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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
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

JUL 09 2014

AMENDED REPORT

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-41960		² Pool Code 960	³ Pool Name AIRSTRIP; BONE SPRING
⁴ Property Code 313471	⁵ Property Name NIGHTHAWK STATE COM		⁶ Well Number 3H
⁷ OGRID No. 160825	⁸ Operator Name B.C. OPERATING, INC.		⁹ Elevation 3919

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	20	T18S	R35E		240'	SOUTH	2310'	EAST	LEA

¹¹ 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
0	29	T18S	R35E		240'	SOUTH	2110'	EAST	LEA

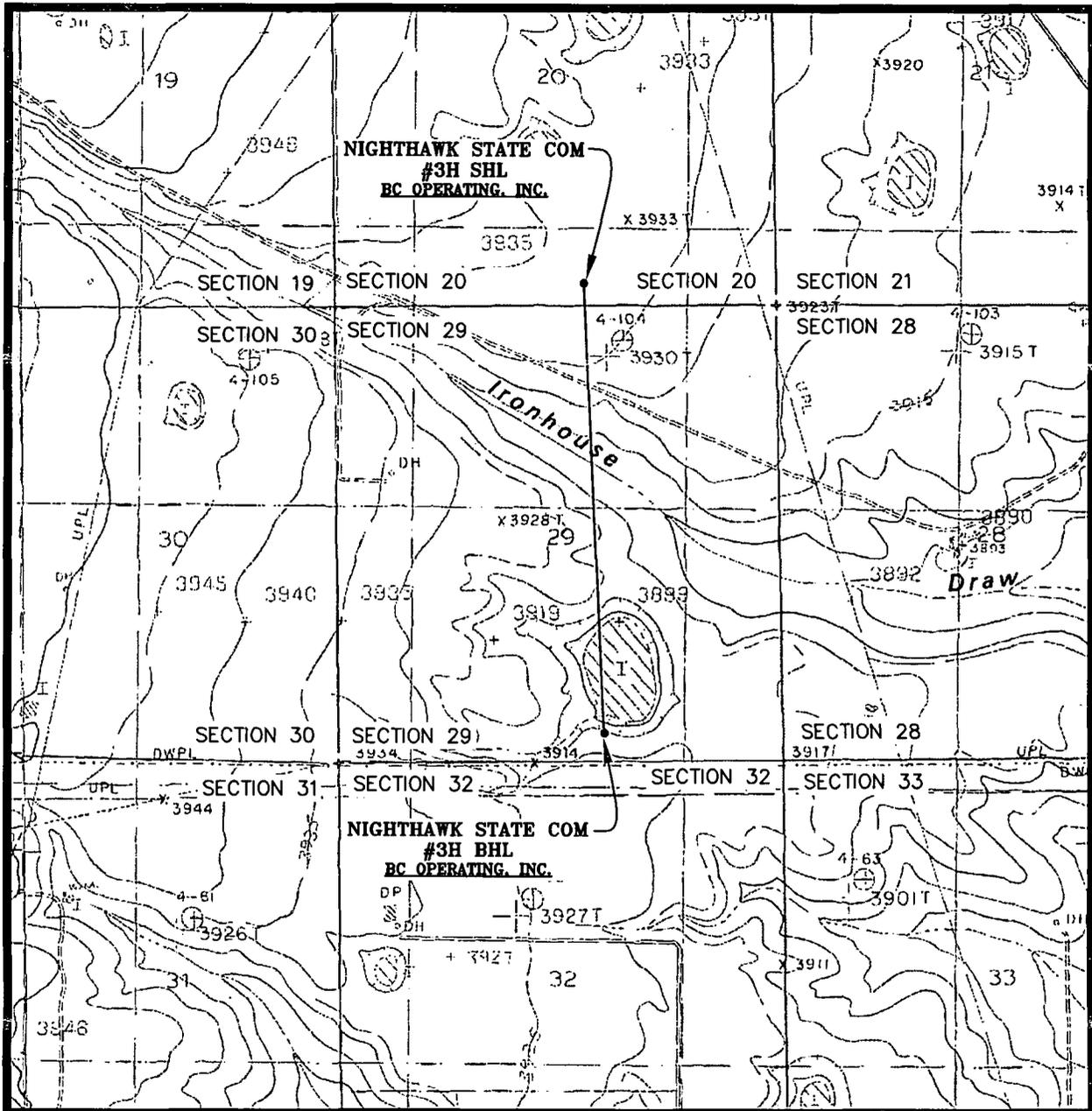
¹² Dedicated Acres 160.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶ SURFACE HOLE LOCATION NAD 83, SPCS NM EAST X: 804208.53' / Y: 629131.60' LAT: 32.72660771N / LON: 103.47853306W NAD 27, SPCS NM EAST X: 763028.90' / Y: 629067.28' LAT: 32.72648403N / LON: 103.47803946W		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. Pam Stevens 7/7/14 Signature Date Pam Stevens Printed Name pstevens@bcoperating.com E-mail Address	
SECTION 19 SECTION 20 SECTION 21 SECTION 30 SECTION 29 SECTION 28			
CORNER COORDINATES NAD 83, SPCS NM EAST A - Y: 628890.85' / X: 803873.36' B - Y: 628894.04' / X: 805197.07' C - Y: 623612.65' / X: 805246.54' D - Y: 623607.03' / X: 803923.30' NAD 27, SPCS NM EAST A - Y: 628826.53' / X: 762693.73' B - Y: 628829.77' / X: 764017.43' C - Y: 623548.53' / X: 764066.73' D - Y: 623542.87' / X: 762743.51'		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. JULY 2, 2014 Date of Survey Signature and Seal of Professional Surveyor: 	
BOTTOM HOLE LOCATION NAD 83, SPCS NM EAST X: 804457.54' / Y: 623849.30' LAT: 32.71208441N / LON: 103.47786206W NAD 27, SPCS NM EAST X: 763277.75' / Y: 623785.15' LAT: 32.71196074N / LON: 103.47736907W		SECTION 30 SECTION 29 SECTION 28 SECTION 31 SECTION 32 SECTION 33 Certificate Number LLOYD P. SHORT 21653	

