

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

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

Form C-103
Revised August 1, 2011

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|---|
| WELL API NO. 30-025-41951- 42-066 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. 40445 |
| 7. Lease Name or Unit Agreement Name Abe State |
| 8. Well Number 2H |
| 9. OGRID Number 160825 |
| 10. Pool name or Wildcat WC-025 G-07 S213330F; Bone Spring |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3727' 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 B : 240 feet from the North line and 1980 feet from the East line

Section 32 Township 21S Range 33E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3727' 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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

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.

08/05/2014:

Ran 38 joints of 13 3/8" J-55 54.5# ST&C casing in 16" hole to 1710'. Set casing at 1710'. RU cementers and tested lines to 5000 psi. Pumped 30 BFW spacer at 4.4 bbls/min. Lead cement: Pumped 198 bbls/645 sx Neat C with Density 13.5 ppg, Yield - 17.73 ft/sk with additives - 1% Ca C12, Calcium chloride, 0.4% Itr - 2.4% Bentonite (gel), 0.2 Celloflake. Lost circ, Flo 1. Tail cement: Pumped 49 bbls/210 sx 0-1-0C Density 14.8 ppg, Yield 1.23 ft/sk with additives 15 CaC12, Calc chloride, 0.5% Itr-2 low temp retarder, 0.1% Twr-2 free H2O control.

Dropped plug & displaced 258 BFW @ 6 bbls/m. Slowed to 3 bbls/m last 10 BFW. Final lift psi 800. Bumped plug @ 1300 psi. Circ 57 bbls/186 sx to surface.

Spud Date: 08/05/2014

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 08/07/2014

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 08/29/14

Conditions of Approval (if any):

AUG 27 2014