

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

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

JUN 06 2016

RECEIVED

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.)		WELL API NO. 30-015-31910
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator BC OPERATING, INC		6. State Oil & Gas Lease No.
3. Address of Operator P.O. BOX 50820, MIDLAND, TX 79710		7. Lease Name or Unit Agreement Name GRANDE STATE
4. Well Location Unit Letter <u>C</u> : <u>660</u> feet from the <u>NORTH</u> line and <u>1980</u> feet from the <u>WEST</u> line Section <u>32</u> Township <u>23S</u> Range <u>29E</u> NMPM <u>EDDY</u> County		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2993 GL		9. OGRID Number 160825
10. Pool name or Wildcat CEDAR CANYON; BONE SPRING		10. Pool name or Wildcat CEDAR CANYON; BONE SPRING

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: CONVERT TO SWD <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 DOCUMENT FOR COMPLETION SUMMARY THE GRANDE STATE WELL TO SWD.

Not authorized to inject until form C-102 (plat) and approved form C-105 (Completion Report) are in place

Spud Date:

Rig Release Date:

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

SIGNATURE Sarah Presley TITLE REGULATORY ANALYST DATE 5.31.2016

Type or print name SARAH PRESLEY E-mail address: spresley@naguss.com PHONE: 432-682-4429

For State Use Only  
 APPROVED BY: Richard Innes TITLE COMPLIANCE OFFICER DATE 6/8/16  
 Conditions of Approval (if any):

**Grande State #1**  
SWD Conversion Procedure  
Cherry Canyon  
API# 30-015-31910  
Eddy County, New Mexico

**NM OIL CONSERVATION**  
ARTESTA DISTRICT  
JUN 06 2016

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Completion Summary

5/2/2016

- Pulled all tubing and rods from well.
- Set 7" CIBP at 7,900'.

5/4/2016

- Shot 4 squeeze holes at 5,600'.
- Dump bailed 35' of cement on top of plug.

5/6/2016

- Set 7" cement retainer at 5,560'.
- Recement 7" casing as follows:
  - Pumped 20 bbls mud flush.
  - Mixed and pumped 250 sacks of Econocem cement @ 12.3 #/gal 1.88 ft<sup>3</sup>/sx.
  - Mixed and pumped 1,400 sacks of NeoCem cement @ 12.3 #/gal 1.54 ft<sup>3</sup>/sx

5/9/2016

- Ran CBL and found cement top @ 2,840'

5/10/2016

- Shot 4 squeeze holes @ 2,800'

5/11/2016

- Set 7" cement retainer @ 2,750'
- Recement 7" casing as follows:
  - Pumped 12 bbls Superflush 101.
  - Mixed and pumped 300 sacks of NeoCem cement @ 13.2 #/gal 1.54 ft<sup>3</sup>/sx
  - Mixed and pumped 75 sacks of Class "C" cement @ 14.8 #/gal 1.35 ft<sup>3</sup>/sx
- Circulated 22 sacks to surface

5/16/2016

- Set 7" CIBP @ 4,550'.
- Dump bail 41' of cement on top of plug.
- Perforate 3,785' to 4,080'

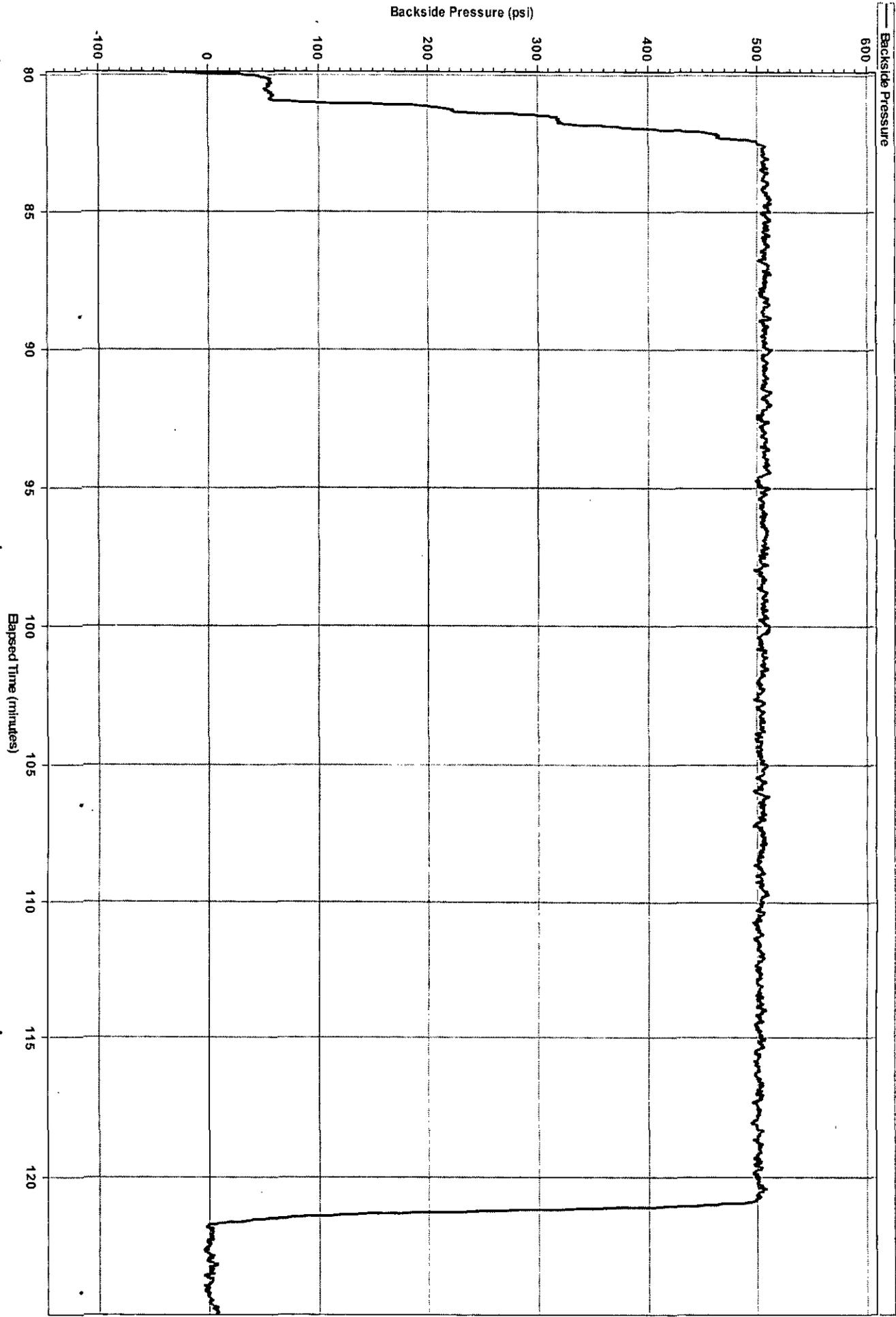
5/17/2016

- GIH w/injection packer on 4 1/2" 11.60# L80 IPC injection string set @ 3,714'.

5/18/2016

- Acidized perforations w/ 8,000 gallons 10% NEFE acid.
- Ran MIT test.
- Performed step rate test.

# Backside



BC Operating Inc Grande State #1 Eddy county NM Injection Test (052516\_040910PF-ADCT-1413)

05/26/2016 10:17:15 GMT-06:00