JUL 14 2014

LOCATION VERIFICATION MAP

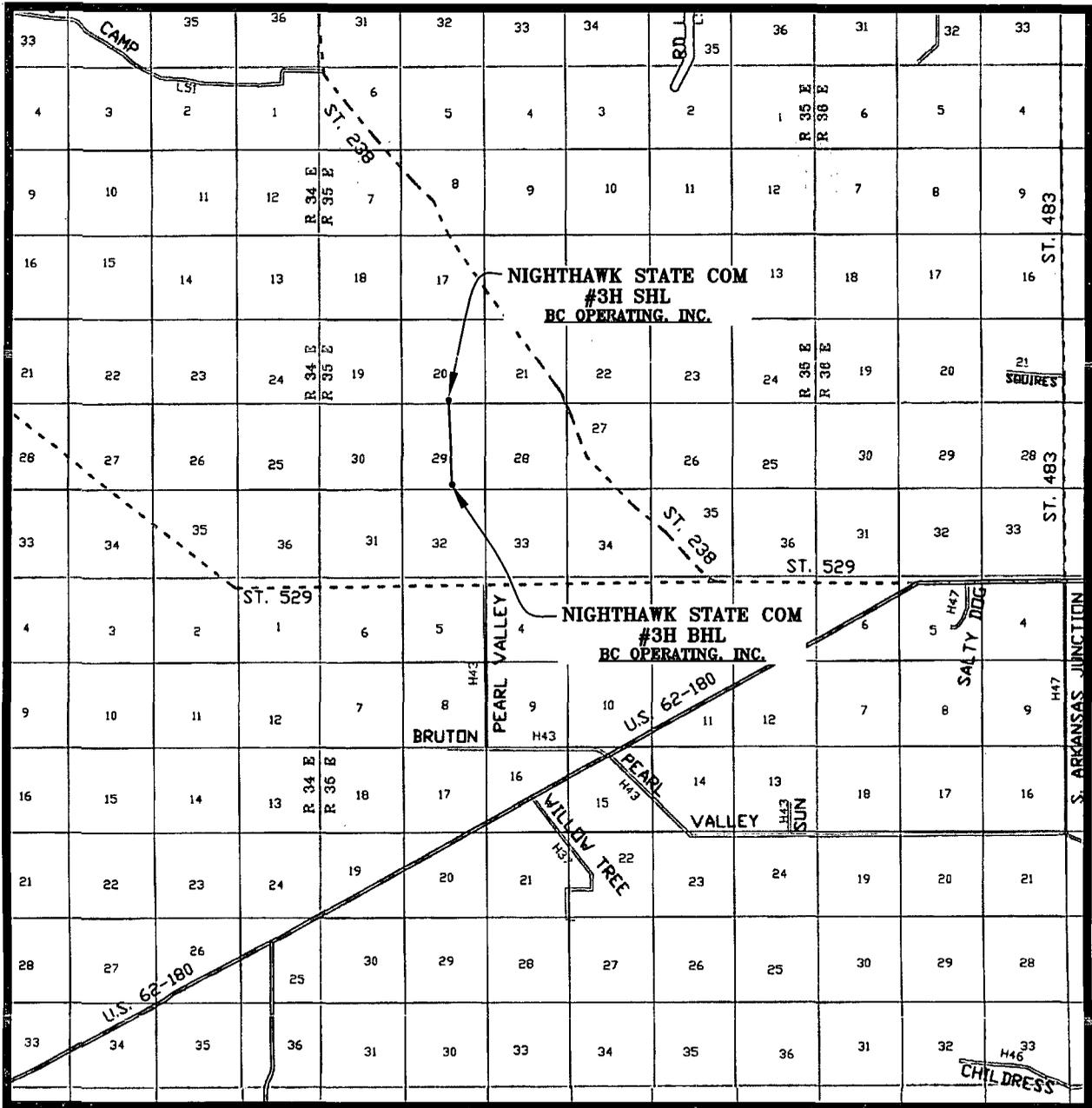


SEC. 20 TWP. 18-S RGE. 35-E
 SURVEY: N.M.P.M.
 COUNTY: LEA
 DESCRIPTION: 240' FNL & 2310' FEL
 ELEVATION: 3919'
 OPERATOR: B.C. OPERATING, INC.
 LEASE: NIGHTHAWK STATE COM
 U.S.G.S. TOPOGRAPHIC MAP: IRONHOUSE DRAW, N.M.

SCALE: 1" = 2000'
 CONTOUR INTERVAL = 5'

PREPARED BY:
 R-SQUARED GLOBAL, LLC
 1309 LOUISVILLE AVENUE, MONROE, LA 71201
 318-323-6900 OFFICE

VICINITY MAP



SEC. 20 TWP. 18-S RGE. 35-E
 SURVEY: N.M.P.M.
 COUNTY: LEA
 DESCRIPTION: 240' FNL & 2310' FEL
 ELEVATION: 3919'
 OPERATOR: B.C. OPERATING, INC.
 LEASE: NIGHTHAWK STATE COM
 U.S.G.S. TOPOGRAPHIC MAP: IRONHOUSE DRAW, N.M.

SCALE: 1" = 2 MILES

PREPARED BY:
 R-SQUARED GLOBAL, LLC
 1309 LOUISVILLE AVENUE, MONROE, LA 71201
 318-323-6900 OFFICE

BC Operating, Inc. Closed Loop System

Design Plan

Equipment List

- 2 – 414 MI Swaco *Centrifuges*
- 2 – MI Swaco 4 screen Moongoose *Shale Shakers*
- 2 – double screen *Shakers* with rig inventory
- 2 – CRI *Haul off bins* with track system
- 2 – additional 500bbl *Frac tanks* for fresh and brine water
- 2 – 500bbl *water tanks* with rig inventory

