OCD-ARTESIA

Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE *- Other instructions on page 2*

5. Lease Serial No. NMNM 0426782

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No. MARY FEDERAL #5

2. Name of Operator BC OPERATING, INC.

9. API Well No. 30-015-25378

3a. Address P.O. BOX 50820
MIDLAND, TX 79710

3b. Phone No. *(include area code)*
(432) 684-9696

10. Field and Pool or Exploratory Area
SHEEP DOG; STRAWN / EDDY UNDESIGNATED; PENN (GAS)

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
709' FSL & 1829' FWL, SEC. 11-T23S-R25E

11. Country or Parish, State
EDDY CO., NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☑ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be perfonned or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

Recompletion procedure:

1. Remove all production equipment from well.
2. Install CIBP and 35ft of cement at 9,700ft. Test casing. Set cased hole whipstock at 9,050' and cement in place.
3. Mill window in casing at 9050' and continue drilling curve. Landing point of 10,158 MD 9750' TVD (see attached horizontal plan).
4. Drill lateral to a measured depth of 13,500 at a TVD of 9750'. Install 4.5" 11.6# P-110 casing with premium connections from 0-13,500' and cement to surface in one stage.

NM OIL CONSERVATION
ARTESIA DISTRICT
SEP 23 2016

Returned, lack info
See attachments

RECEIVED

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*
SARAH PRESLEY

Title REGULATORY ANALYST

Signature Sarah Presley

Date 05/17/2016

THE SPACE FOR FEDERAL OR STATE OFICE USE

Approved by Paul R. Swartz

Title TPET

Date 09/13/2016

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office CFO

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

3849 GL
11 KB

Operator: BC Operating Inc.
Surface Lease: NM0426782
Case No: NM0426782
Subsurface Concerns for Casing Designs: Cap HiCvKst CW
Well Status: Gas
Spud date: 9/12/1985
Plug'd Date:
Reentry Date:

BHL: NM0426782
Lease Agreement

Well: MARY FEDERAL-5
API: 3001525378
@ Srfce: T23S-R25E,11.709s1829w
@ M TD: T23S-R25E,11.709s1829w
Estate: F\F\F
CWDW, R of W: 0
Admn Order, date: R-8218, 05/09/1986
Frmtn, Depths, psig: 0

