

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, 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-101
May 27, 2004

RECEIVED
Oil Conservation Division
1220 South St. Francis Dr. AUG 11 2005
Santa Fe, NM 87505
OCD-ARTESIA

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address BK Exploration Corp. 10159 E 11th St. #401 Tulsa, OK 74128-3028		² OGRID Number 2433
³ Property Code 35029		³ API Number 30-015-26683
⁴ Property Name McClary		⁶ Well No. 1
⁹ Proposed Pool 1 40350 Loving Brushy Canyon, E.		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	22	23-S	28-E		2074	South	444	West	Eddy

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

¹¹ Work Type Code E	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3028'
¹⁶ Multiple N	¹⁷ Proposed Depth 6307'	¹⁸ Formation Bone Spring	¹⁹ Contractor Unknown	²⁰ Spud Date 9-1-2005
Depth to Groundwater 48'		Distance from nearest fresh water well est 400'		Distance from nearest surface water Pecos River @ 3 miles to east
Pit: Liner: Synthetic <input type="checkbox"/> mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	32	0 - 568'	550	0'
7 7/8"	5 1/2"	15.5	0 - 6307'	2300	0'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

1. Remove P&A marker. Weld casing spool onto casing. Set circulating unit with tank. Rig up pulling unit. Install manual 3000# BOP.
2. With fresh water, drill out all cement plugs in 5 1/2" casing. Drill out CIBP set at 6050'. Circulate well clean to FBTD 6268'.
3. Swab well with tubing. Evaluate perfs at 6085' to 6179' for additional stimulation. Place well on pump.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

Printed name: Brad D. Burks

Title: President

E-mail Address: Brad D. Burks

Date: 8/4/2005

Phone: 918-582-3855

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Jim W. Green

District II Supervisor

AUG 23 2005

Expiration Date:

AUG 23 2006

Conditions of Approval Attached ☐

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-26683	² Pool Code 40350	³ Pool Name Loving Brushy Canyon, E.
⁴ Property Code	⁵ Property Name McClary	⁶ Well Number 1
⁷ OGRID No. 2433	⁸ Operator Name BK Exploration Corp.	⁹ Elevation 3028'

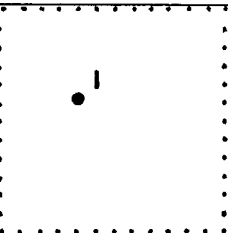
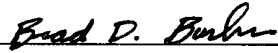
¹⁰ Surface Location

UL or lot no. L	Section 22	Township 23-S	Range 28-E	Lot Idn	Feet from the 2074	North/South line South	Feet from the 444	East/West line West	County Eddy
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40	¹³ Joint or Infill N	¹⁴ Consolidation Code C	¹⁵ Order No.						

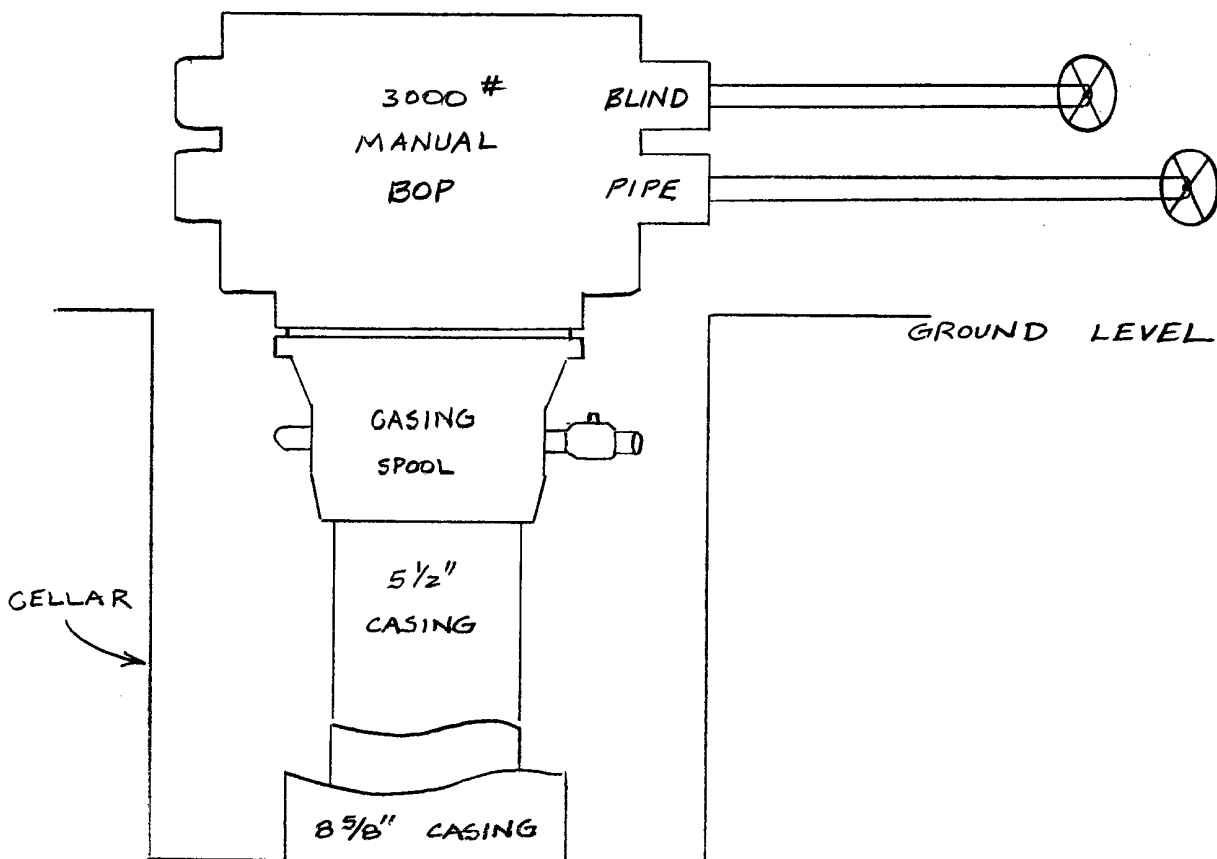
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 					¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Brad D. Burks Printed Name President Title and E-mail Address 8/4/2005 Date
					¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>
					Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

