

**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 July 18, 2013

## Energy Minerals and Natural Resources

**NM OIL CONSERVATION**  
Oil Conservation Division  
ARTESIA DISTRICT  
220 South St. Francis Dr.  
Santa Fe, NM 87505  
MAR 04 2015

☐ 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, Texas 79710		2. OGRID Number 160825
3. Property Code 314338		4. API Number 30-015-43019
5. Property Name Rock Tank 9-4 State Com		6. Well No. 1H

#### 7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
A	16	23S	25E		240	North	930	East	Eddy

#### 8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
A	4	23S	25E		240	North	930	East	Eddy

#### 9. Pool Information

10. Pool Name WC-015 S232516A, Wolfcamp	11. Pool Code 98127
--	------------------------

#### Additional Well Information

12. Work Type New Well	13. Well Type Gas	14. Cable/Rotary Rotary	15. Lease Type State	16. Ground Level Elevation 3720'
17. Multiple No	18. Proposed Depth 8,600' TVD/19,061' MD	19. Formation Wolfcamp	20. Contractor TBD	21. Spud Date 7/01/2015
22. Depth to Ground water		23. Distance from nearest fresh water well		24. Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

#### 21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	16"	13 3/8"	48#	400'	400	0'
Intermediate	12 1/4"	9 5/8"	40#	2,200'	1240	0'
Production	8 3/4"	5 1/2"	17#	19,061'	3500	0'

#### Casing/Cement Program: Additional Comments

--

#### 22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram Annular	3000#	2000#	Hydrill/Shaeffer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

I further certify that I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable.

Signature: Pam Stevens

Printed name: Pam Stevens

Title: Regulatory Analyst

E-mail Address: pstevens@bcoperating.com

Date: 02/27/2015

Phone: 432-684-9696

#### OIL CONSERVATION DIVISION

Approved By:

Title:

Approved Date: 4/1/2015

Expiration Date: 4/1/2017

Conditions of Approval Attached

NSP Required

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  
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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-015-43019	<sup>2</sup> Pool Code 98127	<sup>3</sup> Pool Name WC-015-G-05 5232516A; WCmp
<sup>4</sup> Property Code 314338	<sup>5</sup> Property Name ROCK TANK 9-4 STATE CDM	<sup>6</sup> Well Number 1H
<sup>7</sup> OGRID No. 160825	<sup>8</sup> Operator Name B.C. OPERATING, INC.	<sup>9</sup> Elevation 3720'

<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
A	16	T23S	R25E		240'	NORTH	930'	EAST	EDDY

