

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

Form C-101
Revised December 16, 2011

HOBBS OCD Energy Minerals and Natural Resources

Oil Conservation Division

Permit

JUL 16 2013

1220 South St. Francis Dr.

Santa Fe, NM 87505

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 API Number 30-025-41374
⁴ Property Code 40108	⁵ Property Name Guadalupe State Com	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	25	17S	36E		100	South	2280	West	Lea

⁸ Pool Information

Midway; Bone Spring	46310
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Additional Well Information

⁹ Work Type New Well	¹⁰ Well Type Oil	¹¹ Cable/Rotary Rotary	¹² Lease Type State	¹³ Ground Level Elevation 3806'
¹⁴ Multiple No	¹⁵ Proposed Depth TVD: 9800' / MD: 14,800'	¹⁶ Formation Bone Spring	¹⁷ Contractor TBD	¹⁸ Spud Date TBD
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

¹⁹ Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	17 1/2"	13 3/8"	54.5#	1800'	1400	0'
Intermediate	12 1/4"	9 5/8"	36#	3300'	1000	0'
Production	7 7/8"	5 1/2"	17#	14,800'	2300	2300'

Casing/Cement Program: Additional Comments

This will be a horizontal well w/BHL Unit D, Sec. 25, T-17S, R-36E, 240' FNL & 2280' FWL in Lea County.

Proposed Blowout Prevention Program

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

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

I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature: Pam Stevens

Printed name: Pam Stevens

Title: Regulatory Analyst

E-mail Address: pstevens@bcoperating.com

Date: 07/12/13

Phone: 432-684-9696

OIL CONSERVATION DIVISION

Approved By:



Title: Petroleum Engineer

Approved Date: 09/05/13

Expiration Date: 09/05/15

CONDITION OF APPROVAL: Approval for Drilling ONLY. CANNOT produce without the OCD Santa Fe approval for Non-Standard Location.

SEP 09 2013

PM