

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF KEY ENERGY SERVICES, LLC
FOR APPROVAL OF A SALT WATER DISPOSAL
WELL, EDDY COUNTY, NEW MEXICO.
CASE NO. 15322**

EXHIBITS FOR

BC  PERATING, INC.

Crown Oil Partners V, LP

Crump Energy Partners II, LLC

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
1009 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
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

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 313724	⁴ Property Name Airport 36 State	⁵ Well No. 1

⁶ Surface Location									
UL - Lot P	Section 36	Township 22S	Range 26E	Lot Idn	Feet from 330	N/S Line South	Feet From 330	E/W Line East	County Eddy

⁷ Proposed Bottom Hole Location									
UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

⁸ Pool Information	
Pool Name Carlsbad; Wolfcamp, South (Gas)	Pool Code 74200

⁹ Additional Well Information				
¹¹ Work Type New Well	¹² Well Type Gas	¹³ Cable/Rotary Rotary	¹⁴ Lease Type State	¹⁵ Ground Level Elevation 3209'
¹⁶ Multiple No	¹⁷ Proposed Depth 11,000'	¹⁸ Formation Wolfcamp	¹⁹ Contractor TBD	²⁰ Spud Date 01/01/2015
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	17 1/2"	13 3/8"	54.5#	900'	980	0'
Intermediate	12 1/4"	9 5/8"	40#	5300'	1650	0'
Production	8 3/4"	5 1/2"	17#	11,000'	2500	5100'

²² Casing/Cement Program: Additional Comments

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: <i>Pam Stevens</i> Printed name: Pam Stevens Title: Regulatory Analyst E-mail Address: pstevens@bcoperating.com Date: 09/22/2014 Phone: 432-684-9696	OIL CONSERVATION DIVISION	
	Approved By: <i>T. C. Shepard</i>	
	Title: "Geologist"	
	Approved Date: <i>9-22-2014</i> Expiration Date: <i>9-22-2016</i>	
	Conditions of Approval Attached	

NSL Required pr.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 1
Submitted by: BC OPERATING, INC.
Hearing Date: July 23, 2015

NM OIL CONSERVATION
ARTESIA DISTRICT

SEP 22 2014

District I
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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 30-015-42666		² Pool Code 74200	³ Pool Name CARLSBAD; WOLFCAMP, SOUTH (GAS)
⁴ Property Code 313724	⁵ Property Name AIRPORT 36 STATE		⁶ Well Number 1
⁷ OGRID No. 160825	⁸ Operator Name B.C. OPERATING, INC.		⁹ Elevation 3209

" Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	36	T22S	R26E		330'	SOUTH	330'	EAST	EDDY

" 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

¹⁰ Dedicated Acres 320.00	¹¹ Joint or Infill	¹² Consolidation Code	¹³ 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.

<p>CORNER COORDINATES NAD 83, SPCS NM EAST A - Y: 493200.20' / X: 568161.72' B - Y: 493139.71' / X: 570884.53' C - Y: 487843.47' / X: 570881.56' D - Y: 487840.96' / X: 568227.81' NAD 27, SPCS NM EAST A - Y: 493141.05' / X: 526980.15' B - Y: 493080.53' / X: 529702.93' C - Y: 487784.43' / X: 529699.85' D - Y: 487781.96' / X: 527046.14'</p>	<p>SURFACE HOLE LOCATION NAD 83, SPCS NM EAST X: 570551.88 / Y: 488173.04' LAT: 32.34202353N / LON: 104.23873696W NAD 27, SPCS NM EAST X: 488114.00' / Y: 529370.19' LAT: 32.34190532N / LON: 104.23823463W</p>	<p>" 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 undivided 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.</p> <p><i>Pam Stevens</i> 9/18/14 Signature Date</p> <p><i>Pam Stevens</i> Printed Name</p> <p><i>pstevens@bcoperating.com</i> E-mail Address</p>
		<p>" 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.</p> <p>SEPTEMBER 18, 2014 Date of Survey</p> <p><i>Lloyd P. Short</i> Signature and Seal of Professional Surveyor</p> <p><i>Lloyd P. Short</i> Certificate Number</p>

