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Form 3160-5
(August 2007)

JUN 09 2010

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

RECEIVED

MAY 26 2010

NMOCD A

FORM APPROVED
OMB No 1004-0137
Expires: July 31, 2010

HOBBS

5. Lease Serial No.
LC-030174-B

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.

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well☐ Gas Well☐ Other2. Name of Operator
B C Operating, Inc.3a. Address
P O Box 50820
Midland, TX 797103b. Phone No. (include area code)
432-684-9696 ext 253

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

8. Well Name and No.
W.H. Rhodes B Federal NCT 1 #319. API Well No.
30-025-321274. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1165' FSL & 2629' FEL, Unit Letter O
Section 26, T26S-R37E10. Field and Pool or Exploratory Area
Rhodes Yates; Seven Rivers11. Country or Parish, State
Lea County, NM

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

TYPE OF SUBMISSION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other Add Perfs

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.)

- Clean out wellbore to 3270'.
 - Perf 3201-3209' & 3186-3196', 4 SPF, 60 degree phasing.
 - Acidize all perfs 3186 - 3234' w/ 3000 gals 15% HCL.
 - RIH with tubing, rods & pump.
- Return well to production.

* Work to be completed within 90 days

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

Tami Parker

Title Regulatory Analyst

Signature

Date 05/05/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Office

Date

PETROLEUM ENGINEERING
JUN 11 2010

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)