. San Andres | T. Simpson | T. Gallup | T. Ignacio Otzte |
| T. Glorieta | T. McKee | Base Greenhorn | T. Granite |
| T. Paddock | T. Ellenburger | T. Dakota | T. |
| T. Blinebry | T. Gr. Wash | T. Morrison | T. |
| T. Tubb | T. Delaware Sand 2714 | T. Todilto | T. |
| T. Drinkard | T. Bone Springs | T. Entrada | T. |
| T. Abo | T. | 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. 3, from.....to.....

No. 4, 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.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

| From | To | Thickness In Feet | Lithology |
|------|----|----------------------|-----------|
| | | | |

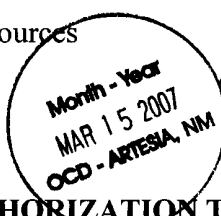
| From | To | Thickness In Feet | Lithology |
|------|----|----------------------|-----------|
| | | | |

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 87010
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Revised Feb. 26, 2007

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

| | | |
|---|--|---|
| ¹ Operator name and Address BC Operating P. O. Box 50820 Midland, Texas 79710 | | ² OGRID Number 160825 |
| | | ³ Reason for Filing Code/ Effective Date RT 3/13/07 (+/- 1000 bbls) |
| ⁴ API Number 30 - 015-34839 | ⁵ Pool Name Willow Lake (Delaware) | ⁶ Pool Code 64453 |
| ⁷ Property Code | ⁸ Property Name Rustler Bluff | ⁹ Well Number 1 |

II. ¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|--------------|-----------------|--------------|--------------|-----------------------|---------------------------|-----------------------|------------------------|----------------|
| UL or lot no. L | Section 6 | Township 25S | Range 29E | Lot Idn L | Feet from the 1980 | North/South Line South | Feet from the 1680 | East/West line East | County Eddy |
|--------------------|--------------|-----------------|--------------|--------------|-----------------------|---------------------------|-----------------------|------------------------|----------------|

¹¹ Bottom Hole Location

| | | | | | | | | | |
|-----------------------------|---|---|-----------------------------------|------------------------------------|-------------------------------------|---------------------------|-----------------------|------------------------|----------------|
| UL or lot no. L | Section 6 | Township 25S | Range 29E | Lot Idn L | Feet from the 1980 | North/South line South | Feet from the 1680 | East/West line East | County Eddy |
| ¹² Lse Code S | ¹³ Producing Method Code P | ¹⁴ Gas Connection Date Pending | ¹⁵ C-129 Permit Number | ¹⁶ C-129 Effective Date | ¹⁷ C-129 Expiration Date | | | | |

III. Oil and Gas Transporters

| | | |
|------------------------------------|---|---------------------|
| ¹⁸ Transporter OGRID | ¹⁹ Transporter Name and Address | ²⁰ O/G/W |
| 35103 | Sunoco P.O. Box 5095 - Sugarland, Texas 77487-5095 | O |
| | | |
| | | |
| | | |
| | | |
| | | |

IV. Well Completion Data

| | | | | | |
|-------------------------|------------------------------------|-------------------------|----------------------------|----------------------------|-----------------------|
| ²¹ Spud Date | ²² Ready Date | ²³ TD | ²⁴ PBTD | ²⁵ Perforations | ²⁶ DHC, MC |
| ²⁷ Hole Size | ²⁸ Casing & Tubing Size | ²⁹ Depth Set | ³⁰ Sacks Cement | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

V. Well Test Data

| | | | | | |
|---|---------------------------------|--------------------------------|--|-----------------------------|-----------------------------|
| ³¹ Date New Oil | ³² Gas Delivery Date | ³³ Test Date | ³⁴ Test Length | ³⁵ Tbg. Pressure | ³⁶ Csg. Pressure |
| ³⁷ Choke Size | ³⁸ Oil | ³⁹ Water | ⁴⁰ Gas | | ⁴¹ Test Method |
| ⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Tyna Carter</i> | | | OIL CONSERVATION DIVISION | | |
| Printed name: Tyna Carter | | | Approved by: BRYAN G. ARRANT DISTRICT II GEOLOGIST | | |
| Title: Regulatory Analyst | | | Approval Date: APR 04 2007 | | |
| E-mail Address: tynav@usaonline.net | | | | | |
| Date: 3/13/07 | | Phone: 432-684-9696 ext.237 | | | |