

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
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. 30-049-24989
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG3748
7. Lease Name or Unit Agreement Name State H
8. Well No. 7
9. Pool name or Wildcat Undesignated Graneros Lybrook Gallup
10. Elevation (Show whether DF, RKB, RT, GR, etc.) GL 6898'

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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	2. Name of Operator BCO, Inc.
3. Address of Operator 135 Grant, Santa Fe, NM 87501	4. Well Location Unit Letter F 2255 Feet From The North Line and 1990 Feet From The East Line Section 2 Township 23N Range 7W NMPM Rio Arriba County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) GL 6898'	

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER: <input type="checkbox"/>

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <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. OIL CON. DIV. DIST. 3

1/15/91 - 1/23/91 Drilled 7 - 7/8" hole to 6436'. Bits were run as follows:

Bit #	Bit Size	Type	Date Out	Depth Out	Rotation Hours	Feet Drilled	Avg/ Hour	Devi- ation
1	12 1/4"	OSC-1G	1-14-91	375	4 1/4	375	88	1/4°
2	7 7/8"	L-127	1-16-91	1865	15 3/4	1490	95	3/4°
3	7 7/8"	J-225	1-19-91	4603	75 1/2	2738	36	2°
4	7 7/8"	HP51X	1-23-91	6436	85 3/4	1833	21	1 1/4°

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

SIGNATURE Elizabeth B. Keeshan TITLE President DATE 1/29/91

TYPE OR PRINT NAME

TELEPHONE NO.

(This space for State Use)

APPROVED BY Original Signed by FRANK T. CHAVEZ SUPERVISOR DISTRICT # 3 DATE JAN 30 1991

CONDITIONS OF APPROVAL, IF ANY:

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

SUNDRY NOTICES AND REPORTS ON WELLS

Lease No.: LG3748

Page Two

01/24/91 Ran Dual Induction Log and Compensated Density Logs. Great Guns Logging will mail a copy of each log to the OCD. Called Charles Ghoulson of OCD at 10:30 am and informed him planned to run casing and cement.

01/25/91 Ran 6422' of 11.6# N-80 4-1/2" casing. Landed at 6434'. Set DV tool at about 5000'. Pumped 20 barrels mud flush and 2 barrels fresh water spacer. The lead cement of the first stage was 100 sacks Class "G" cement mixed with 8 pounds Salt per sack, 6-1/4 pounds Gilsonite per sack, 1/2 pound Flocele per sack mixed at 15.2 pounds with a yield of 1.38 cubic feet per sack or 138 cubic feet (about 25 barrels slurry). The remainder of the first stage cement was 315 sacks Class "G" cement mixed with 2% CaCl_2 , 8 pounds Salt per sack, 6-1/4 pounds Gilsonite per sack, 1/2 pound Flocele per sack mixed at 15.2 pounds with a yield of 1.38 cubic feet per sack or 435 cubic feet (about 78 barrels slurry). Washed out pumps and lines. Pumped plug. Plug bumped. Opened DV tool and broke circulation. Circulated for 4 hours to allow first stage cement to set up. Circulated 2 barrels of slurry so top of first stage is at DV tool. Pumped 5 barrels water, pumped 10 barrels CaCl_2 water, pumped 10 barrels water spacer, pumped 20 barrels Superflush 102, washed out pumps and lines, pumped 10 barrels water. Pumped 1120 sacks of Class "G" 50/50 PozMix mixed with 4% Gel, 10% Salt, 10% CalSeal and 10 pounds Gilsonite per sack at 12.8 pounds with a yield of 1.46 cubic feet per sack or 1635 cubic feet (approximately 292 barrels of slurry). Pumped plug. Plug bumped and DV tool closed. DV held. Circulated 77 barrels of slurry to pit. Had 1320 sacks of dry mix on location. When saw returns of slurry, quit mixing and began displacement.

Attached is copy of Halliburton job log. Intend to complete well in May or June 1991.

DISTRICT FMGTN, N.M.DATE 1-24-71

TO: HALLIBURTON SERVICES

YOU ARE HEREBY REQUESTED TO FURNISH EQUIPMENT AND SERVICEMEN TO DELIVER AND OPERATE

THE SAME AS AN INDEPENDENT CONTRACTOR TO: B.C.O. INC.

