

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 OGD Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

MAR 27 2013

RECEIVED

Permit

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
		³ API Number 30-025-41079
⁴ Property Code 39782	⁵ Property Name Sims State Com	⁶ Well No. 4H

7 Surface Location

UL - Lot A	Section 34	Township 20S	Range 35E	Lot Idn	Feet from 160	N/S Line South	Feet From 360	E/W Line East	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 3694'
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 P, Sec. 34, T-20S, R-35E, 240' FNL & 360' FWL in Lea County.

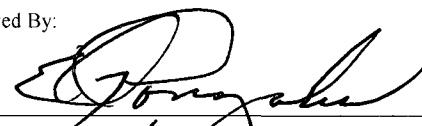
Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
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@bcoperating.com
Date: 03/25/13 Phone: 432-684-9696

OIL CONSERVATION DIVISION

Approved By: 
Title: Dist. MGR
Approved Date: 3-28-2013 Expiration Date: 3-28-2015

Permit Expires 2 Years From Approval Date Unless Drilling Underway

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

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1301 W. Grand Avenue, Artesia, NM 88210

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1000 Rio Brazos Rd., Aztec, NM 87410

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

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State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Frances 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

API Number 30-025-41079	Pool Code 28434	Pool Name Grama Ridge: Bone Spring, North
Property Code 39782	Property Name SIMS State Com	Well Number 4-H
OGRID No. 160825	Operator Name BC OPERATING, INC.	Elevation 3694'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	34	20-S	35-E		160	SOUTH	360	EAST	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
P	34	20-S	35-E		240	NORTH	360	EAST	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

NOTE: 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.				240' 360' (BHL) Plane Coordinate X = 776,161.0 Y = 559,906.9	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the 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><u>Pam Stevens</u> 3/25/13 Signature Date</p> <p><u>Pam Stevens</u> Printed Name</p> <p>SURVEYOR CERTIFICATION</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>March 19, 2013 Date of Survey</p> <p>Signature & Seal of Professional Surveyor <u>[Signature]</u> MACON McDONALD NEW MEXICO 12185</p> <p>W.O. Num. 2013-0456 Certificate No. MACON McDONALD 12185</p>