In Reply Refer to 3162.4 (P0220)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene

CRE CIL CONSTIBLATION Mexico 88220-6292

ARTESIA DISTRICTWWW.nm.blm.gov

MAR 28 2018

RECEIVED

BC Operating INC 303 Veterans Airpark Lane Suite 6101 Midland, TX 79710

Carlsbad Field Office OCD Artesia

Gentlemen:

Your Application for Permit to Drill (APDs) for the wells listed below have expired because drilling has not commenced per Onshore Order #1:

LEASE

WELL NAME AND LOCATION

EXPIRATION

NM26684

Hannibal Federal - 3H 30.015 - 42775

October 28, 2017

200'/N & 1660'/W, sec. 31, T. 22 S., R. 28 E.

If the well has not been spud, but site construction activities have occurred please contact Jim Amos at (575) 234-5909 for surface reclamation instructions. If drilling operations have commenced send-all necessary reports (spud, casing/cementing, etc., 1 original and 3 copies) to the BLM so we may correct our records.

If you wish to drill this wells at a later date, please submit a complete application (1 original and 3 copies) to this office. Since the original APD has expired, the resubmitted APD will be subject to all processing requirements including the \$9,790 application fee and the 30-day posting period. Please note on the resubmitted APD that it was previously approved and we will review the expired file for information which will help expedite the processing.

If you have any questions, please contact Jim Amos at (575) 234-5909.

Sincerely,

Cody Layton

Assistant Field Manager, Lands & Minerals

of Aloy

cc: NMOCD I & E