AND DELIVER AND SELL PRODUCTS, SUPPLIES, AND MATERIALS FOR THE PURPOSE OF SERVICING (CUSTOMER)

WELL NO. 7 LEASE State 'H' SEC 2 TWP. 23N RANGE 7WFIELD _____ COUNTY Rio Arriba STATE N.M. OWNED BY SAME

THE FOLLOWING INFORMATION WAS FURNISHED BY THE CUSTOMER OR HIS AGENT

FORMATION NAME _____ TYPE _____

FORMATION THICKNESS _____ FROM _____ TO _____

PACKER: TYPE Hawco D.V. tool SET AT 5005

TOTAL DEPTH _____ MUD WEIGHT _____

BORE HOLE _____

INITIAL PROD: OIL _____ BPD, H₂O _____ BPD, GAS _____ MCF

PRESENT PROD: OIL _____ BPD, H₂O _____ BPD, GAS _____ MCF

	NEW USED	WEIGHT	SIZE	FROM	TO	MAX. ALLOW. P.S.I.
CASING	<u>N</u>	<u>11.6</u>	<u>4 1/2</u>	<u>0</u>		
LINER						
TUBING						
OPEN HOLE			<u>7 7/8</u>	<u>0</u>		SHOTS/FT.
PERFORATIONS						
PERFORATIONS						
PERFORATIONS						

PREVIOUS TREATMENT: DATE _____ TYPE _____ MATERIALS _____

TREATMENT INSTRUCTIONS: TREAT THRU TUBING ☐ ANNULUS ☐ CASING ☒ TUBING/ANNULUS ☐ HYDRAULIC HORSEPOWER ORDERED _____Cont 4 1/2" Long string in 2 stages

CUSTOMER OR HIS AGENT WARRANTS THE WELL IS IN PROPER CONDITION TO RECEIVE THE PRODUCTS, SUPPLIES, MATERIALS, AND SERVICES

As consideration the above-named Customer agrees THIS CONTRACT MUST BE SIGNED BEFORE WORK IS COMMENCED

- To pay Halliburton in accordance with the rates and terms stated in Halliburton's current price list. Invoices are payable NET by the 20th of the following month after date of invoice. Upon Customer's default, payment of Customer's account by the last day of the month following the month in which the invoice is dated. Customer agrees to pay interest thereon after default at the highest lawful contract rate applicable but never to exceed 18% per annum. In the event it becomes necessary to employ attorneys to enforce collection of said account, Customer agrees to pay all collection costs and attorney fees in the amount of 20% of the amount of the unpaid account.
- To defend, indemnify, release and hold harmless Halliburton, its divisions, subsidiaries, parent and affiliated companies and the officers, directors, employees, agents and servants of all of them from and against all claims, liability, expenses, attorneys fees and costs of defense to the extent permitted by law for:
 - Damage to property owned by, in the possession of, or leased by Customer, and/or the well owner (if different from Customer), including, but not limited to, surface and subsurface damage. The term "well owner" shall include working and royalty interest owners.
 - Reservoir, formation, or well loss or damage, subsurface trespass or any action in the nature thereof.
 - Personal injury or death or property damage (including, but not limited to, damage) to the reservoir, formation or well, or any damages whatsoever, growing out of or in any way connected with or resulting from pollution, subsurface pressure, losing control of the well and/or a well blowout or the use of radioactive material.

The defense, indemnity, release and hold harmless obligations of Customer provided for in this Section b) and Section c) below shall apply to claims or liability even if caused or contributed to by Halliburton's negligence, strict liability, or the unseaworthiness of any vessel owned, operated, or furnished by Halliburton or any defect in the data, products, supplies, materials, or equipment of Halliburton whether in the preparation, design, manufacture, distribution, or marketing thereof or from a failure to warn any person of such defect. Such defense, indemnity, release and hold harmless obligations of Customer shall not apply where the claims or liability are caused by the gross negligence or willful misconduct of Halliburton. The term "Halliburton" as used in said Sections b) and c) shall mean Halliburton, its divisions, subsidiaries, parent and affiliated companies, and the officers, directors, employees, agents and servants of all of them.
- That because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, Halliburton is unable to guarantee the effectiveness of the products, supplies or materials, nor the results of any treatment or service, nor the accuracy of any chart interpretation, research analysis, job recommendation or other data furnished by Halliburton. Halliburton personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but Customer agrees that Halliburton shall not be liable for and Customer shall indemnify Halliburton against any damages arising from the use of such information.
- That Halliburton warrants only title to the products, supplies and materials and that the same are free from defects in workmanship and materials. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED OF MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. Halliburton's liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale or use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on their return to Halliburton or, at Halliburton's option, to the allowance to the Customer of credit for the cost of such items. In no event shall Halliburton be liable for special, incidental, indirect, punitive or consequential damages.
- That Customer shall, at its risk and expense, attempt to recover any Halliburton equipment, tools or instruments which are lost in the well and if such equipment, tools or instruments are not recovered, Customer shall pay Halliburton its replacement cost unless such loss is due to the sole negligence of Halliburton. If Halliburton equipment, tools or instruments are damaged in the well, Customer shall pay Halliburton the lesser of its replacement cost or the cost of repairs unless such damage is caused by the sole negligence of Halliburton. In the case of equipment, tools or instruments for marine operations, Customer shall, in addition to the foregoing, be fully responsible for loss of or damage to any of Halliburton's equipment, tools or instruments which occurs at any time after delivery to Customer at the landing unit, returned to the landing, unless such loss or damage is caused by the sole negligence of Halliburton.
- To waive the provisions of the Deceptive Trade Practices - Consumer Protection Act, to the extent permitted by law.
- That this contract shall be governed by the law of the state where services are performed or materials are furnished.
- That Halliburton shall not be bound by any changes or modifications in this contract, except where such change or modification is made in writing by a duly authorized executive officer of Halliburton.

