

Office

Energy, Minerals and Natural Resources

June 19, 2008

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED

OIL CONSERVATION DIVISION

JUL 09 2010

1220 South St. Francis Dr.

Santa Fe, NM 87505

HOBBSOCD

WELL API NO.

30-025-32022

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

B-8581

7. Lease Name or Unit Agreement Name

Rhodes Yates Unit

8. Well Number

17

9. OGRID Number

160285

10. Pool name or Wildcat

Rhodes Yates Seven Rivers

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

B C Operating, Inc

3. Address of Operator

P O Box 50820 Midland, TX 79710

4. Well Location

Unit Letter D : 1302' feet from the North line and 46' feet from the West lineSection 27 Township 24S Range 37E NMPM Lea County

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

2973' GR

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

6/3/10 MIRU ND WH, NU BOP. RIH tag PBTD @ 3374'.

6/4/10 Perf Yates formation @ 3268-3282' w/ 4 SPF @ 60 degree phasing 28 holes.

6/7/10 Acidize perfs w/ 3000 gals 15% HCl 80/20 star acid.

6/8/10 RIH w/ tubing, rods, pump. RDMO

Return well to production.

Spud Date:

9/30/93

Rig Release Date:

10/5/93

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Tami Parker

TITLE

Regulatory Analyst

DATE 7/7/10

Type or print name

Tami Parker

E-mail address: tparker@blackoakres.com

PHONE: (432) 684-9696

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

JUL 12 2010

Conditions of Approval (if any):

R-M