

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED  
OMB No. 1004-0137  
Expires July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.**

<b>SUBMIT IN TRIPLICATE – Other instructions on page 2.</b>		7. If Unit of CA/Agreement, Name and/or No.
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	AUG 27 2008	8. Well Name and No. Robinia Draw Federal #1
2. Name of Operator BC Operating, Inc.	OCD-ARTESIA	9. API Well No. 30-015-26097
3a. Address P O. Box 50820 Midland, Texas 79710	3b. Phone No. (include area code) 432-684-9696	10. Field and Pool or Exploratory Area Bandana Point; Strawn, South (Gas)
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2310' FSL & 990' FWL, Sec 4, T23S, R24E		11. Country or Parish, State Eddy, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	down hole commingle
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

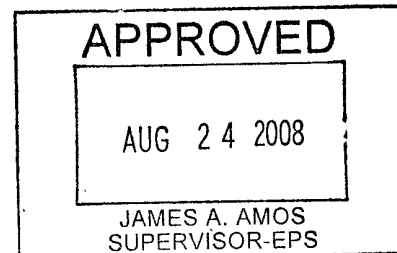
BC Operating, Inc. plans to down hole commingle the Strawn and Upper Penn formations in the subject well. The attached application will be submitted to the NMOCD for approval to complete this work.

**SUBJECT TO LIKE  
APPROVAL BY STATE**

ACCEPTED FOR RECORD

AUG 28 2008

Gerry Guye, Deputy Field Inspector  
NMOCD-District II ARTESIA



14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Jason Wacker		Title Petroleum Engineer
Signature <i>Jason Wacker</i>		Date 08/12/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

District I

1625 N French Drive, Hobbs NM 88240

District II

1401 W Grand Avenue Artesia NM 88210

District III

1716 Rio Bravo Road, Aztec NM 87410

District IV

1220 S St Francis Dr Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources DepartmentForm C-107A  
Revised June 10, 2003**Oil Conservation Division**1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

APPLICATION TYPE

X Single Well       Establish Pre-Approved Pools

EXISTING WELLBORE

X Yes        No**APPLICATION FOR DOWNHOLE COMMINGLING**BC Operating, Inc.  
OperatorP.O. Box 50820, Midland, Texas 79710  
Address

Robinia Draw Federal

#1

L-4-23S-24E

Eddy

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 160825 Property Code 303760 API No. 30-015-26097 Lease Type: X Federal        State        Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Bandana Point; Upper Penn (Gas)		Bandana Point; Strawn, South (Gas)
Pool Code	71500		71490
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	8402' - 8412'		9342' - 9354'
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	58.9° API		1055 BTU
Producing, Shut-In or New Zone	Shut In		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 9/1/1999 Rates: 0.1 BOPD, 58 MCFD	Date: Rates:	Date: 7/1/2008 Rates: 0 BOPD, 34 MCFD
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 100% 63%	Oil Gas % %	Oil Gas 0% 37%

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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**

<sup>1</sup> API Number 30-015-26097	<sup>2</sup> Pool Code 71500	<sup>3</sup> Pool Name Bandana Point; Upper Penn (Gas)
<sup>4</sup> Property Code 303760	<sup>5</sup> Property Name Robinia Draw Federal	<sup>6</sup> Well Number 1
<sup>7</sup> OGRID No. 160825	<sup>8</sup> Operator Name BC Operating, Inc.	<sup>9</sup> Elevation 4122'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	4	23S	24E		2310	South	2310	West	Eddy

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill N	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

<div><p>16</p><p>YATES PETROLEUM</p><p>NM 76945</p><p>NM 54839</p><p>BC OPERATING</p><p>990'</p><p>2310'</p></div>	<p><sup>17</sup> <b>OPERATOR CERTIFICATION</b></p> <p>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.</p> <p><i>Jason Wacker</i> 8/11/2008 Signature Date</p> <p>Jason Wacker Printed Name</p>
	<p><sup>18</sup> <b>SURVEYOR CERTIFICATION</b></p> <p>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>Date of Survey Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

