

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0720

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

Form C-145
Permit 107119

Change of Operator

Previous Operator Information

OGRID: 184860
Name: MELROSE OPERATING
COMPANY
Address: 20333 STATE HIGHWAY 249
Address: SUITE 310
City, State, Zip: HOUSTON, TX 77070

New Operator Information

Effective Date: Effective on the date of approval by the OCD

OGRID: 160825
Name: BC OPERATING, INC.
Address: P. O. BOX 50820
Address:
City, State, Zip: MIDLAND, TX 79710

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Previous Operator

Signature: [Signature]
Printed Name: BARRY ARCHER
Title: VICE PRESIDENT OPERATIONS
Date: 02/18/10 Phone: 832 698 7000

New Operator

Signature: [Signature]
Printed Name: Tami Parker
Title: Regulatory Analyst
Date: 1/5/10 Phone: (432) 684-9696
K 218

NMOCD Approval

Electronic Signature: Paul Kautz, District 1

Date: February 24, 2010

ChangeOp Comments

OGRID: [184860] MELROSE OPERATING COMPANY
Permit Number: 107119
Permit Type: ChangeOp

Created By	Comment	Comment Date
LTERRY	Date of transfer is 10/01/09. Melrose has reported production on their October C-115	12/22/2009