Submit 1 Copy To Appropriate District State of New Mexico Form C-103 Revised July 18, 2013 Energy, Minerals and Natural Resources District 1 - (575) 393-6161 WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II - (575) 748-1283 30-015-42730 OIL CONSERVATION DIVISION 811 S. First St., Artesia, NM 88210 5. Indicate Type of Lease District III - (505) 334-6178 1220 South St. Francis Dr. STATE X FEE 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV - (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A CASS 16 STATE DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 8. Well Number #1H 1. Type of Well: Oil Well Gas Well X Other 2. Name of Operator 9. OGRID Number BC OPERATING, INC. 160825 3. Address of Operator P.O. BOX 50820 10. Pool name or Wildcat FOREHAND RANCH; WOLFCAMP (GAS) MIDLAND, TX 79710 4. Well Location 330 NORTH 240 **EAST** Unit Letter feet from the line and feet from the line Section 16 Township 238 27E NMPM **EDDY** County Range 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,159' GL 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK □ PLUG AND ABANDON REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON** CHANGE PLANS COMMENCE DRILLING OPNS. P AND A PULL OR ALTER CASING П MULTIPLE COMPL \Box CASING/CEMENT JOB DOWNHOLE COMMINGLE **CLOSED-LOOP SYSTEM** OTHER: 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. BC OPERATING, INC. RESPECTFULLY REQUESTS TO CHANGE THE 13-3/8" SURFACE CASING SETTING DEPTH TO 400' AND CHANGE THE 9-5/8" CASING SETTING DEPTH TO 2.100'. IDENTICAL WEIGHT AND GRADE AS ON THE C-101 TOPS: NM OIL CONSERVATION SURFACE - QUATERNARY ALLUVIUM ARTESIA DISTRICT RUSTLER - 110' SALADO - 250' JUN 2 0 2016 CASTILE - 450' BASE SALT - 1,800' LAMAR - 1,975 RECEIVED DELAWARE SANDS (BELL CANYON - 2,100) CHERRY CANYON - 2,815' Spud Date: Rig Release Date: I hereby certify that the information above is true and complete to the best of my knowledge and belief. TITLE REGULATORY ANALYST DATE 6/8/2016 SIGNATURE \ Type or print name _SARAH PRESLEY E-mail address: SPRESLEY@BCOPERATING.COM PHONE: 432-684-9696 For State Use Only

TITLE_"Geologist"

APPROVED BY

Conditions of Approval (Pany):

DATE 6-27-1