

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2014

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
NMNM114984

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

HOBBS OCD  
SEP 22 2014

1. Type of Well  
 Oil Well     Gas Well     Other

7. If Unit of CA/Agreement, Name and/or No.

2. Name of Operator  
BC Operating, Inc.

8. Well Name and No.  
Chili Parlor 17 federal #1H

3a. Address  
P.O Box 50820  
Midland, Texas 79710

3b. Phone No. (include area code)  
432-684-9696

9. API Well No.  
30-025-41540

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
SHL: 330' FSL & 2200' FEL of Section 17, T22S, R33E  
BHL: 330' FNL & 2200' FEL of Section 17, T22S, R33E

10. Field and Pool or Exploratory Area  
Red Tank, Bone Spring, East

11. County or Parish, State  
Lea County, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other Surface Hole Size

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

BC Operating, Inc. proposes to change the surface hole size from 17.5" to 16". Cement volumes will be adjusted accordingly.  
Currently the well has 17.5" hole with 13.375" 54.5#, J-55, STC casing being set at 1075'  
Proposing to have 16" hole with 13.375" 54.5#, J-55, STC casing being set at 1075'

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

2014 SEP 16 04:11:00

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
Steve Morris

Title Drilling Engineer

Signature

Date 09/17/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title  
Office

APPROVED  
SEP 18 2014  
/s/ Chris Walls  
BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

SEP 22 2014

Chili Parlor 17 Federal 1H Surface Cement Volumes

No. Sx	Yield (ft/sk)	Volume (cuft)	Hole O.D. (in)	Casing O.D. (in)	Cmt Top (MD ft)	Cmt Bottom (MD ft)	Description	Comments
							Lead Slurry 13.5 ppg	80' Lead cement in casing with no excess 81.52cuft.
360	1.73	623	16.000	13.375	0	775	Class C+1%CaC 12Calc Chlide, 0.4% ltr- 2.4% Bentonite (Gel), 0.2% Celloflake loss circ,Flo-1 Tail Slurry 14.8ppg	695' Lead cement in open hole with 85% excess, 541cuft. 300' Tail cement in open hole with 85% excess, 234cuft.
190	1.23	234	16.000	13.375	775	1,075	Class C+1% CaC 12,Calc Chlide, 0.5% ltr- 2 low temp Rtrdr, o. 1% Twr-2 free h2o cntrl.	