

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
March 4, 2004

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

WELL API NO. <b>30 - 015 - 27909</b>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. <b>E - 5894</b>
7. Lease Name or Unit Agreement Name <b>REMUDA BASIN</b> <b>"24" STATE</b>
8. Well Number <b>2</b>
9. OGRID Number <b>2433</b>
10. Pool name or Wildcat <b>NASH DRAW BRUSHY CANYON</b>

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 **BK EXPLORATION CORP** **AUG 30 2004**

3. Address of Operator **10159 E 11TH STE 401** **OCD-ARTESIA**  
**TULSA, OK 74128-3028**

4. Well Location  
Unit Letter **A** : **330** feet from the **NORTH** line and **330** feet from the **EAST** line  
Section **24** Township **23-S** Range **29-E** NMPM County **EDDY**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
**3008' GR**

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL \_\_\_\_\_ Sect \_\_\_\_\_ Twp \_\_\_\_\_ Rng \_\_\_\_\_ Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_  
Distance from nearest surface water \_\_\_\_\_ Below-grade Tank Location UL \_\_\_\_\_ Sect \_\_\_\_\_ Twp \_\_\_\_\_ Rng \_\_\_\_\_ ;  
\_\_\_\_\_ feet from the \_\_\_\_\_ line and \_\_\_\_\_ feet from the \_\_\_\_\_ line

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 COMPLETION ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☒  
CASING TEST AND CEMENT JOB ☐  
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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

SEE ATTACHED SUBSEQUENT DAILY REPORT.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Brad D. Burks TITLE PRESIDENT DATE 08/27/2004

Type or print name BRAD D. BURKS E-mail address: \_\_\_\_\_ Telephone No. 918-582-3855

(This space for State use)

APPROVED BY [Signature] TITLE Field Rep ID DATE OCT 1 2004

Conditions of approval, if any:

## DAILY REPORT – BKX's Remuda Basin "24" St. #2

1-17-2004 Pump change occurred on Remuda #1. While kill truck was waiting on pulling unit to run pump, kill truck drove to #2 to perform a mechanical integrity test. With chart recorder, pressured 5½" casing to 525 psig and observed for 30 minutes. No pressure loss. Released pressure and drove truck back to #1. Day's cost: \$300.

6-16-2004 By Tessco, removed electric panel pole and buried feeder wire.

8-11-2004 By ABC Rental, delivered steel mud pit. Notified NMOCD of intention to plug well. Day's cost: \$500.

8-12-2004 By Royalty Well Service, delivered plugging rig and equipment.

8-13-2004 By Royalty, finished delivering rig equipment. Layed flowline to steel pit. Delivered and unloaded 2-3/8" workstring on ground. Opened valve on 5½" casing, no pressure. Opened valve on 5½" x 8-5/8" casing annulus, had strong gas blow, then brine flow. Brine was very clear. Flowed 200 BW to steel pit in 1 hour. Installed pressure guage, 300# shut-in pressure. Contacted NMOCD, needing to change abandonment procedure. Submitted revised procedure to NMOCD via fax. By IW, emptied steel pit and hauled off brine. Day's cost: \$2,000.

8-14-2004 Received verbal approval from NMOCD to revise procedure due to brine flow. Source of brine unknown, but near base of 8-5/8" casing possible source. Picked up workstring. Rigged up Phil's tubing testers. By Lea Co. Packers, lowered Arrow-Set tension packer on 2-3/8" tubing and tested tubing down casing. Tested 10 joints tubing in 1 hour due to dried cement inside tubing. Pulled tubing and packer from well. Shut down. Prepare to deliver new 2-7/8" workstring. Day's cost: \$3,000, to date \$5,000.

8-15-2004 By Julio's, delivered BKX pipe racks from yard.

8-17-2004 By McDaniel, delivered new 2-7/8" tubing (rental) to location and unloaded onto racks. Tallied tubing length, then began picking up tubing into rig. By Lea Co. Packers, delivered tension packer. Down 5-1/2" casing, lowered packer and new tubing to 4002', then set packer. By Jarrel Services, installed 20' gun lubricator on top of tubing, including rental TIW valve. Down tubing, ran 1-9/16" gun and shot 4 squeeze holes into 5-1/2" casing @ 4200'. Immediately had 380 psig tubing pressure at surface. Pulled perf gun out of tubing. Established water injection rate of 1.5 BPM down tubing @ 750 psig. Mixed and pumped 100 sxs. class "C" cement down tubing (14.8 ppg, yield 1.35), then flushed with roughly 25 bbls. fresh water from tank. Flushed past packer, then closed all valves. Shut down, waiting on cement. NMOCD inspector on location. Day's cost: \$8,000, total cost: \$13,000.

