

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
NM OIL CONSERVATION
ARTESIA DISTRICT
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised July 18, 2013

☐ AMENDED REPORT

OCT 13 2015

RECEIVED

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address BC Operating, Inc. P.O. Box 50820 Midland, Texas 79710		2. OGRID Number 160825
3. Property Code 315314	4. Property Name Man Cave 7 State Com	5. API Number 30-015 - 43448
		6. Well No. 2H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
N	6	23S	26E		50	South	2000	West	Eddy

* Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
N	7	23S	26E		240	South	2000	West	Eddy

9. Pool Information

WC-015 52326060	Pool Name Wolcamp (GAS)	Pool Code 98170
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Additional Well Information

11. Work Type New Well	12. Well Type Gas	13. Cable/Rotary Rotary	14. Lease Type State	15. Ground Level Elevation 3424'
16. Multiple No	17. Proposed Depth 13,974' MD/9050' TVD	18. Formation Wolcamp	19. Contractor TBD	20. Spud Date 04/01/2016
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	16"	13 3/8"	48#	400'	400	0'
Intermediate	12 1/4"	9 5/8"	40#	5100'	1400	0'
Production	8 3/4"	5 1/2"	17#	13,974'	1750	0'

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram Annular	3000#	2000#	Hydrill/Shaeffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable. Signature: Pam Stevens		OIL CONSERVATION DIVISION	
Printed name: Pam Stevens		Approved By: [Signature]	
Title: Regulatory Analyst		Title: [Signature]	
E-mail Address: pstevens@bcoperating.com		Approved Date: 11/5/2015 Expiration Date: 11/5/2017	
Date: 09/30/2015	Phone: 432-684-9696	Conditions of Approval Attached	

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-43448	² Pool Code 98170	³ Pool Name W.C. 015-52326060 Wildcat; Wolfcamp (GAS)
⁴ Property Code 315314	⁵ Property Name MAN CAVE 7 STATE COM	⁶ Well Number 2H
⁷ OGRID No. 160825	⁸ Operator Name B.C. OPERATING, INC.	⁹ Elevation 3424'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	6	T23S	R26E		50'	SOUTH	2000'	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

