

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

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

WELL API NO. 30-005-62069
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 307114
7. Lease Name or Unit Agreement Name State ET Gas Com
8. Well Number 1
9. OGRID Number 160825
10. Pool name or Wildcat Diamond Mound, Morrow

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 **HOBBS OCD**

2. Name of Operator
BC Operating, Inc. **AUG 21 2014**

3. Address of Operator
P.O. Box 50820 Midland, Texas 79710

4. Well Location **RECEIVED**

Unit Letter J : 1650 feet from the South line and 1650 feet from the East line
Section 36 Township 15S Range 27E NMPM County Chaves

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3658' GL

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Plug back, perf and acidize to Atoka ☒ OTHER: ☐

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.

NM OIL CONSERVATION
ARTESIA DISTRICT

SEP 11 2014

Notice of Intent plug back Morrow Sands and perforate and recomplete to the Atoka:

Plug Back Morrow Sands & Perforate Atoka

- MIRU wireline unit. Rig up wireline lubricator.
- RIH and set 5-1/2" CIBP at 8980' with 2 sx of cement on top. RDMO wireline.
- TIH with 1.87" XN nipple, 10' of 2-3/8" tail pipe, 5-1/2" nickel plated packer with on/off tool (1.91" X profile), and 2-3/8" production tubing. Circulate packer fluid. Set packer at +/-8,722' (80 ft above top perforation). Swab tubing down to 4000'.
- ND BOP, NU wellhead with choke assembly installed on tubing. Prep location for completion & RDMO workover rig.
- Rig up wireline. RIH and perforate Atoka formation 8802' - 8806' (4' net) with 6 SPF using 1-11/16" strip guns. (Correlate to Dresser Atlas openhole log dated 8/28/1983 using GR tool) RDMO wireline.
- Flow well through production facility to clean up. Note pressures and flow rates.

Acidize Atoka

- Rig up pumping services. Acidize Atoka formation with 1500 gal 7-1/2% HCl and methanol with N2 or CO2. Over flush Atoka perforations with N2 or CO2. Rig down pumping services.
- Begin flow back to tanks monitoring pressure and rates. Turn well to sales when clean natural gas is produced. Gather well tests.

Spud Date: 8/2/1983

Rig Release Date: 8/29/1983

NM OIL CONSERVATION

ARTESIA DISTRICT
AUG 07 2014

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

RECEIVED

SIGNATURE Pam Stevens TITLE Regulatory Analyst DATE 08/04/2014

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

For State Use Only

APPROVED BY [Signature] TITLE Dist R Supervisor DATE 9-11-14

Conditions of Approval (if any):

fm

State ET Gas COM #1

5/15/2013

UL J, 1650' FSL & 1650' FEL, Sec 36, T15S, R27E

Chaves County, New Mexico

API# 30-005-62029

Atoka Completion

Well Data

Tubing: 2-3/8", 4.7#, L-80 with open ended SN @ 9053'
Casing: 5-1/2", 17# @ 9200' with 715 sx TOC @ 6260' by Temp Survey
TD: 9200' PBTD: 9078' Elevation: 3658' GL 9' KB

Open Morrow Perforations

8996' – 9010'; 9052' – 9055', and 9056' – 9066'

Procedure

1. Comply with all company and governmental safety regulations.
2. Rig up pulling unit. Send both master valves in for repair. TOH with 2-3/8" production tubing.

Plug Back Morrow Sands & Perforate Atoka

3. MIRU wireline unit. Rig up wireline lubricator.
4. RIH and set 5-1/2" CIBP at 8980' with 2 sx of cement on top. RDMO wireline.
5. TIH with 1.87" XN nipple, 10' of 2-3/8" tail pipe, 5-1/2" nickel plated packer with on/off tool (1.91" X profile), and 2-3/8" production tubing. Circulate packer fluid. Set packer at +/-8,722' (80 ft above top perforation). Swab tubing down to 4000'.
6. ND BOP, NU wellhead with choke assembly installed on tubing. Prep location for completion & RDMO workover rig.
7. Rig up wireline. RIH and perforate Atoka formation 8802' – 8806' (4' net) with 6 SPF using 1-11/16" strip guns. (**Correlate to Dresser Atlas openhole log dated 8/28/1983 using GR tool**) RDMO wireline.
8. Flow well through production facility to clean up. Note pressures and flow rates.

Acidize Atoka

9. Rig up pumping services. Acidize Atoka formation with 1500 gal 7-1/2% HCl and methanol with N2 or CO2. Over flush Atoka perforations with N2 or CO2. Rig down pumping services.
10. Begin flow back to tanks monitoring pressure and rates. Turn well to sales when clean natural gas is produced. Gather well tests.

Contacts

Bruce Madden	Superintendent	432-894-0721
Jason Wacker	Operations Manager	432-631-2142
Doug Swift	Geo-Tech	432-684-9696