<sup>11</sup> Bottom Hole Location If Different From Surface

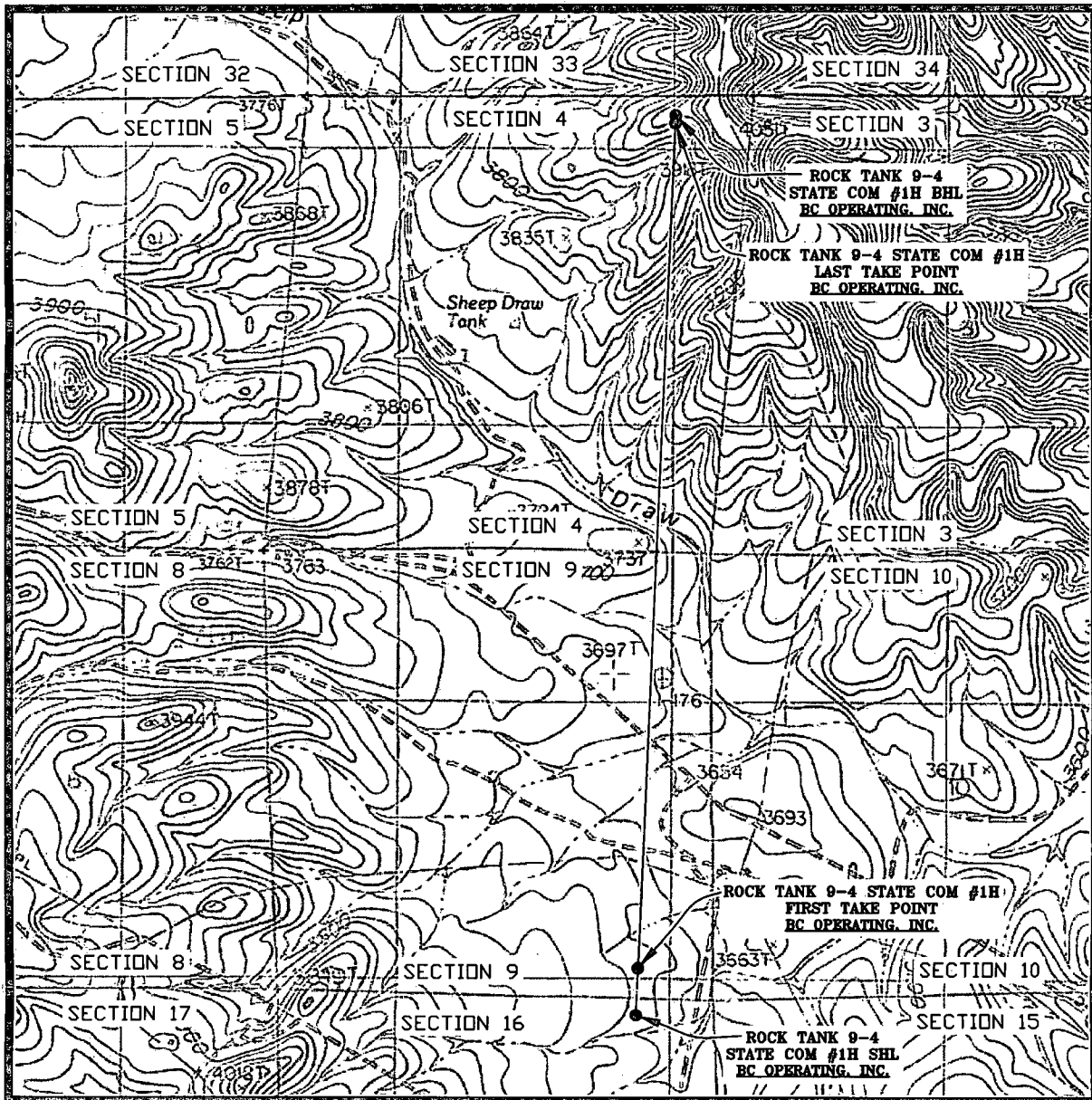
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	4	T23S	R25E		240'	NORTH	930'	EAST	EDDY

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
640.00			

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.