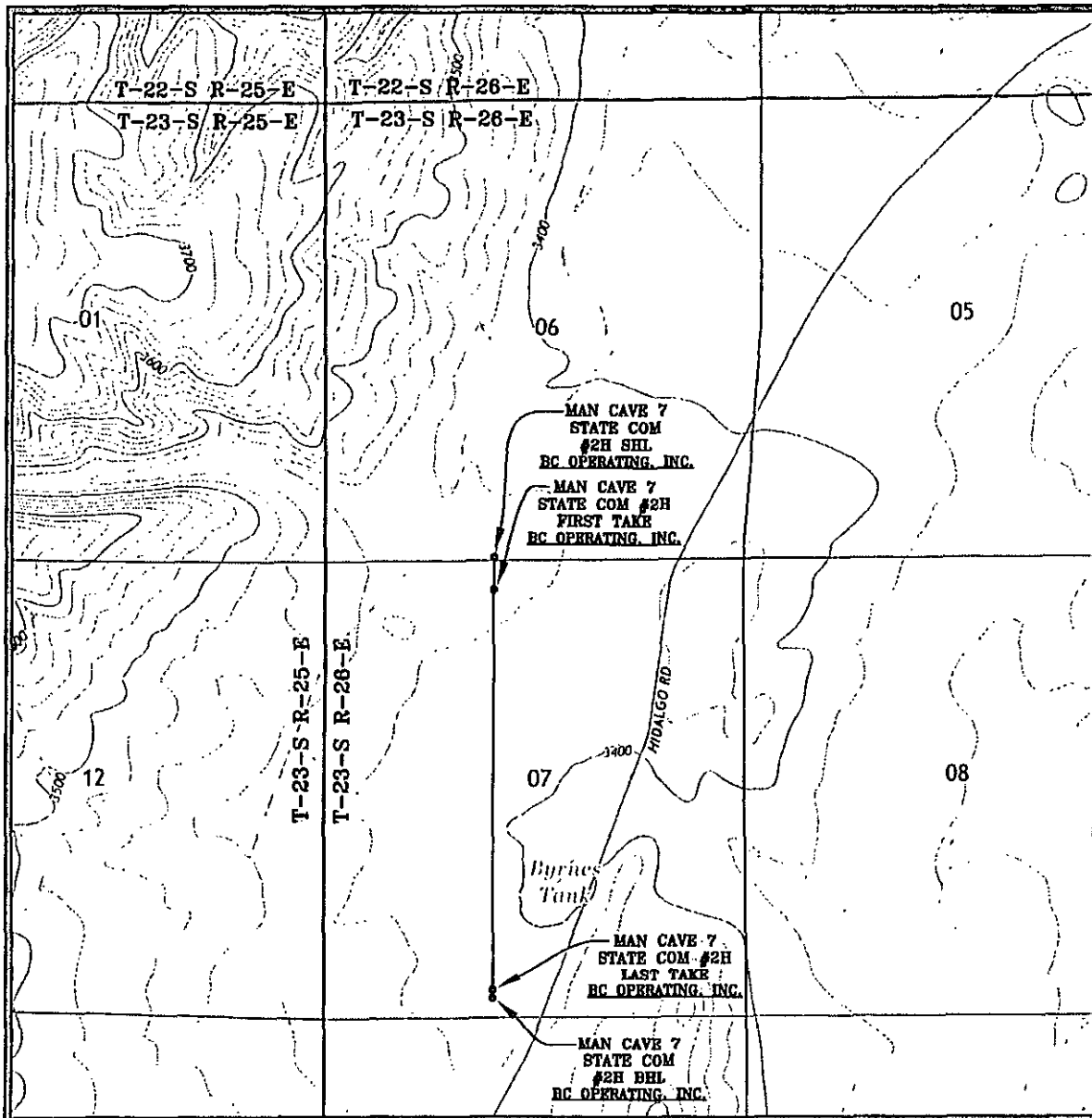
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	7	T23S	R26E		240'	SOUTH	2000'	WEST	EDDY

¹² Dedicated Acres 320.00	¹³ Joint or Infill 317.36	¹⁴ Consolidation Code (97749)	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶ SECTION 1 SECTION 12 SECTION 12 SECTION 13 T23S-R26E T23S-R26E 660' 2000' 2000' 660' 330' 240' SHL 50' A B D C FIRST TAKE POINT LAST TAKE POINT BHL PRODUCING AREA	<p>CORNER COORDINATES NAD 83, SPCS NM EAST A - Y: 482392.07 / X: 539113.81 B - Y: 482416.90 / X: 541589.19 C - Y: 477066.63 / X: 541621.32 D - Y: 477046.72 / X: 539106.43</p>	SECTION 6	SECTION 5	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Pam Stevens Signature 09/30/15 Date Pam Stevens Printed Name pstevens@bcoperating.com E-mail Address
	<p>SURFACE HOLE LOCATION 50' FSL 2000' FWL, SECTION 6 NAD 83, SPCS NM EAST Y482462.27 / X541113.88 LAT32.32636089N / LON104.33405729W NAD 27, SPCS NM EAST Y482403.99 / X499932.53 LAT32.32624464N / LON104.33355176W</p>	SECTION 7	SECTION 8	
	<p>FIRST TAKE POINT 330' FSL 2000' FWL, SECTION 7 NAD 83, SPCS NM EAST Y482082.11 / X541112.96 LAT32.32531589N / LON104.33406027W NAD 27, SPCS NM EAST Y482023.84 / X499931.60 LAT32.32519964N / LON104.33355478W</p>			
	<p>LAST TAKE POINT 330' FSL 2000' FWL, SECTION 7 NAD 83, SPCS NM EAST Y477392.57 / X541106.43 LAT32.31242497N / LON104.33408129W NAD 27, SPCS NM EAST Y477334.44 / X499924.96 LAT32.31230868N / LON104.33357623W</p>			
	<p>BOTTOM HOLE LOCATION 240' FSL 2000' FWL, SECTION 7 NAD 83, SPCS NM EAST Y477302.56 / X541106.43 LAT32.31217756N / LON104.33408129W NAD 27, SPCS NM EAST Y477244.43 / X499924.96 LAT32.31206127N / LON104.33357623W</p>	SECTION 7	SECTION 8	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. SEPTEMBER 24, 2015 Date of Survey Signature and Seal of Professional Surveyor LLOYD P. SHORT 21653 LLOYD P. SHORT CERTIFICATE NUMBER LLOYD P. SHORT 21653 PROFESSIONAL SURVEYOR
	<p>CORNER COORDINATES NAD 27, SPCS NM EAST A - Y: 482333.84 / X: 497932.49 B - Y: 482358.61 / X: 500407.83 C - Y: 477008.50 / X: 500439.83 D - Y: 476988.65 / X: 497924.98</p>	SECTION 18	SECTION 17	