I HAVE READ AND UNDERSTAND THIS CONTRACT AND REPRESENT THAT I AM AUTHORIZED TO SIGN THE SAME AS CUSTOMER'S AGENT.

SIGNED

DATE

TIME

CUSTOMER

We certify that the Fair Labor Standards Act of 1938, as amended, has been complied with in the production of goods and/or with respect to services furnished under this contract.

CUSTOMER

HALLIBURTON
SERVICESJOB
SUMMARYHALLIBURTON
DIVISIONHALLIBURTON
LOCATION

DENVER CO.

FUGEN N.M.

BILLED ON
TICKET NO. 077350

WELL DATA		COUNTY		STATE	
FIELD	SEC	TWP	RNG	COUNTY	STATE
2	23N	7W		Rio Arriba	N.M.
FORMATION NAME		TYPE		MAXIMUM PSI ALLOWABLE	
FORMATION THICKNESS		FROM TO			
INITIAL PROD. OIL	BPD. WATER	BPD. GAS	MCFO		
PRESENT PROD. OIL	BPD. WATER	BPD. GAS	MCFO		
COMPLETION DATE	MUD TYPE	MUD WT.			
PACKER TYPE	Howco D.V. tool	SET AT	5005		
BOTTOM HOLE TEMP.		PRESSURE			
MISC. DATA		TOTAL DEPTH			

TOOLS AND ACCESSORIES				JOB DATA			
TYPE AND SIZE		QTY	MAKE	CALLS OUT	ON LOCATION	JOB STARTED	JOB COMPLETED
				DATE	DATE	DATE	DATE
				TIME	TIME	TIME	TIME
FLOAT COLLAR	PDF 4 1/2	1	Howco	24	1-24	1-25	1-25
FLOAT SHOE	Lim. + clamp	3		1500	2000	0054	0746
GUIDE SHOE	Relo	1					
CENTRALIZERS	S-4	22					
BOTTOM PLUG	plug set	1					
TOP PLUG							
HEAD	KOPC	1					
PACKER	D.V. tool	1					
OTHER	CEMENT BASKETS	11					
	WELD A	2					
MATERIALS				PERSONNEL AND SERVICE UNITS			
				NAME	UNIT NO. & TYPE	LOCATION	
				D. DAVIS	CMT. R	FUGEN	
				63360	36714		
				D. WEBSTER	RCM		
				09534	5793-P		
				D. GEORGE	B.C.		
				82157			
				TATE	B.C.	DUNCAN	
					7785	65010	
				M. Nichols	B.C.		
				4182			
				S. CANNON	FIELD MAN	FUGEN	
SURFACTANT TYPE				DEPARTMENT			
				CMT			
NE AGENT TYPE				DESCRIPTION OF JOB			
				CMT-4 1/2" I.S. IN 25 TGS			
FLUID LOSS ADD. TYPE				JOB DONE THRU			
				TUBING <input type="checkbox"/> CASING <input checked="" type="checkbox"/> ANNULUS <input type="checkbox"/> TBG/ANN. <input type="checkbox"/>			
GELLING AGENT TYPE				CUSTOMER REPRESENTATIVE			
				X T.R. King			
FRIC. RED. AGENT TYPE				HALLIBURTON OPERATOR			
				D. J. King			
BREAKER TYPE				COPIES REQUESTED			
				1			
BLOCKING AGENT TYPE							
PERFAC BALLS TYPE							
OTHER							

STAGE	NUMBER OF SACKS	CEMENT	BRAND	PACKED	ADDITIVES	YIELD CU.FT./SK.	MIXED LBS./GAL.
1	100	Premium	IDEAL	B	6 1/2 SK. 1/2" 25 Gilsomite, 1/4" Flood	1.38	15.2
2	315	Premium	IDEAL	B	6 1/2 SK. 1/2" 25 Gilsomite, 1/4" Flood	1.38	15.2
3	1320	50/50	B	B	6 1/2 SK. 1/2" 25 Gilsomite, 2" KCL (BROWN)	1.46	12.8

PRESSURES IN PSI		SUMMARY		VOLUMES	
CIRCULATING	DISPLACEMENT	PREP. GALL.	TYPE	DISP. GALL.	TYPE
BREAKDOWN					
AVERAGE					
SHUT IN					
HYDRAULIC HORSEPOWER					
AVERAGE RATES IN					
REMARKS					
RA CO					

FORM 2013 R-2

WELL NO. 7 LEASE State A TICKET NO. 077350
CUSTOMER BIO PAGE NO. 1
JOB TYPE 4 1/2" L.S. 2 STG. DATE 1-24-91

[illegible]