

Office

District I - (575) 393-6100 NM OIL CONSERVATION Minerals and Natural Resources

Revised July 18, 2013

1625 N. French Dr., Hobbs, NM 88240

District II - (575) 748-1283

811 S. First St., Artesia, NM 88203 SEP 29 2016 OIL CONSERVATION DIVISION

District III - (505) 334-6178

1220 South St. Francis Dr.

1000 Rio Brazos Rd., Aztec, NM 87410

Santa Fe, NM 87505

District IV - (505) 476-3460

1220 S. 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 ☒ Gas Well ☐ Other ☐2. Name of Operator
BC OPERATING, INC.3. Address of Operator
P.O. BOX 50820, MIDLAND, TX 79710

4. Well Location

Unit Letter A : 200 feet from the NORTH line and 700 feet from the EAST lineSection 32 Township 23S Range 29E NMPM EDDY County

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

3014' GL

WELL API NO.

30-025-42659

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Macho Grande State

8. Well Number 2H

9. OGRID Number

160825

10. Pool name or Wildcat

WC-015 G07 S232932A; UPPER WOLFCAMP

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 ☐CLOSED-LOOP SYSTEM ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: COMPLETION ☒

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.

1/8/2015 - TEST CASING TO 4500 PSI FOR 30 MINS. - OK?

6/7/2016 TO 8/1/2016 - FRAC WELL

8/6/2016 - CLEAN OUT W/ COIL TUBING TO 15,197'

Ran tbq?

8/9/2016 - COMMENCED FLOWBACK. WELL ON PRODUCTION.

Spud Date:

1/7/2015

Rig Release Date:

2/27/2015

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 9/15/2016Type or print name SARAH PRESLEY E-mail address: spres@sarah.ey@naguss.com PHONE: (432) 682-4429

For State Use Only

APPROVED BY: Karen Sharp TITLE Bus Oper Spec-Adv DATE 10-5-16

Conditions of Approval (if any):

amend to include tbq data