<p><sup>16</sup></p> <p>SECTION 32 SECTION 33 T22S- R25E</p> <p>SECTION 5 SECTION 4 T23S- R25E</p> <p>BOTTOM HOLE LOCATION 240' FNL 930' FEL, SECTION 4 NAD 83, SPCS NM EAST X:522367.82' / Y:487542.70' LAT:32.34031133N / LDN:104.39475614W NAD 27, SPCS NM EAST X:481186.90' / Y:487484.68' LAT:32.34019647N / LDN:104.39424776W</p> <p>LAST TAKE POINT 330' FNL 925' FEL, SECTION 4 NAD 83, SPCS NM EAST X:522363.76' / Y:487452.69' LAT:32.34006392N / LDN:104.39476914W NAD 27, SPCS NM EAST X:481182.84' / Y:487394.67' LAT:32.33994906N / LDN:104.39426077W</p> <p>SECTION 5 SECTION 4 SECTION 8 SECTION 9</p> <p>FIRST TAKE POINT 330' FSL 896' FEL, SECTION 9 NAD 83, SPCS NM EAST X:521910.27' / Y:477416.40' LAT:32.31247482N / LDN:104.39621842W NAD 27, SPCS NM EAST X:480729.08' / Y:477358.70' LAT:32.31235996N / LDN:104.39571103W</p> <p>SURFACE HOLE LOCATION 240' FNL 930' FEL, SECTION 16 NAD 83, SPCS NM EAST X:521884.53' / Y:476846.67' LAT:32.31090868N / LDN:104.39630066W NAD 27, SPCS NM EAST X:480703.33' / Y:476788.99' LAT:32.31079382N / LDN:104.39579333W</p> <p>SECTION 8 SECTION 9 SECTION 17 SECTION 16</p>	<p>SECTION 34 SECTION 3</p> <p>SECTION 3</p> <p>SECTION 10</p> <p>SECTION 10 SECTION 15</p> <p>PRODUCING AREA</p> <p>LAST TAKE POINT</p> <p>CORNER COORDINATES NAD 83, SPCS NM EAST A - Y: 487781.22' / X: 520694.69' B - Y: 487783.55' / X: 523328.18' C - Y: 482394.53' / X: 522756.83' D - Y: 477081.42' / X: 522806.34' E - Y: 477095.93' / X: 520192.14' F - Y: 482459.15' / X: 520136.55'</p> <p>CORNER COORDINATES NAD 27, SPCS NM EAST A - Y: 487723.22' / X: 479513.80' B - Y: 487725.50' / X: 482147.25' C - Y: 482336.66' / X: 481575.76' D - Y: 477023.71' / X: 481625.13' E - Y: 477038.28' / X: 479010.97' F - Y: 482401.33' / X: 478955.53'</p>	<p><sup>17</sup> OPERATOR CERTIFICATION</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><u>Pam Stevens</u> 3/1/15 Signature Date</p> <p><u>Pam Stevens</u> Printed Name</p> <p><u>pstevens@bcoperating.com</u> E-mail Address</p> <p><sup>18</sup> 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>FEBRUARY 18, 2012 Date of Survey</p> <p><u>Lloyd P. Short</u> Signature and Seal of Professional Surveyor</p> <p>21653 Certificate Number</p> <p>LLOYD P. SHORT 21653 PROFESSIONAL SURVEYOR</p>
---	--	---

# LOCATION VERIFICATION MAP



SEC. 16 TWP. 23-S RGE. 25-E  
 SURVEY: N.M.P.M.  
 COUNTY: EDDY  
 DESCRIPTION: 240' FNL & 930' FEL  
 ELEVATION: 3720'  
 OPERATOR: B.C. OPERATING, INC.  
 LEASE: ROCK TANK 9-4 STATE COM  
 U.S.G.S. TOPOGRAPHIC MAP: CARNERO PEAK, N.M.

SCALE: 1" = 2000'  
 CONTOUR INTERVAL = 20'

PREPARED BY:  
 R-SQUARED GLOBAL, LLC  
 1309 LOUISVILLE AVENUE, MONROE, LA 71201  
 318-323-6900 OFFICE  
 JOB No. R3473\_001

009 010 011 012 007 008 009 010 011 012 007 008 009

016 015 014 013 018 017 016 015 014 013 018 017 016

T022SR024E T022SR025E

021 022 023 024 019 020 021 022 023 024 019 020 021

028 027 026 025 030 029 028 027 026 025 030 029 028

033 034 035 036 031 032 033 034 035 036 031 032 033

ROCK TANK 9-4 STATE COM #1H  
LAST TAKE POINT  
BC OPERATING, INC.

004 003 002 001 006 005 004 003 002 001 006 005 004

009 010 011 012 007 008 009 010 011 012 007 008 009

ROCK TANK 9-4 STATE COM #1H  
FIRST TAKE POINT  
BC OPERATING, INC.

016 015 014 013 018 017 016 015 014 013 018 017 016

T023SR024E T023SR025E

021 022 023 024 019 020 021 022 023 024 019 020 021

028 027 026 025 030 029 028 027 026 025 030 029 028

033 034 035 036 031 032 033 034 035 036 031 032 033

004 003 002 001 006 005 004 003 002 001 006 005 004

009 010 011 012 007 008 009 010 011 012 007 008 009

ROCK TANK 9-4  
STATE COM #1H SHL  
BC OPERATING, INC.

DARK CANYON RD. COUNTY RD. 408

NATURAL Pools, RUTALS, RAY &

SCALE: 1" = 2 MILES

PREPARED BY:  
R-SQUARED GLOBAL, LLC  
1309 LOUISVILLE AVENUE, MONROE, LA 71201  
318-323-6900 OFFICE  
JOB No. R3473\_001

## **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.

