

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

Energy Minerals and Natural Resources

HOBBS OCD

Oil Conservation Division

Permit

JAN 25 2013

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address BC Operating, Inc. P.O. Box 50820 Midland, Texas 79710		<sup>2</sup> OGRID Number 160825
<sup>4</sup> Property Code 39661	<sup>3</sup> Property Name South Lynch	<sup>5</sup> API Number 30025-40991
		<sup>6</sup> Well No. 1H

<sup>7</sup> Surface Location

UL - Lot E	Section 28	Township 20S	Range 34E	Lot Idn	Feet from 1980	N/S Line North	Feet From 160	E/W Line West	County Lea
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<sup>8</sup> Pool Information

Lea; Bone Spring, South	37580
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Additional Well Information

<sup>9</sup> Work Type New Well	<sup>10</sup> Well Type Oil	<sup>11</sup> Cable/Rotary Rotary	<sup>12</sup> Lease Type Fee	<sup>13</sup> Ground Level Elevation 3691'
<sup>14</sup> Multiple No	<sup>15</sup> Proposed Depth 11,100' TVD/15,500' MD	<sup>16</sup> Formation Bone Spring	<sup>17</sup> Contractor TBD	<sup>18</sup> Spud Date 03/15/2013
Depth to Ground-water		Distance from nearest fresh water well		Distance to nearest surface water

<sup>19</sup> 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#	1700'	1650	0'
Intermediate	12 1/4"	9 5/8"	40#	5300'	1650	1000'
Production	8 3/4"	5 1/2"	17#	15,500'	2800	0'

Casing/Cement Program: Additional Comments

This will be a horizontal well w/BHL Unit H, Sec. 28, T-20S, R-34E, 1980' FNL & 330' FEL in Lea County.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Date Underway
Double Ram Annular	3000#	2000#	Hydrill/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@bcooperating.com

Date: 01/23/13

Phone: 432-684-9696

OIL CONSERVATION DIVISION

Approved By:

Title: Petroleum Engineer

Approved Date: 02/11/13

Expiration Date:

Permit Expires 2 Years From Approval  
Date Underway