

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OCD

OCD Hobbs

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.
NMNM96244

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
BC OPERATING, INC. Contact: SARAH PRESLEY
E-Mail: SPRESLEY@BCOPERATING.COM

3a. Address
P.O. BOX 50820
MIDLAND, TX 79710

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

8. Well Name and No.
CHILI PARLOR 17 FEDERAL 2H

9. API Well No.
30-025-43137

10. Field and Pool, or Exploratory
RED TANK; BONE SPRING

11. County or Parish, and State
LEA COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Drilling Operations
	<input 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	

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 recomplate 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

9/15/2016 - SPUD

PILOT HOLE WAS NOT DRILLED *SEE ATTACHED DIRECTIONAL SURVEY*

9/18/2016 - SURFACE CASING - DRILL 26" HOLE TO 795'. RUN 795' OF 20" 133# J-55 BTC. CEMENT WITH LEAD 960 SACKS CLASS C, 12.8 PPG, 1.67 YIELD. TAIL WITH 430 SACKS CLASS C, 13.8 PPG, 1.46 YIELD. CIRCULATED 400 SACKS TO SURFACE. TESTED CASING TO 1,050 PSI FOR 30 MINS. HELD OK.

9/23/2016 - INTERMEDIATE CASING - DRILL 17.5" HOLE TO 4,631'. RUN 4,631' OF 9-5/8" 40# L80 BTC. CEMENT WITH LEAD 3,190 SACKS PRO-ECO C, 11.6 PPG, 2.61 YIELD. TAIL WITH 400 SACKS PREMIUM C, 13.8 PPG, 1.6 YIELD. CIRCULATED 576 SACKS TO SURFACE. TESTED CASING TO 1,500 PSI FOR 30 MINS. HELD OK.

Accepted for Record

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #357395 verified by the BLM Well Information System
For BC OPERATING, INC., sent to the Hobbs
Committed to AFMSS for processing by DEBORAH MCKINNEY on 11/08/2016 ()

Name (Printed/Typed) SARAH PRESLEY Title REGULATORY ANALYST

Signature (Electronic Submission) Date 11/08/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By *[Signature]* Title *Technical PET* Date *11/10/16*

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.

Office *CFO* *KZ*

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****