

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO 1004-0137
Expires July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

S

1a. Type of Well Oil Well Gas Well Dry Other
 b. Type of Completion New Well Work Over Deepen Plug Back Diff Resrv,
 Other _____

2. Name of Operator
BC OPERATING, INC

3 Address
P O Box 50820 Midland, TX 79710

3a Phone No (include area code)
432-684-9696

4 Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface 1980' FNL & 1980' FEL

At top prod interval reported below

At total depth

14 Date Spudded
04/10/2008

15 Date T D Reached
04/16/2008

16 Date Completed 06/18/2008
 D & A Ready to Prod

17 Elevations (DF, RKB, RT, GL)*
2972' GR

18 Total Depth MD 4633'
TVD

19 Plug Back T D MD 4576'
TVD

20. Depth Bridge Plug Set. MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

Laterlog, CNL

22 Was well cored? No Yes (Submit analysis)
 Was DST run? No Yes (Submit report)
 Directional Survey? No Yes (Submit copy)

23 Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No of Sks & Type of Cement	Slurry Vol (BBL)	Cement Top*	Amount Pulled
12 1/4"	8 5/8"	32#	0	442'		450 sx		surf	
7 7/8"	5 1/2"	17#	0	4621'	DV @ 2534'	1925 sx		surf	

24 Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 3/8"	3121.65'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No Holes	Perf Status
A) Olds	2728'	2738'	2728'-2738'		30	Open
B)						
C)						
D)						

27 Acid, Fracture, Treatment, Cement Squeeze, etc

Depth Interval	Amount and Type of Material
2728'-2738'	Acid w/ 1200 gal 15% NEFE plus 50 ball sealers Frac w/ 16,000 gal XL water & 19,075# 16/30 sand

28 Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
06/18/08	06/26/08	24	→	15	0	70			Pumping
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
64/64	SI		→						

28a Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
			→						
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
	SI		→						

ACCEPTED FOR RECORD
 JUL 26 2008
 BUREAU OF LAND MANAGEMENT
 CARLSBAD FIELD OFFICE

*(See instructions and spaces for additional data on page 2)

28b Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

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

30 Summary of Porous Zones (Include Aquifers).

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31 Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc	Name	Top
					Meas Depth
Ramsey	2700'	2718'		Delaware Mountain Group	2672
Olds	2728'	2738'		Cherry Canyon	3567

32 Additional remarks (include plugging procedure)

33. Indicate which items have been attached by placing a check in the appropriate boxes

- Electrical/Mechanical Logs (1 full set req'd)
 Geologic Report
 DST Report
 Directional Survey
 Sundry Notice for plugging and cement verification
 Core Analysis
 Other

34 I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Pam Botkin Title Engineering Tech
 Signature *Pam Botkin* Date 07/07/2008

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

JITTERBUG FED # 1

EDDY COUNTY, NEW MEXICO

LEASE & WELL

(Give Unit, Section, Township and Range)

OPERATOR

BC OPERATING 303 VETERANS LANE, SUITE 600
MIDLAND, TEXAS 79705

DRILLING CONTRACTOR

NABORS DRILLING USA, LP

The Undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above-described well and that he has conducted deviation tests and obtained the following results:

DEGREES @ DEPTH	DEGREES @ DEPTH	DEGREES @ DEPTH	DEGREES @ DEPTH
1 1/4 452			
2 942			
1 1741			
1 3/4 2253			
1 3/4 2764			
1 3/4 3275			
1 3787			
1 1/4 4300			

Drilling Contractor

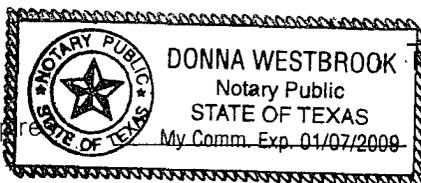
Nabors Drilling USA, LP

By

T. Dominguez
Tiburcio Dominguez- Drilling Supt.

Subscribed and sworn to before me this 7 day of July, 2008

Donna Westbrook



Notary Public

My Commision Expires

My Comm. Exp. 01/07/2009

MIDLAND

County

TEXAS