

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OCD

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

OCT 11 2011

WELL API NO. 30-025-11638
5. Indicate Type of Lease STATE [ ] FEE [X]
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name South Langlie Jal Unit
8. Well Number 23
9. OGRID Number 160825
10. Pool name or Wildcat Jalmat Tansil Yates Seven Rivers
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3111' DF

SUNDRIES 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 Injection [X]

2. Name of Operator BC Operating, Inc.

3. Address of Operator PO Box 50820, Midland, TX 79710

4. Well Location Unit Letter K : 2310' feet from the South line and 2310' feet from the West line
Section 17 Township 25S Range 37E NMPM Lea County

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 [ ]
OTHER: Extend TA Status [ ]
SUBSEQUENT REPORT OF:
REMEDIAL WORK [ ] ALTERING CASING [ ]
COMMENCE DRILLING OPNS. [ ] P AND A [ ]
CASING/CEMENT JOB [ ]
OTHER: Extend TA Status [X]

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.

This well currently has Approval of Temporary Abandonment status that expired 10/5/11. A 6 month extension to this status was requested and approved by OCD 8/18/11 with condition of running MIT and chart. MIT was performed and passed 10/4/11 and witnessed by Sylvia Dickey of OCD. Test was 550# + for 30 minutes, chart surrendered to OCD.

This Approval of Temporary Abandonment Expires 4-4-2012

Spud Date: [ ] Rig Release Date: [ ]

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Linda Gregg TITLE Regulatory Analyst DATE 10/7/2011

Type or print name Linda Gregg E-mail address: lgregg@bcoperatinginc.com PHONE: 432-684-9696, ext. 218

For State Use Only APPROVED BY [Signature] TITLE STAFF MEMBER DATE 10-12-2011

OCT 13 2011

