Form-3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

FORM APPROVED OMB No 1004-0137 Expires July 31 2010

Expires July 31, 2010

6. If Indian, Allottee or Tribe Name

5. Lease Serial No NMLC-030174-B

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. 1. Type of Well 8. Well Name and No W.H. Rhodes B Federal NCT 2 #3 Oil Well Other Injection Gas Well 2 Name of Operator B C Operating, Inc. 9. API Well No. 30-025-12075 3a Address 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area P O Box 50820 Rhodes Yates: Seven Rivers Midland, TX 79710 432-684-9696 ext 253 4 Location of Well (Footage, Sec., T., R., M., or Survey Description) 11 Country or Parish, State Lea County, NM Section 28, T26S-R37E 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Other Return to Casing Repair New Construction Recomplete ✓ Subsequent Report injection. Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back 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 recomplete 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 recompletion 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.)
- 1. RIH pull and LD tubing.
- 2. Clean out to 3325'.
- 3. RIH w/ packer set @ 2963', acidize perfs 3018-3178' w/ 3000 gals 80/20 15% NEFE acid.
- POH LD packer and workstring.
- 5. RIH w/ 2-3/8" injection tubing and packer, set @ 2945'.
- 6. Pressure test to 300 psi, hold for 30 min, held ok.

RECEIVED

AUG 2.6 2010 HOBBSOCD

This well has been returned to injection effective 8/17/10 Pressured casing to 360 psi for 30 mins, chart is attached. Mark Whitaker - OCD field rep witnessed test 8/17/10.

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AUG 2.6 2010 HOBBSOCD

| 14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) | | |
|--|--------------------------|-------------------------------------|
| Tami Parker | Title Regulatory Analyst | |
| Signature Parkly 1 | Date 08/18/2010 | ACCEPTED FOR RECORD |
| THIS SPACE FOR FEDER | AL OR STATE OFF | FICE USE |
| Approved by EG 8-30-70 | Title | AUG 2 4 2010 Date |
| Conditions of approval, if any, are attached Approval of this notice does not warrant or cer that the applicant holds legal or equitable title to those rights in the subject lease which woul entitle the applicant to conduct operations thereon | | WESLEY W. INGRAM PETROLEUM ENGINEER |

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

