

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

DEC 03 2012

RECEIVED

WELL API NO. 30-025-34034
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. 37047
7. Lease Name or Unit Agreement Name Warren State
8. Well Number 1
9. OGRID Number 160825
10. Pool name or Wildcat Denton; South Devonian

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 [X] 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 P : 1295 feet from the South line and 880 feet from the East line
Section 35 Township 15S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3759' GL

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: Recompletion [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.

- 10/16/12 - MIRU Choctaw & NU WH & BOP.
10/17/12 - TOOH w/mill tooth bit, 6- 3 1/2" DC's & 174 jts 2 7/8" tbg. Tagged up @ 5770'
10/18/12 - Drilled out cmt & retainer @ 5800' & cmt down to 6056'. Circ clean.
10/19/12 - Drilled out cmt from 6056' - 6290' & fell out. Pressure tested and held.
10/22/12 - Drilled out CIBP @ 8580' & circ clean. TIH picking up tbg to 12,844'.
10/23/12 - TIH w/5 1/2" CIBP set @ 9800' w/2 sx cmt on top. Lost bailer in hole - spent next few days fishing.
10/28/12 - Dumped 2 sx back on top of CIBP @ 9800'. TIH w/5 1/2" treating pkr & set @ 9655'. Spotted 3 bbls acid across perfs @ 9730' - 9755'. Acidized w/1500 gals 15% acid. TOH w/pkr.
10/29/12 - Set retainer @ 9652' & pressure tested casing to 500# - held.
10/30/12 - Pumped 50 sx cmt & 40 bbls displacement. Squeezed 4 bbls of cmt into perfs 9738' - 3755'
10/31/12 - Drilled out cmt & retainer @ 9652' & drilled out cmt to 9710'. Circ clean.
11/02/12 - Drilled out cmt from 9710' - 9760'. Circ clean. Pressure tested to 550# - held. Tagged up cmt @ 9785'. Drilled out part of CIBP & CIBP @ 9800'.
11/03/12 - RIH w/tbg to 9799'. Drilled out rest of CIBP @ 9800' down to 12,844' TD. Circ clean. TOOH w/245 jts 2 7/8" tbg.
11/04/12 - TIH w/4 5/8" skirted button bit, 16- 3 1/2" DC's & 140 jts of 2 7/8" DP down to 4450'.
11/07/12 - Drilled formation from 12,844' - 12,881'.
11/08/12 - Drilled from 12,881' - 12,913' - circ clean.
11/13/12 - RIH w/104 jts of 2 7/8" tbg total jts. Set Crest pkr @ 10,039'. Swabbed FL down to 3600' after 5th run. Made total of 15 swab runs - 120 bbls fluid.
11/14/12 - Swabbed - IFL @ 2500' / FFL @ 3000'. Recovered 35 bbls fluid.
11/16/12 - Ran in hole w/ESP pump
11/17/12 - Power on - started pumping unit.
11/19/12 - RDMO.

Acquired well test: 350 BO / 520 BW / 500 MCF in 24 hours.

DEC 05 2012

Spud Date:

08/13/2011

Rig Release Date:

08/21/2011

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 11/27/2012

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

For State Use Only

APPROVED BY [Signature] TITLE Dist. MGR DATE 12-5-2012
Conditions of Approval (if any):