

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

HOBBS OCD  
DEC 03 2012

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

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"/>	7. Lease Name or Unit Agreement Name Midway 22 State
2. Name of Operator BC Operating, Inc.	8. Well Number 1H
3. Address of Operator P.O. Box 50820 Midland, Texas 79710	9. OGRID Number 160825
4. Well Location Unit Letter B : 330 feet from the North line and 1980 feet from the East line Section 22 Township 17S Range 36E NMPM County Lea	10. Pool name or Wildcat Midway; Bone Spring
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3841' GL	

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 checked="" type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input 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.

11/04/12 - Set & Cmt Surface Casing:

Ran 52 jts of 13 3/8" 61# J-55 STC casing w/18 centralizers set @ 2097' & cmt w/Lead - 2390 sx Class C + .4% gel + 1# Star-seal + .35% C-20 + .25% C-37 + .25% R-38. Tail w/300 sx Class C + .35% C-20 + .25% R-38 with TOC at Surface. Circ 324 sx to surface.

11/08/12 - Set & Cmt Intermediate Casing:

Ran 104 jts of 9 5/8" 40# J-55 LTC casing w/16 centralizers set @ 3392' & cmt w/Lead - 740 sx Class H 50/50 + 10% bentonite + 1.5# Star-Seal + .25% R-38 + 10% salt. Tail w/250 sx Class H + .25# Star-seal + .25% R-38 + 1% C-20 w/TOC at Surface. Circ 69 bbls to surface.

Spud Date:

10/26/2012

Rig Release Date:

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

SIGNATURE Pam Stevens TITLE Regulatory Analyst DATE 11/29/2012

Type or print name Pam Stevens E-mail address: pstevens@bcoperating.com PHONE: 432-684-9696

For State Use Only

APPROVED BY: [Signature] TITLE DEPT. MGR DATE 12-05-2012

Conditions of Approval (if any):

DEC 05 2012