

District I
1625 W. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 87410

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
June 16, 2008

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ 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, TX 79710		² OGRID Number 160825
³ Property Code 35684	³ Property Name Rustler Bluff	³ API Number 30-015-38304
⁹ Proposed Pool 1 Willow Lake, Delaware		¹⁰ Proposed Pool 2

⁷ Surface Location									
UL or lot no. M	Section 6	Township 25 S	Range 29 E	Lot Idn	Feet from the 660'	North/South line South	Feet from the 660'	East/West line West	County Eddy

⁸ Proposed 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

Additional Well Information				
¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code State	¹⁵ Ground Level Elevation 2907'
¹⁶ Multiple No	¹⁷ Proposed Depth 7300'	¹⁸ Formation Delaware	¹⁹ Contractor TBA	²⁰ Spud Date TBA

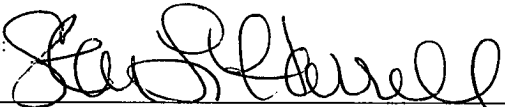
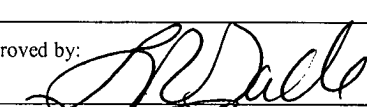
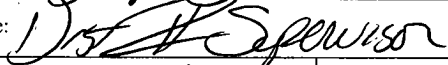
²¹ Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	32#	660'	600 sx	Surface
7 7/8"	5 1/2"	15.5#	7300'	700 sx	1000'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Mud Program: 0 to 660'
FW/Spud Mud
8.6 to 9.2 ppg

660' to 7300'
Gel/Starch
10 to 10.1 ppg

Bope Program: A 5000# bope will be installed on the 8-5/8" casing and tested daily.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: 		Approved by: 	
Printed name: Star L. Harrell		Title: 	
Title: Regulatory Analyst		Approval Date: 12/8/2010	
E-mail Address: sharrell@blackoakres.com		Expiration Date:	
Date: 12/3/10	Phone: (432) 684-9696 X 253	Conditions of Approval Attached <input type="checkbox"/>	

KZ 12/7/10

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico

Form C-102

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

Energy, Minerals, and Natural Resources Department

Revised October 12, 2005

Submit to Appropriate District Office

OIL CONSERVATION DIVISION

State Lease - 4 copies

Fee Lease - 3 copies

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-38301	² Pool Code 64453	³ Pool Name WILLOW LAKE, DELAWARE
⁴ Property Code 35684	⁵ Property Name RUSTLER BLUFF	⁶ Well Number 6
⁷ GRID No. 160825	⁸ Operator Name BC OPERATING, INC.	⁹ Elevation 2907'