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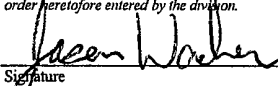
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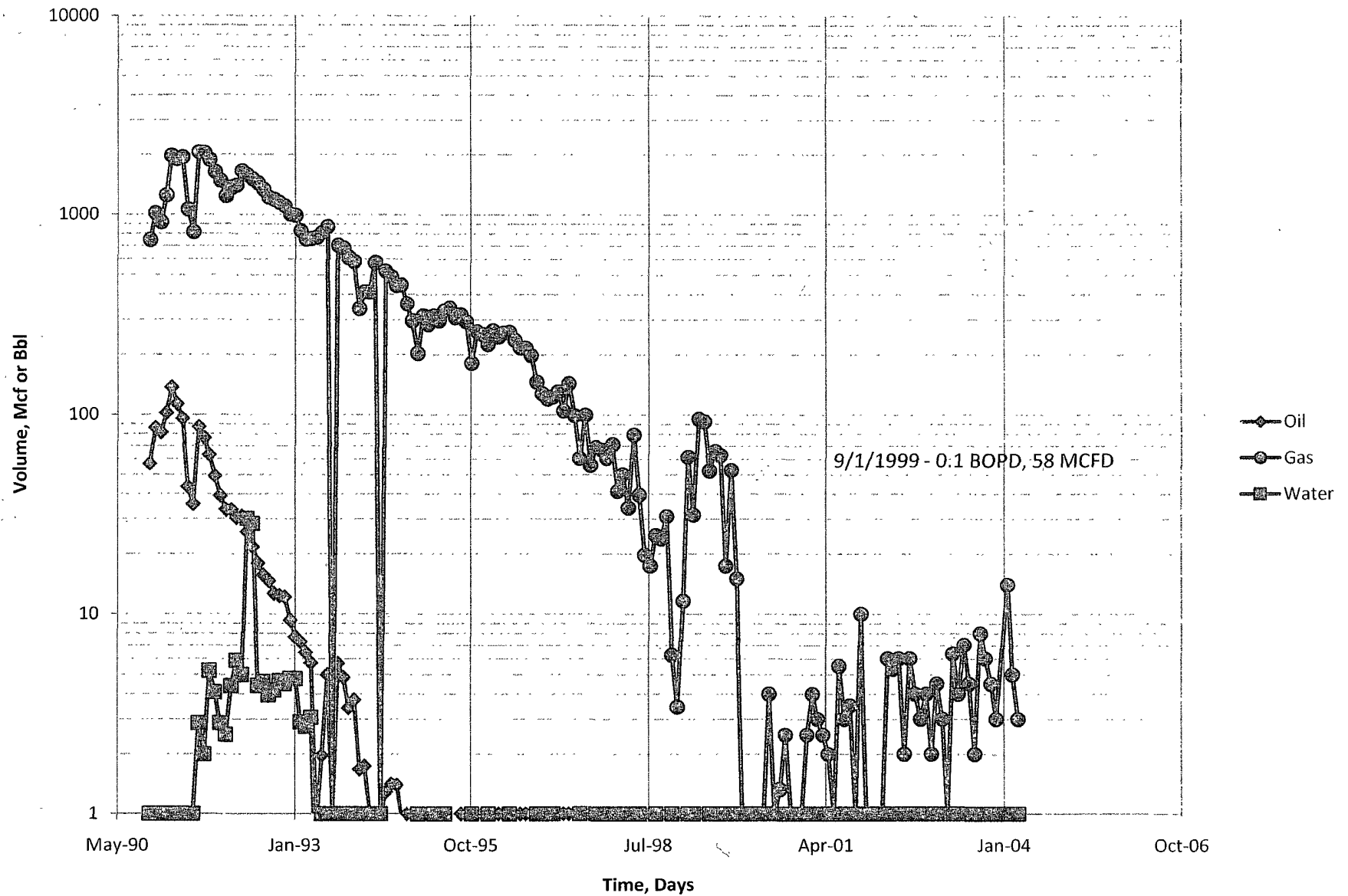
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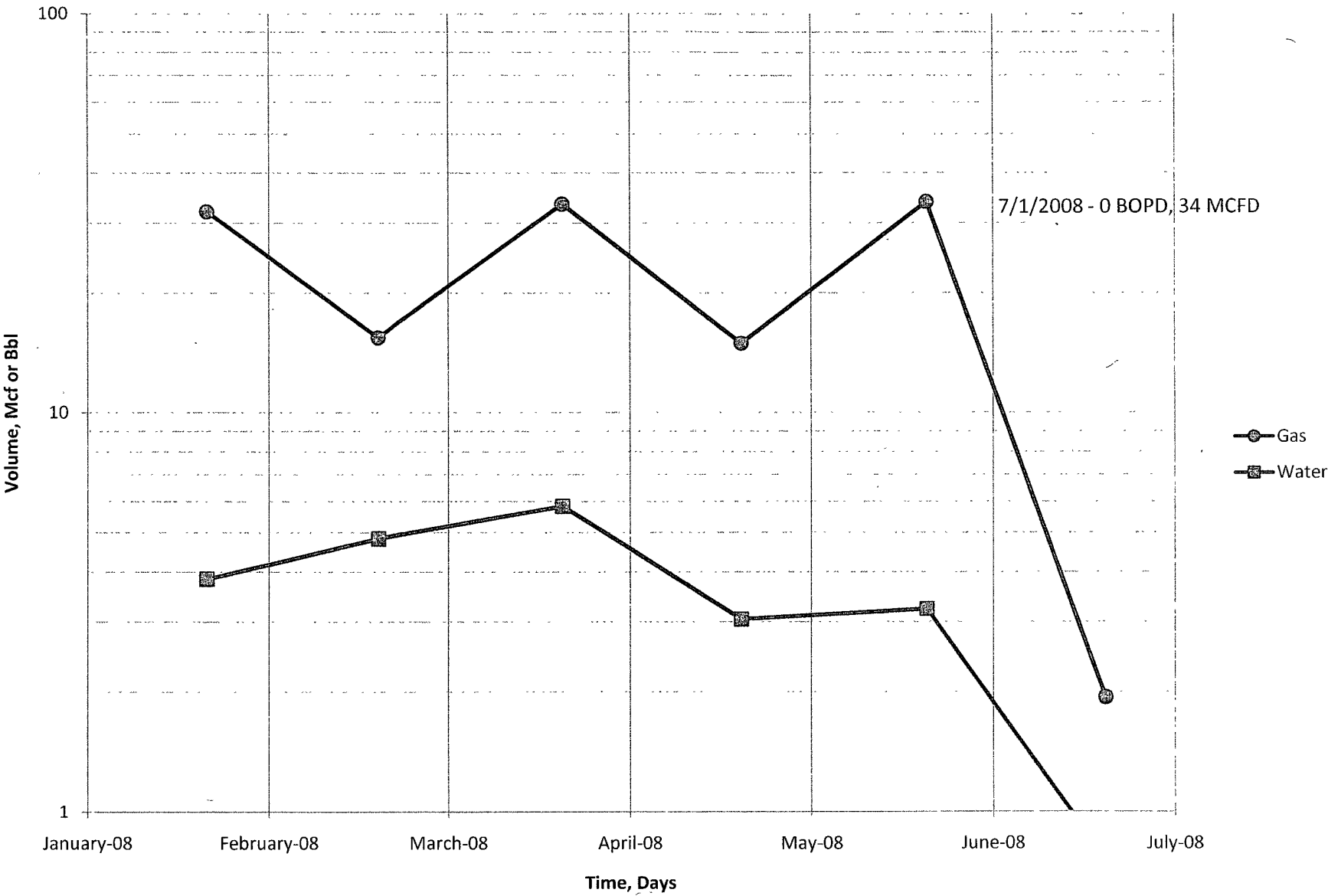
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# Robinia Draw Federal #1 - Upper Penn



Robinia Draw Federal #1 - Strawn



# Robinia Draw Federal #1

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## Down Hole Commingling Allocation Method

### Gas Production

Upper Penn gas production 9/1/1999 =	58 MCFD	(63% of total)
Strawn gas production 7/1/2008 =	34 MCFD	(37 % of total)
Total gas production from both zones =	92 MCFD	(100% of total)

### Oil Production

Upper Penn oil production 9/1/1999 =	0.1 BOPD	(100% of total)
Strawn oil production 7/1/2008 =	0 BOPD	(0 % of total)
Total oil production from both zones =	0.1 BOPD	(100% of total)

Note: The Strawn formation in this well has not produced any oil since completion. All future oil production will be booked to the Upper Penn formation.