

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 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 Rd., Aztec, NM 87410
Phone:(505) 334-8178 Fax:(505) 334-8170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 228535

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, TX 79710		2. OGRID Number 160825
4. Property Code 317096		3. API Number 30-015-43960
5. Property Name BLACK RIVER 15-10 STATE COM B1		6. Well No. 003H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
O	15	24S	27E	o	105	S	2312	E	Eddy

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	10	24S	27E	B	330	N	2310	E	Eddy

9. Pool Information

BLACK RIVER; WOLFCAMP, EAST (G)	97442
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Additional Well Information

11. Work Type New Well	12. Well Type GAS	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3228
16. Multiple N	17. Proposed Depth 14500	18. Formation Wolfcamp	19. Contractor	20. Spud Date 1/2/2017
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
Surf	17.5	13.375	48	400	500	0
Int1	12.25	9.625	36	2350	800	0
Prod	8.75	7	26	10000	950	0
Liner1	6.125	4.5	13.5	14500	250	9500

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	CAMERON

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.

Signature:

Printed Name: Electronically filed by Sarah Presley

Title: Regulatory Analyst

Email Address: spresley@bcoperating.com

Date: 11/10/2016

Phone: 432-684-9696

OIL CONSERVATION DIVISION

Approved By: Paul Kautz

Title: Geologist

Approved Date: 11/22/2016

Expiration Date: 11/22/2018

Conditions of Approval Attached

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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		² Pool Code 97442		³ Pool Name BLACK RIVER, WOLFCAMP (GAS)	
⁴ Property Code		⁵ Property Name BLACK RIVER 15-10 STATE COM B1			⁶ Well Number 3H
⁷ OGRID No. 160825		⁸ Operator Name B.C. OPERATING, INC.			⁹ Elevation 3228'
¹⁰ Surface Location					
UL or lot no. 0	Section 15	Township T24S	Range R27E	Lot Idn	Feet from the 105'
				North/South line SOUTH	Feet from the 2312'
				East/West line EAST	County EDDY
¹¹ Bottom Hole Location If Different From Surface					
UL or lot no. B	Section 10	Township T24S	Range R27E	Lot Idn	Feet from the 330'
				North/South line NORTH	Feet from the 2310'
				East/West line EAST	County EDDY
¹² Dedicated Acres 640.00		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.

SECTION 4		SECTION 3		SECTION 2	
SECTION 9		SECTION 10		SECTION 11	
LAST TAKE POINT/BOTTOM HOLE LOCATION 330' FSL 2310' FEL NAD 83, SPCS NM EAST X589515.22' / Y450406.84' LAT32.23814827N / LON104.17751132W NAD 27, SPCS NM EAST X548332.46' / Y450348.53' LAT32.23802847N / LON104.17701434W		A		B	
FIRST TAKE POINT 330' FSL 2310' FEL NAD 83, SPCS NM EAST X589562.75' / Y440482.25' LAT32.21086639N / LON104.17740420W NAD 27, SPCS NM EAST X548379.83' / Y440484.12' LAT32.21074623N / LON104.17690794W		330'		330'	
SECTION 9		SECTION 10		SECTION 11	
SECTION 16		SECTION 15		SECTION 14	
SURFACE HOLE LOCATION 205' FSL 2312' FEL NAD 83, SPCS NM EAST X589558.34' / Y440257.32' LAT32.21024818N / LON104.17741950W NAD 27, SPCS NM EAST X548375.42' / Y440199.20' LAT32.21012793N / LON104.17692326W		330'		330'	
CORNER COORDINATES NAD 83, SPCS NM EAST A - Y: 450743.64' / X: 589192.43' B - Y: 450689.80' / X: 591823.83' C - Y: 440114.53' / X: 591868.86' D - Y: 440159.23' / X: 589132.63'		D		C	
SECTION 16		SECTION 15		SECTION 14	
SECTION 21		SECTION 22		SECTION 23	
CORNER COORDINATES NAD 27, SPCS NM EAST A - Y: 450685.32' / X: 548009.70' B - Y: 450630.45' / X: 550641.05' C - Y: 440056.38' / X: 550685.89' D - Y: 440101.12' / X: 547949.72'		105'		330'	
		SHL		2310'	
				2312'	

17 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 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 hereinafter entered by the division.

Signature: *Sarah Presley* Date: 11-10-16
Printed Name: Sarah Presley
E-mail Address: spresley@bcooperating.com

18 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.

OCTOBER 04, 2016
Date of Survey
Signature and Seal of Professional Surveyor: *Lloyd P. Short*
Certificate Number: 21653
LLOYD P. SHORT
NEW MEXICO
PROFESSIONAL SURVEYOR

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Form APD Comments

Permit 228535

PERMIT COMMENTS

Operator Name and Address: BC OPERATING, INC. [160825] P O Box 50820 Midland, TX 79710	API Number: 30-015-43960
	Well: BLACK RIVER 15-10 STATE COM B1 #003H

Created By	Comment	Comment Date
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Form APD Conditions

Permit 228535

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: BC OPERATING, INC. [160825] P O Box 50820 Midland, TX 79710	API Number: 30-015-43960
	Well: BLACK RIVER 15-10 STATE COM B1 #003H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	Pit construction and closure must satisfy all requirements of your approved plan.
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing -- 3) Liner - Cement must tie back into production casing
pkautz	Operator shall notify appropriate District office when setting conductor pipe.
pkautz	The Operator is to notify NMOCD by sundry within ten (10) days of spudding a well.
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs.
pkautz	If an APD expires and if site construction has occurred, site remediation is required.
pkautz	Submit Gas Capture Plan form prior to spudding or initiating recompletion operations