8-18-2004 Opened 5-1/2" x 8-5/8" annulus valve, still had strong water flow. Released packer, then lowered tubing to tag top of cement plug. Tagged top of cement plug @ 4006'. No pressure inside of 5-1/2" casing. Tried to circulate tubing, but packer apparently plugged. Pulled packer out of casing and found soft cement in packer. Exchanged packer. Down casing, lowered new packer and tubing to 2800', then set packer @ 2803'. Loaded casing with brine. By Jarrel, under lubricator, shot 4 squeeze perfs in 5-1/2" casing @ 3235'. Had faint water surge at surface. Down tubing, established injection rate of 1 BPM @ 900 psig into squeeze perfs. Mixed and pumped 100 sxs. class "C" cement (14.8 ppg, yield 1.35) down tubing at 950 psig. Flushed with 22 BW to clear packer.

## DAILY REPORT – BKX's Remuda Baisn "24" St. #2

Shut down and closed all valves while waiting on cement to set. NMOCD inspector on location. Day's cost: \$9,000, total cost: \$22,000.

8-19-2004 Opened 8-5/8" x 5-1/2" casing annulus valve, checked water flow. No water out valve. Released packer, tagged cement plug top @ 2965'. Pulled tubing and packer out of casing. Royalty loaded nitro charge, lowered charge to cement plug, raised charge to first collar and fired charge. Shot csg off at collar. Royalty removed BOP and wellhead, welded 5-1/2" sub to top of 5-1/2" casing and pulled estimated 2900' of 5-1/2" casing (59 complete joints) out of well, then prepared well for final cement plug. Shut down. Day's cost: \$4,000, to date: \$26,000.

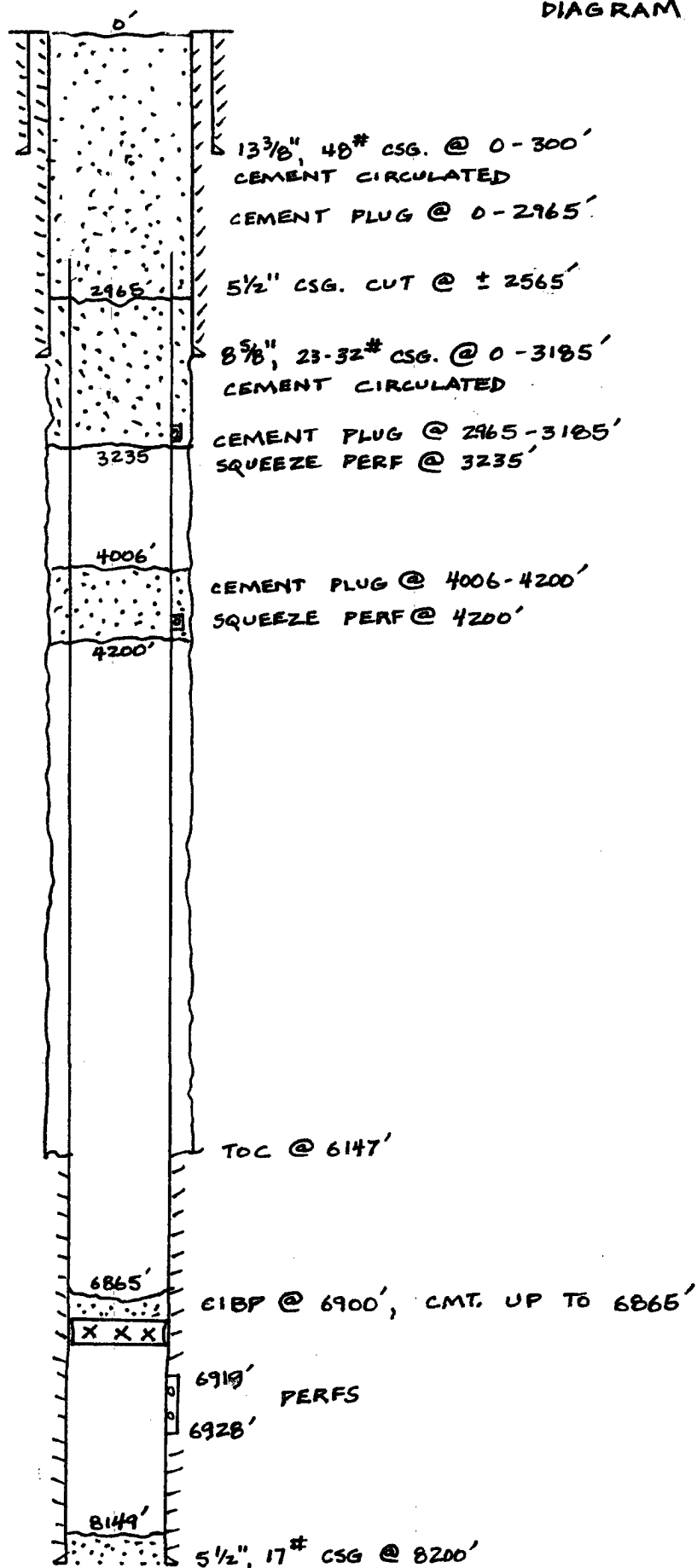
8-20-2004 Lowered tubing down 8-5/8" casing to 2965'. Mixed and pumped 100 sxs cement as a 5-1/2" casing stub plug. Pulled tubing out, 3 hrs. waited on cement. With sinker bar on sandline, tagged stub plug top @ 2465'. By Riverside, emptied steel pit, then hauled fresh water for cement. NMOCD inspector on location. Lowered tubing to 2465', mixed and pumped 200 sxs cement. Pulled 24 jts. tubing out and layed down. Again, mixed and pumped 200 sxs cement. Pulled 24 jts. tubing out and layed down. Mixed and pumped 105 sxs. cement, then mix water transfer pump failed. Flushed cement, then pulled and layed down tubing. Waited on cement. Via backhoe, loaded truck with 59 joints casing and hauled to Deep Well pipe inspection firm. Day's cost: \$4,000, to date: \$30,000.