McClary No. 1
(30-015-26683)

PROPOSED BOP
SCHEMATIC

8/4/2005



Submit 3 Copies To Appropriate District Office
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State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO. 30-015-26683
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name McClary
8. Well Number 1
9. OGRID Number 2433
10. Pool name or Wildcat Loving Brushy Canyon, E.
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3028
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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.

3. Address of Operator
10159 E 11th St #401 Tulsa, OK 74128

4. Well Location
Unit Letter **L** : **2074** feet from the **South** line and **444** feet from the **West** line
Section **22** Township **23-S** Range **28-E** NMPM County **Eddy**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3028

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: H2S Contingency Plan <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

All proposed operations will be conducted inside of 5 1/2" casing. The target zone has no H2S. Therefore, we do not foresee the occurrence of H2S. Nevertheless, the workover rig maintains an H2S monitor.

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 NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Brad D. Burks TITLE President DATE 8/4/2005
Type or print name Brad D. Burks E-mail address: 918-582-3855
For State Use Only Telephone No.

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____

**New Mexico Office of the State Engineer
Well Reports and Downloads**

Township: 23S Range: 28E Sections: 22

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) Non-Domestic Domestic

All

Well / Surface Data Report

Avg Depth to Water Report

Water Column Report

Clear Form

WATERS Menu

Help

WATER COLUMN REPORT 08/10/2005

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are biggest to smallest)

Well Number	Tws	Rng	Sec	q	q	q	Zone	X	Y	Depth Well	Depth Water	Water Column
C 01336	23S	28E	22	1	1	2				190	30	1
C 01872	23S	28E	22	1	2					68	48	
C 01253	23S	28E	22	1	3	1				179	50	1
C 01487	23S	28E	22	1	4	3				150	38	1
C 01487 CLW201796	23S	28E	22	2	3					90	30	
C 00094 AS	23S	28E	22	2	3	1				165	48	1
C 00094 A	23S	28E	22	2	4	3				166	40	1
C 00024 ✓	23S	28E	22	3						242	48	1
C 01870 ✓	23S	28E	22	3	1					105	48	
C 02796 ✓	23S	28E	22	3	2		SW/4 of Sec. 22			200		
C 02847	23S	28E	22	4	1	2				80		
C 02849	23S	28E	22	4	1	2				60		
C 00453	23S	28E	22	4	2	2				65		
C 00443	23S	28E	22	4	2	4				65		
C 00443 RPR	23S	28E	22	4	2	4				171	160	
C 00869	23S	28E	22	4	3	3				360		

Record Count: 16

**New Mexico Office of the State Engineer
Point of Diversion Summary**

Back

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y
C 00024	23S	28E	22	3					

Driller Licence: 113 MORELAND, A.J.

Driller Name: A. J. MORELAND

Drill Start Date: 08/17/1979

Log File Date: 04/23/1980

Pump Type:

Casing Size: 14

Depth Well: 242

Source: Shallow

Drill Finish Date: 03/10/1980

PCW Received Date:

Pipe Discharge Size:

Estimated Yield: 300

Depth Water: 48

Water Bearing Stratifications:	Top	Bottom	Description
	50	58	Sandstone/Gravel/Conglomer
Casing Perforations:	Top	Bottom	
	50	70	
	80	90	

New Mexico Office of the State Engineer
Point of Diversion Summary

Back

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y
C 01870	23S	28E	22	3	1				

Driller Licence: 113 MORELAND, A.J.

Driller Name: MORELAND, A.J.

Drill Start Date: 07/03/1979

Log File Date: 12/14/1979

Pump Type:

Casing Size: 14

Depth Well: 105

Source: Shallow

Drill Finish Date: 12/06/1979

PCW Received Date:

Pipe Discharge Size:

Estimated Yield: 300

Depth Water: 48

Water Bearing Stratifications:	Top	Bottom	Description
	54	58	Sandstone/Gravel/Conglomer
Casing Perforations:	Top	Bottom	
	50	70	
	80	90	

New Mexico Office of the State Engineer
Point of Diversion Summary

Back

(quarters are 1=NW 2=NE 3=SW 4=SE)
(quarters are biggest to smallest)

POD Number	Tws	Rng	Sec	q	q	q	Zone	X	Y
C 02796	23S	28E	22	3	2				

Driller Licence: 1348 TAYLOR WATER WELL SERVICE

Driller Name: TAYLOR, CLINTON E.

Source:

Drill Start Date:

Drill Finish Date:

Log File Date:

PCW Received Date:

Pump Type:

Pipe Discharge Size:

Casing Size: 7

Estimated Yield:

Depth Well: 200

Depth Water: