

Submit 1 Copy To Appropriate District Office
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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

HOBBS OGD

AUG 23 2012

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

WELL API NO. 30-025-40707
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 38750
7. Lease Name or Unit Agreement Name Bobwhite 11 State
8. Well Number 2H
9. OGRID Number 160825
10. Pool name or Wildcat Scharb; Bone Spring
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3978' GL

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

BC Operating, Inc.

3. Address of Operator

P.O. Box 50820 Midland, Texas 79710

4. Well Location

Unit Letter C : 330 feet from the North line and 2180 feet from the West line
Section 11 Township 19S Range 34E NMPM County Lea

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Well originally permitted to 4007'. This well will be a horizontal well in the Scharb; Bone Spring Field/Pool and therefore should be permitted with the following depths:

TVD: 11,000'

MD: 15,200'

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 Pam Stevens TITLE Regulatory Analyst DATE 08/21/2012

Type or print name Pam Stevens E-mail address: pstevens@bcoperating.com PHONE: 432-684-9696

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE AUG 31 2012

Conditions of Approval (if any):