8-21-2004 Made necessary repairs to the centrifugal pump. Tagged cement @ 368', then ran 11 joints of 2-7/8" tubing and pumped 100 sacks of cement with 1/2 bbl of flush. Pulled and laid down tubing, then inspected tubing, no plugs. Rinsed tubing with fresh water and rigged down Royalty Well Service. Cut and removed 8-5/8" casing flange, then cut and removed all location anchors (6' down). Welded dry hole marker to casing and shut down. Day's cost: \$6,000, to date: \$36,000.

8-24-2004 Checked cement in cellar, no fall-back. Filled cellar with dirt. Removed all plugging equipment. Cleaned location. Well plugged and abandoned. Final report. Day's cost: \$2,000, estimated to date: \$38,000.

# REMUDA BASIN "24" STATE NO. 2

"P4A"  
DIAGRAM





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor

**Joanna Prukop**  
Cabinet Secretary  
Acting Director  
Oil Conservation Division

30 August 2004

B K Exploration Corp.  
10159 E 11th Ste 401  
Tulsa, OK. 74128-3028

*P/A - OK To Release*  
*9/28/04*  
*[Signature]*  
**RECEIVED**

SEP 2 2 2004

**DEBARTESIA**

Form C-103 Report of Plugging for your Remuda Basin 24 State # 2 A-24-23-29 API 30-015-27909  
Cannot be approved until an NMOC representative has made an inspection of the location and found it to be cleared to comply with OCD rules and regulations. Please check each item in the space provided to indicate that the work has been accomplished and the location is ready for final inspection.

- ☒ 1. All pits have been filled and leveled.
- ☒ 2. Rat hole and cellar have been filled and leveled.
- ☒ 3. A steel marker 4" in diameter and approximately 4' above mean ground level has been set in concrete to mark the exact location of the plugged well. (Marker must have operator name, lease name, well number and location including quarter/quarter section or unit letter, section, township, range and API well ID number permanently welded, stamped or otherwise engraved into the metal marker.)
- ☒ 4. The location has been leveled as nearly as possible to original top ground contour and has been cleared of all junk and equipment. **DUKE'S GAS METER ON LOCATION IS CURRENTLY IN USE BY WELL NO. 1.**
- ☒ 5. The dead men and tie downs have been cut and removed.
- ☐ 6. If a one well lease or last remaining well on lease, the battery and burn pit locations have been leveled and cleared of all junk & equipment. **NOT APPLICABLE.**
- ☒ 7. All environmental concerns have been addressed as per OCD guidelines.

The above are minimum requirements and no plugging bond will be cancelled until all locations for plugged and abandoned wells have been inspected and Form C-103 approved.

When all of the work outlined above has been done, please notify this office by completing, signing and returning this letter to us so that our representative will not have to make more than one trip to the location.

I certify that the above work has been done and the above-mentioned lease is ready for OCD inspection and approval.

*Brad D. Burks*  
Name **BRAD D BURKS**

*[Signature]*  
Vicki Barton  
Field Rep. II

**PRESIDENT 9-15-2004**  
Title **918.582.3855**