

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

MAR 27 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
⁴ Property Code 39782	³ Property Name Sims State Com	⁵ API Number 30-025-41077
		⁶ Well No. 2H

⁷ Surface Location

UL - Lot C	Section 34	Township 20S	Range 35E	Lot Idn	Feet from 160	N/S Line South	Feet From 1980	E/W Line West	County Lea
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⁸ Pool Information

Grama Ridge; Bone Spring, North	28434
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Additional Well Information

⁹ Work Type New Well	¹⁰ Well Type Oil	¹¹ Cable/Rotary Rotary	¹² Lease Type Fee State	¹³ Ground Level Elevation 3700'
¹⁴ Multiple No	¹⁵ Proposed Depth 10,250' TVD/15,000' MD	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#	1850'	1450	0'
Intermediate	12 1/4"	9 5/8"	36#	5700'	1250	0'
Production	8 3/4"	5 1/2"	17#	15,000'	2000	0'

Casing/Cement Program: Additional Comments

This will be a horizontal well w/BHL Unit N, Sec. 34, T-20S, R-35E, 240' FNL & 1980' 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: 03/25/13

Phone: 432-684-9696

OIL CONSERVATION DIVISION

Approved By:

Title:

Approved Date:

Expiration Date:

3-28-2013

3-28-2015

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1301 W. Grand Avenue, Artesia, NM 88210

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State of New Mexico
HOBBS OGD Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
MAR 27 2013 South St. Frances Dr.
Santa Fe, NM 87505

RECEIVED

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

API Number 30025-41077	Pool Code 28434	Pool Name Grama Ridge; Bone Spring, North
Property Code 39782	Property Name SIMS State Com	Well Number 2-H
OGRID No. 160825	Operator Name BC OPERATING, INC.	Elevation 3700'

Surface Location

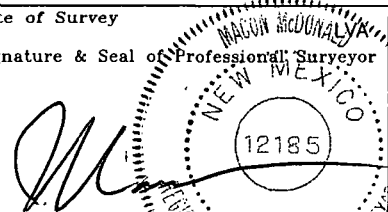
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	34	20-S	35-E		160	SOUTH	1980	WEST	LEA

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
N	34	20-S	35-E		240	NORTH	1980	WEST	LEA

Dedicated Acres 160	Joint or Infill	Consolidation Code	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

<div>1980'</div> <div>240'</div> <div>(BHL)</div> <div>Plane Coordinate X = 773,217.0 Y = 559,881.7</div> <div>N 0°29'16" W - 4887.7'</div> <div>160'</div> <div>1980'</div> <div>#2-H (SL)</div>	<div>NOTE:</div> <div>1) Plane Coordinates and Bearings shown hereon are Transverse Mercator Grid and Conform to the "New Mexico Coordinate System", New Mexico East Zone, North American Datum of 1927. Distances shown hereon are mean horizontal surface values.</div>	<div>OPERATOR CERTIFICATION</div> <div>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.</div> <div><u>Pam Stevens</u> 3/25/13 Signature Date</div> <div><u>Pam Stevens</u> Printed Name</div> <div>SURVEYOR CERTIFICATION</div> <div>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.</div> <div>March 19, 2013</div> <div>Date of Survey</div> <div>Signature & Seal of Professional Surveyor</div> <div></div> <div>W.O. Num. 2013-0454</div> <div>Certificate No. MACON McDONALD 12185</div>
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