LOCATION VERIFICATION MAP



SEC. 6 TWP. 23 S RGE. 26 E
 SURVEY: N.M.P.M.
 COUNTY: EDDY
 DESCRIPTION: 50' FSL & 2000' FWL
 ELEVATION: 3424'
 OPERATOR: B.C. OPERATING, INC.
 LEASE: MAN CAVE 7 STATE COM
 U.S.G.S. TOPOGRAPHIC MAP: KITCHEN COVE, N.M.

SCALE: 1" = 2000'
 CONTOUR INTERVAL = 20'

PREPARED BY:
 R-SQUARED GLOBAL, LLC
 1309 LOUISVILLE AVENUE, MONROE, LA 71201
 318-323-6900 OFFICE
 JOB No. R3588_002

The map displays a grid of land parcels, each identified by a unique number (e.g., 019, 020, 021, etc.). The grid is overlaid with a coordinate system labeled T22S R26E, T23S R26E, and T24S R26E. Key features include:

- MAN CAVE 7 STATE COM #2H SHL RC OPERATING, INC.** (Two locations, one on the left and one on the right side of the map).
- KODALD RD. COUNTY RD. 672** (A road running diagonally across the upper right portion of the map).
- DARK CANYON RD. COUNTY RD. 408** (A road running diagonally across the lower right portion of the map).
- NATIONAL PARK HWY. 101. 62** (A road running vertically along the right edge of the map).

The map is a black and white reproduction of a survey document, showing a grid of land parcels and various roads.

SCALE: 1" = 2 MILES

PREPARED BY:
R-SQUARED GLOBAL, LLC
1309 LOUISVILLE AVENUE, MONROE, LA 71201
318-323-8900 OFFICE
JOB No. R3588-002

NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 S. FIRST
ARTESIA, NM 88210
(575)748-1283

CONDITIONS OF APPROVAL:

NAME OF OPERATOR: BC OPERATING
WELL NAME & NUMBER: MAN CAVE 7 State COM 2H
30-015- 43448

1. Trucking companies being used to haul oilfield waste to disposal facilities - commercial or private- shall have an approved NMOCD C-133 Permit. A copy of this permit shall be available in each truck used to transport waste products. It is the responsibility of the operator as well as the contractor to verify that this permit is in place. Drivers shall make permit available upon request of an OCD inspector. It is the responsibility of the operator to see to it that waste from their wells is being disposed of in a proper manner.
2. Once well is spud, to prevent groundwater contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the freshwater zone or zones and shall immediately set in cement the water protection string.

INITIALS MD
DATE 11/5/2005