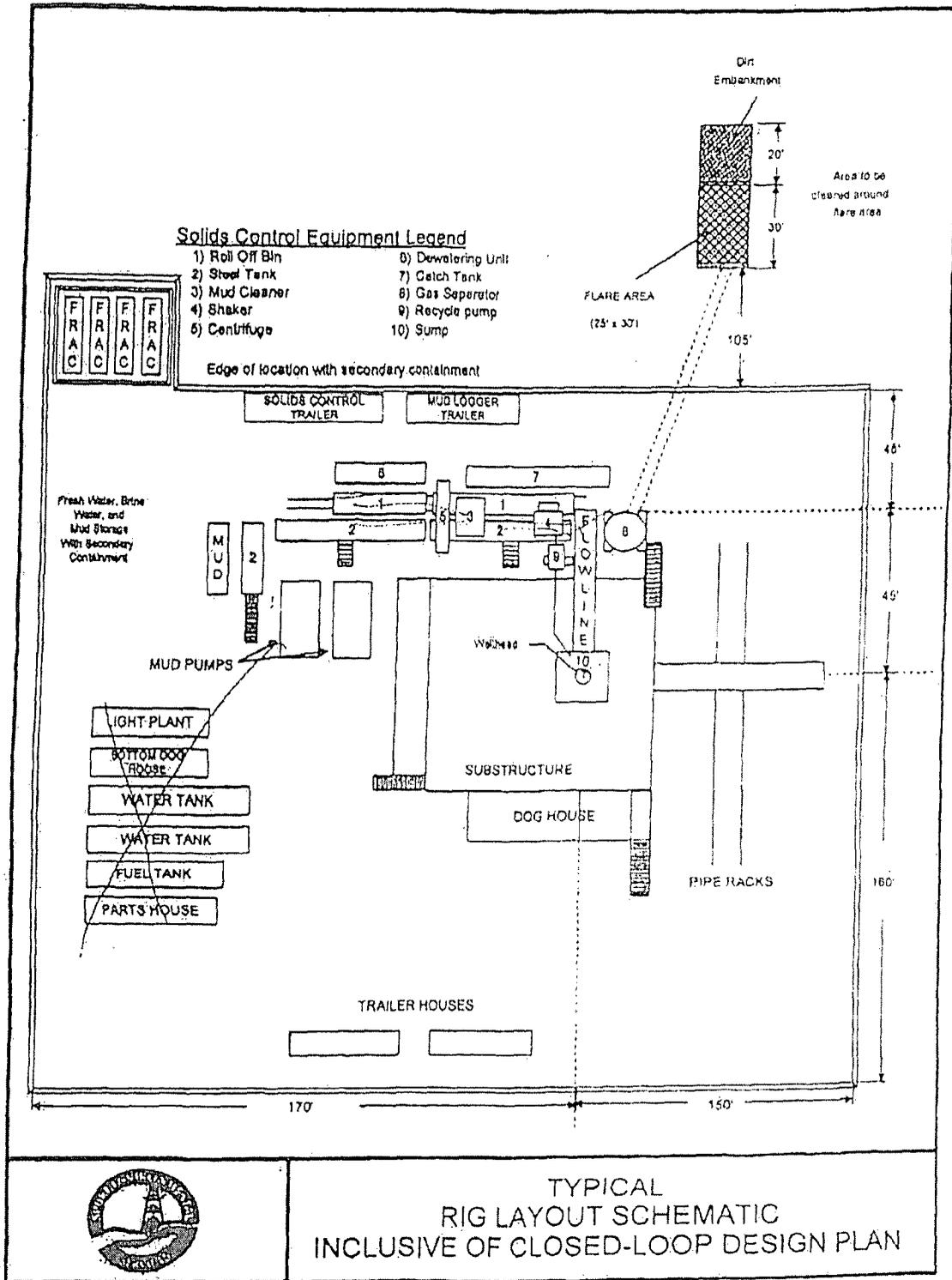
**Equipment manufactures may vary due to availability but components will not.*

Operation and Maintenance

The system along with equipment will be inspected numerous times a day by each tour to make sure all equipment is operating correctly. Routine maintenance will be done to keep system running properly. Any leak in system will be repaired and/or contained immediately and the OCD notified within 48 hours of the remediation process start.

Closure Plan

While drilling, all cuttings and fluids associated with drilling will be hauled off and disposed of via Controlled Recovery Incorporated Facilities Permit NM01-0006.



TYPICAL RIG LAYOUT SCHEMATIC INCLUSIVE OF CLOSED-LOOP DESIGN PLAN