¹⁰Surface Location

UL or lot no. M	Section 6	Township 25 SOUTH	Range 29 EAST, N.M.P.M.	Lot Idn	Feet from the 660'	North/South line SOUTH	Feet from the 660'	East/West line WEST	County EDDY
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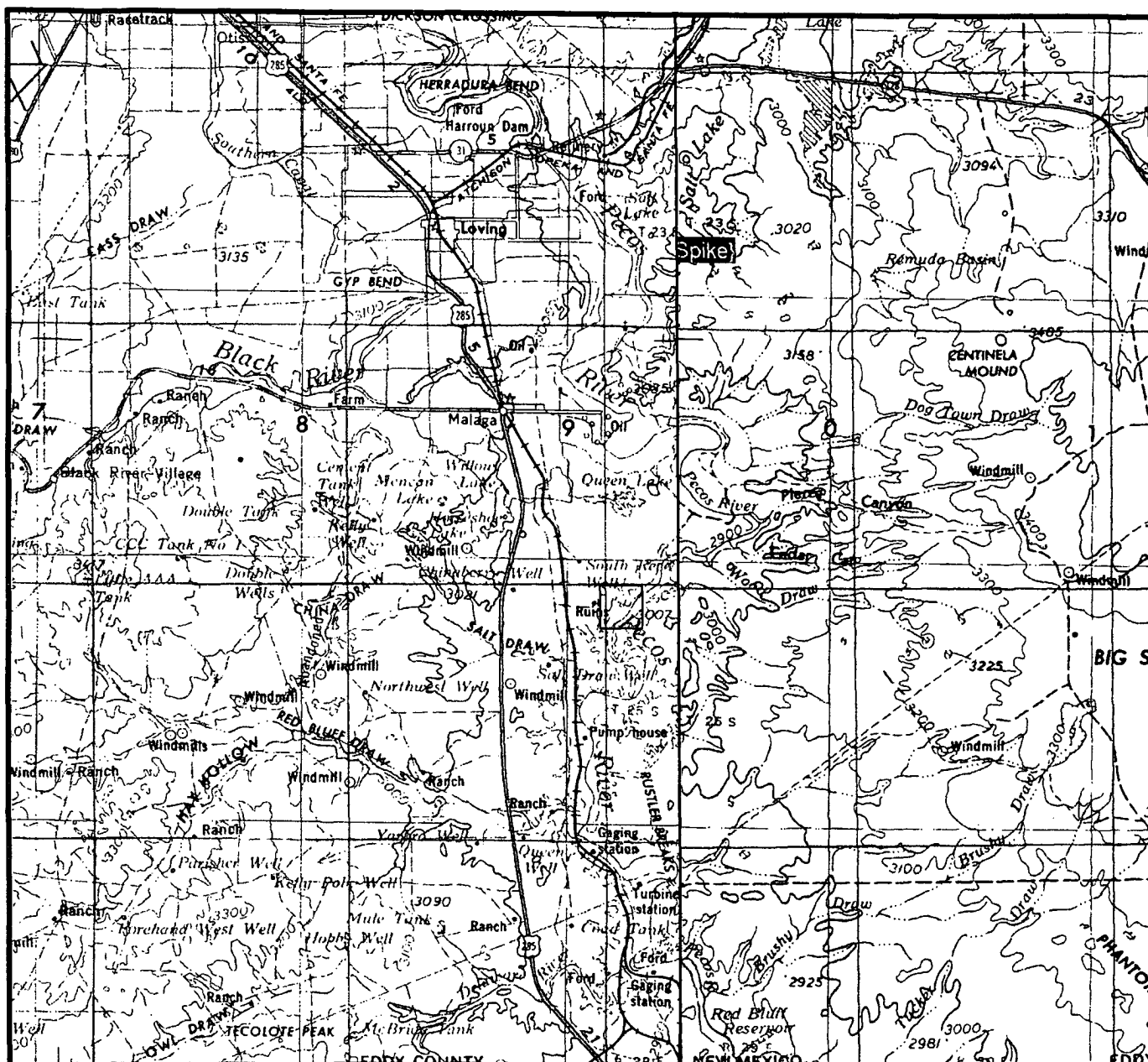
Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div>¹⁶ </div>	<div>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 heretofore entered by the division. Signature Date 12/3/10 STAR WARREN Printed Name</div> <div>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. 18329 NOVEMBER 20, 2009 Date of Survey Signature and Title of Professional Surveyor Certificate Number Michael Blake Brown P.S. #18329 JOB # 151032 / 24 NE / E.U.O.</div>
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VICINITY MAP



SECTION 6 TWP 25-S RGE 29-E

SURVEY NEW MEXICO PRINCIPAL MERIDIAN

COUNTY EDDY STATE NM

DESCRIPTION 660' FSL & 660' FWL

OPERATOR BC OPERATING, INC.

LEASE RUSTLER BLUFF #6

DISTANCE & DIRECTION FROM MALAGA GO SOUTH 4.0

MILES ON HWY. 285, THENCE EAST 1.0 MILES ON LEASE

ROAD, THENCE SOUTH 0.5 MILES, THENCE EAST 1.2 MILES

TO A POINT ±1000' NORTH OF THE LOCATION.