KB: 3860
GL: 3849
Corr: 11

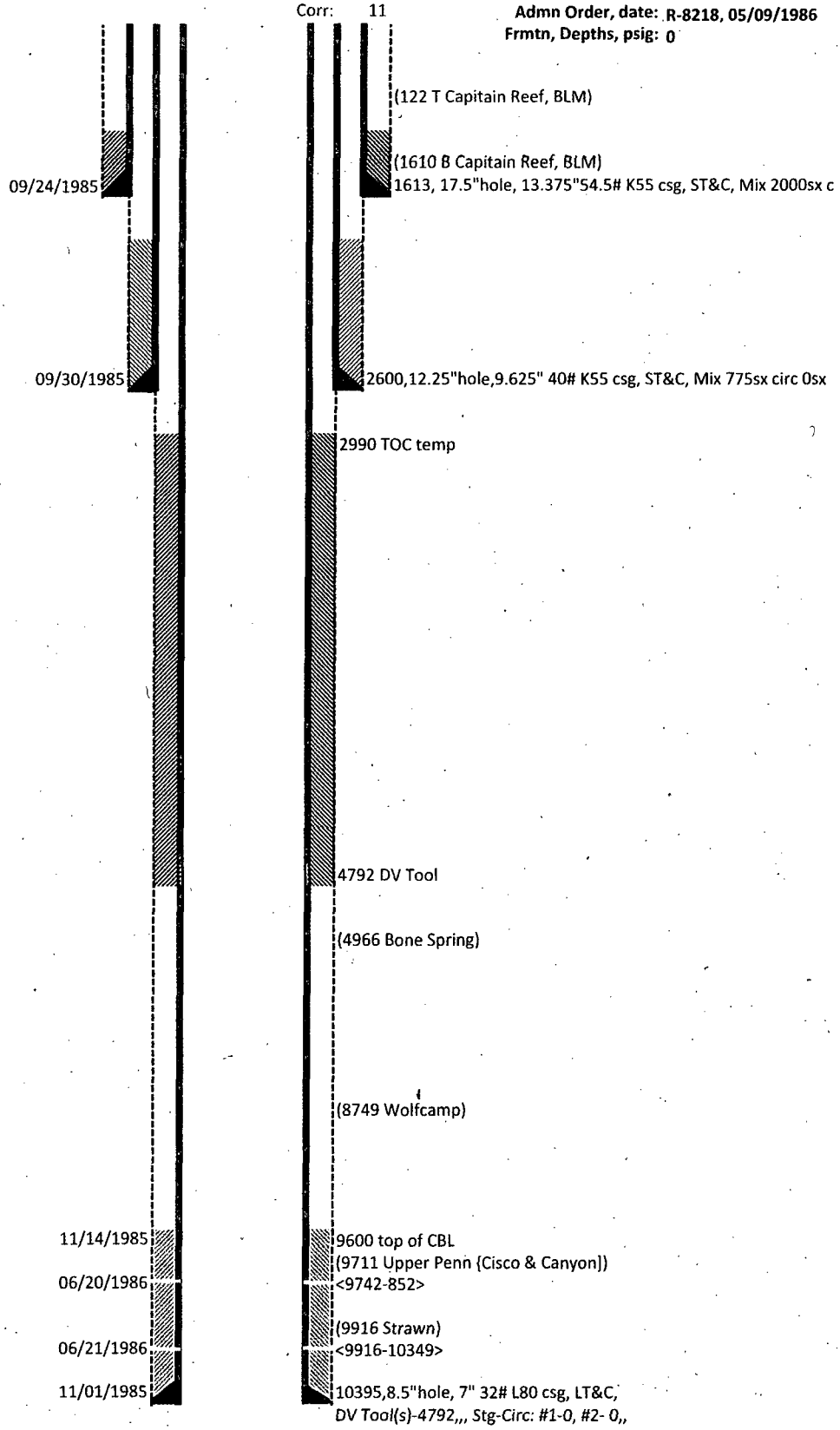

Diagram last updated: 09/08/2016

Production Cement to cover casing 50 feet above Capitan Reef top. High Cave Karst: two casing strings, both to circulate cement to surface. Carlsbad Controlled Water Basin.

13 3/8 surface csg in a 17 1/2 inch hole. **Design Factors** **SURFACE**

Segment	#/ft	Grade	Coupling	Joint	Collapse	Burst	Length	Weight
"A"	54.50	K 55	ST&C	6.22	1.57	2.02	1,613	87,909
w/8.4#/g mud, 30min Sfc Csg Test psig: 1,207			Tail Cmt	does not	circ to sfc.	Totals:	1,613	87,909

Comparison of Proposed to Minimum Required Cement Volumes

Hole Size	Annular Volume	Proposed Sx Cmt	CuFt Cmt Proposed	Min Cu Ft	Excess % Cmt	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
17 1/2	0.6946	2000	3188	1160	175	8.60	779	2M	1.56

Proposed volume of tail cement below should circulate to surface.

9 5/8 casing inside the 13 3/8 casing. **Design Factors** **INTERMEDIATE**

Segment	#/ft	Grade	Coupling	Joint	Collapse	Burst	Length	Weight
"A"	40.00	K 55	ST&C	4.67	1.90	0.75	2,600	104,000
w/8.4#/g mud, 30min Sfc Csg Test psig: 1,500						Totals:	2,600	104,000

The cement volume(s) proposed may achieve a top 0 feet from surface.

Hole Size	Annular Volume	Proposed Sx Cmt	CuFt Cmt Proposed	Min Cu Ft	Excess % Cmt	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
12 1/4	0.3132	3850	5479	913	500	10.00	3005	5M	0.81

7 casing inside the 9 5/8 **Design Factors** **INTERMEDIATE**

Segment	#/ft	Grade	Coupling	Joint	Collapse	Burst	Length	Weight
"A"	32.00	L 80	LT&C	1.99	1.63	1.49	10,395	332,640
w/8.4#/g mud, 30min Sfc Csg Test psig: 1,806						Totals:	10,395	332,640

The cement volume(s) proposed may achieve a top 0 feet from surface.

Hole Size	Annular Volume	Proposed Sx Cmt	CuFt Cmt Proposed	Min Cu Ft	Excess DVT Cmt Check	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
8 1/2	0.1268	1720	2201	1409		9.80	3218	5M	0.42

4 1/2 casing inside the 7 "A" Buoyant **Design Factors** **PRODUCTION**

Segment	#/ft	Grade	Coupling	Joint	Collapse	Burst	Length	Weight
"A"	11.60	P 110	U F Joint	1.35	1.17	1.76	13,000	150,800
w/8.4#/g mud, 30min Sfc Csg Test psig: 1,810						Totals:	13,000	150,800
A Segment Design Factors would be:				1.84	1.24	if it were a vertical wellbore.		

The cement volume(s) proposed may achieve a top 0 feet from surface.

Hole Size	Annular Volume	Proposed Sx Cmt	CuFt Cmt Proposed	Min Cu Ft	Excess % Cmt	Drilling Mud Wt	Calc MASP	Req'd BOPE	Min Dist Hole-Cplg
5 1/2	0.0545			1103		9.00			0.49

Proposed Recompletion: Set 7" whipstock at 9050 and drill a lateral. The NOI is lacking a wellpath plan, a spec sheet for the 4 1/2" csg w/ specific coupling discription, proposed bottom hole location, cementing discription, and a NMOCD C-102.