

Submit To Appropriate District Office Two Copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., 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 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised August 1, 2011 1. WELL API NO. 30-015-42998 2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN 3. State Oil & Gas Lease No.
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WELL COMPLETION OR RECOMPLETION REPORT AND LOG

4. Reason for filing: <input checked="" type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input type="checkbox"/> C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)	5. Lease Name or Unit Agreement Name LACKEY 34 SWD 6. Well Number: 1 <div style="text-align: right; font-weight: bold;"> NM OIL CONSERVATION ARTESIA DISTRICT </div>
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7. Type of Completion:
 NEW WELL WORKOVER DEEPENING PLUGBACK DIFFERENT RESERVOIR OTHER SWD #1609 FEB 06 2017

8. Name of Operator BC OPERATING, INC.	9. OGRID 160825
10. Address of Operator P.O. BOX 50820 MIDLAND, TX 79710	11. Pool name or Wildcat SWD; CHERRY CANYON RECEIVED

12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County
Surface:	L	34	23S	26E		2480'	S	235'	W	EDDY
BH:	L	34	23S	26E		2480'	S	235'	W	EDDY

13. Date Spudded 12/15/2016	14. Date T.D. Reached 12/20/2016	15. Date Rig Released 12/21/2016	16. Date Completed (Ready to Produce) INJECTION	17. Elevations (DF and RKB, RT, GR, etc.) 3,344'
18. Total Measured Depth of Well 3,606'	19. Plug Back Measured Depth 3,557'	20. Was Directional Survey Made?	21. Type Electric and Other Logs Run CBL	

22. Producing Interval(s), of this completion - Top, Bottom, Name
 2,756' - 3,490', CHERRY CANYON: INJECTION INTERVAL

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	54.5	660'	17.5	570 SX	
9-5/8"	40	2,640'	12.25	560 SX	
7"	23	3,606'	8.75	620 SX	

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					4-1/2"	2,678'	2,688'

26. Perforation record (interval, size, and number) *SEE PERFORATION SUMMARY*	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td></td> <td>*SEE PERFORATION SUMMARY*</td> </tr> </table>	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED		*SEE PERFORATION SUMMARY*
DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED				
	SEE PERFORATION SUMMARY				

28. PRODUCTION

Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)			Well Status (Prod. or Shut-in)		
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

30. Test Witnessed By

31. List Attachments

32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.

33. If an on-site burial was used at the well, report the exact location of the on-site burial:

Latitude _____ Longitude _____ NAD 1927 1983

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature *Sarah Presley* Printed Name SARAH PRESLEY Title REGULATORY ANALYST Date 2/1/2017
 E-mail Address spresley@bcoperating.com

INSTRUCTIONS

2/24/17 *Missing Formation
 DAPP submit Tops. db

Lackey SWD #1 Perforation Summary

	Interval			Perforation		
	Top	Bottom	Length	Density	Phasing	Size
Interval # 1	3,480'	3,490'	10'	6 sht/ft	60°	.46"
Breakdown perforations with 20 bbls fresh water						
Interval # 2	3,460'	3,470'	10'	6 sht/ft	60°	.46"
Interval # 3	3,418'	3,428'	10'	6 sht/ft	60°	.46"
Interval # 4	3,384'	3,394'	10'	6 sht/ft	60°	.46"
Interval # 5	3,330'	3,340'	10'	6 sht/ft	60°	.46"
Interval # 6	3,290'	3,300'	10'	6 sht/ft	60°	.46"
Interval # 7	3,266'	3,276'	10'	6 sht/ft	60°	.46"
Interval # 8	3,240'	3,250'	10'	6 sht/ft	60°	.46"
Interval # 9	3,096'	3,106'	10'	6 sht/ft	60°	.46"
Interval # 10	3,010'	3,040'	30'	6 sht/ft	60°	.46"
Interval # 11	2,972'	2,982'	10'	6 sht/ft	60°	.46"
Interval # 12	2,930'	2,950'	20'	6 sht/ft	60°	.46"
Interval # 13	2,906'	2,916'	10'	6 sht/ft	60°	.46"
Interval # 14	2,860'	2,870'	10'	6 sht/ft	60°	.46"
Interval # 15	2,840'	2,850'	10'	6 sht/ft	60°	.46"
Interval # 16	2,810'	2,820'	10'	6 sht/ft	60°	.46"
Interval # 17	2,798'	2,808'	10'	6 sht/ft	60°	.46"
Interval # 18	2,756'	2,766'	10'	6 sht/ft	60°	.46"

- Acidize injection perforations with 24,000 gallons 10% NEFE acid, 9,000 gallons gelled 10 #/gal Brine water, and 9,000 lbs Graded Rock Salt at 10 bpm.
- Ran in hole w/ nickel OD/ plastic ID coated injection packer on 4 ½" 11.60# L80 IPC injection string to 2,688'.
- Set and tested packer.
- Rigged up wellhead.
- Conducted MIT test on casing/tubing annulus.
 - Tested and charted annulus to 500 psi for 30 minutes.
 - Witnessed by Richard Inge w/
- Well shut in pending disposal.