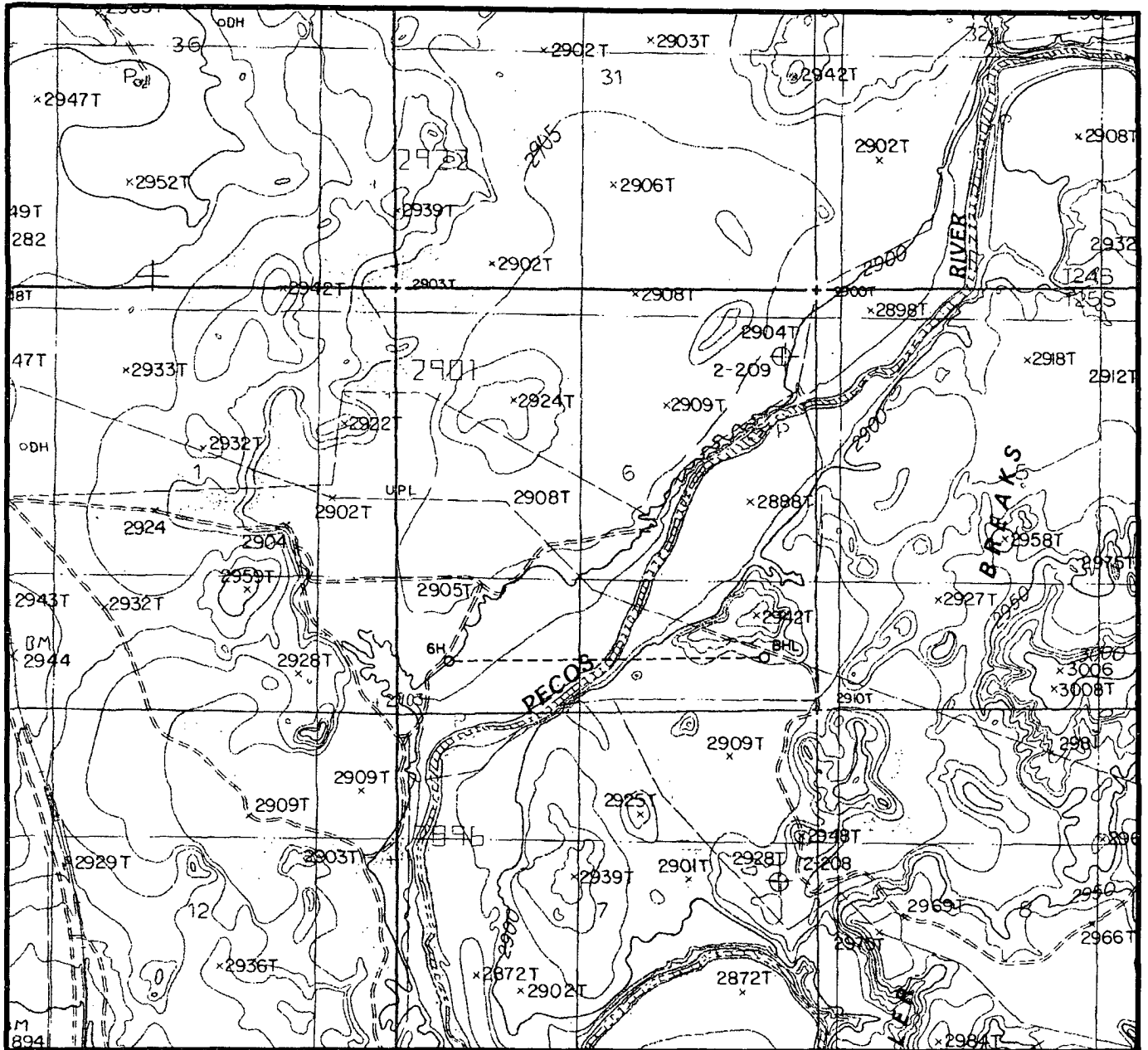


TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

2903 N. BIG SPRING
MIDLAND, TX. 79705
(800) 767-1653

LOCATION & ELEVATION VERIFICATION MAP



SCALE : 1" = 2000'

CONTOUR INTERVAL 10'

SECTION 6 TWP 25-S RGE 29-E

SURVEY NEW MEXICO PRINCIPAL MERIDIAN

COUNTY EDDY STATE NM

DESCRIPTION 660' FSL & 660' FWL

ELEVATION 2900'

OPERATOR BC OPERATING, INC.

LEASE RUSTLER BLUFF #6

U.S.G.S. TOPOGRAPHIC MAP
MALAGA, NEW MEXICO

SCALED LAT. LAT.: N 32°09'12.82"

LONG. LONG.: W 104°01'46.75"



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