

11/28/07 DATE IN	SUSPENSE	Brooks ENGINEER	11/28/07 LOGGED IN	NSL TYPE	PKUR0733241602 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



BC Operating, INC
Cambio 31 #1
5737

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

Title

Date

e-mail Address

BC OPERATING, INC.

P.O. Box 50820
Midland, Texas 79710

RECEIVED
303 Veterans Air Park Lane, Suite 600
Midland, Texas 79705
2007 NOV 28 AM 11:11
(432) 684-9696
Fax (432) 686-0600

November 27, 2007

Oil Conservation Division
1220 South St. Francis Dr
Santa Fe, New Mexico 87505

Attn: Will Jones

RE: Cambio 31 #1; Lea County; API # 30-025-36480

Dear Mr. Jones,

BC Operating is requesting a non-standard location for the above mentioned well. We re-entered this well permitting it in the Edison: Morrow, North (Gas) Pool. The Morrow was unsuccessful and we plugged back to the Townsend Permo Upper Penn (59847) Pool. This pool is 40 acre spacing and per the statewide rules, we can only be 330' from the quarter-quarter of the section and our location is 1230' FNL making us only 90' from the south quarter-quarter.

I have enclosed a quarter mile radius map showing that there are not other offset wells.

Please contact me at 432.684.9696 x 216 if you should have any questions.

Sincerely,



Pam Botkin
Engineering Tech

Cc: District Office – Donna Mull
Well file

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies
☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-36480	² Pool Code 59847	³ Pool Name Townsend Permo Upper Penn
⁴ Property Code 36465	⁵ Property Name Cambio 31	⁶ Well Number 1
⁷ OGRID No. 160825	⁸ Operator Name BC Operating	⁹ Elevation 4015

¹⁰ Surface Location

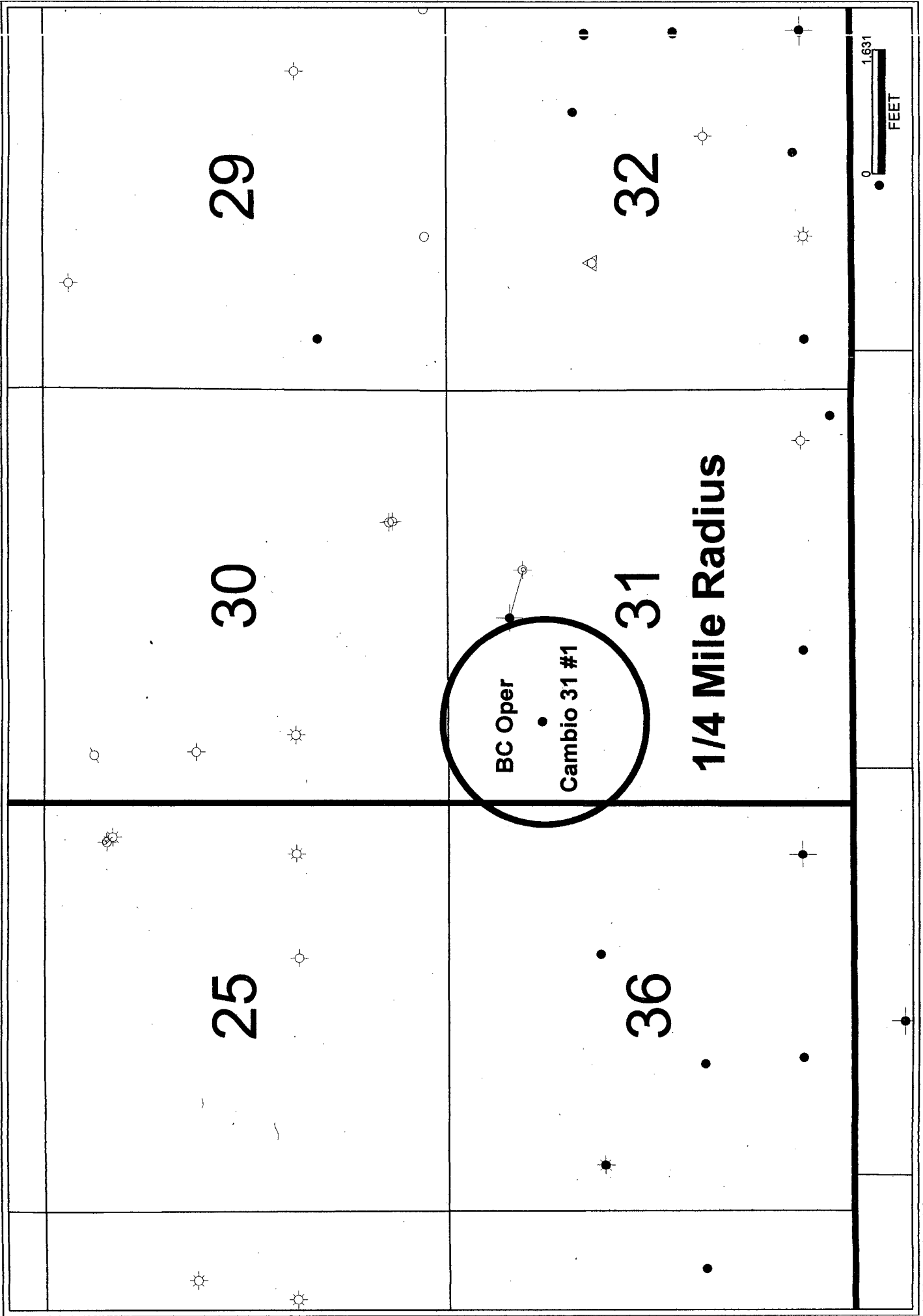
UL or lot no. D	Section 18	Township 15S	Range 35E	Lot Idn	Feet from the 1230	North/South line North	Feet from the 1054	East/West line West	County Lea
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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				¹⁷ OPERATOR CERTIFICATION <i>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.</i> <i>Pam Botkin</i> 11/27/07 Signature Date Pam Botkin Printed Name	
				¹⁸ SURVEYOR CERTIFICATION <i>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.</i>	
				Date of Survey Signature and Seal of Professional Surveyor:	
				Certificate Number	



Brooks, David K., EMNRD

From: Pam Botkin [pbotkin@usaonline.net]
Sent: Wednesday, December 05, 2007 8:56 AM
To: Brooks, David K., EMNRD
Cc: Jaron Simon
Subject: Cambio 31 #1 Non-standard Location

December 5, 2007

Dear Mr. Brooks,

After speaking with you this morning, you needed to know about the ownership of the 40 acres to south of our Cambio well.

BC Operating owns 320 acres in the north $\frac{1}{2}$ of Sec 31, T15S, R35E of Lea County. This would include the 40 acres that the Cambio well is in and the 40 acres to the south of the Cambio 31 #1 well.

I was looking over the C-102 that I sent to you and noticed that I mistakenly stated that the well was in Section 18, it is in Section 31 of T15S,R35E. I apologize for any confusion this may have caused.

We have shut-in this well pending approval of the Non-standard location and your prompt attention will be greatly appreciated. If you have any other questions or concerns please let me know.

Sincerely,
Pam Botkin
Engineering Tech

Pam Botkin

BC Operating
432.684-9696 (Ext 216)

This inbound email has been scanned by the MessageLabs Email Security System.

12/8/2007