TECHNOLOGY SERVICES USA INC.

PHOENIX

3610 Elkins Road, Midland, Texas 79705 T. 432.684.0057 F. 432.686.7964 www.phxtech.com

Celebrating 20 Years of Focused Solutions

November 7, 2016

Oil Conservation Division State of New Mexico 811 S. First St. Artesia, New Mexico 88210

Dear District 2 - Artesia

Attention: Regulatory Department

Re: BC Operating Sterling 20 State #14 Eddy County, NM API #30-015-42731 Job No. 60503 ARTESIA DISTRICT

NOV 17 2016

NM OIL CONSERVATION

RECEIVED

Enclosed please find the Survey Data Certification, and the original Plat and one copy of the Survey Report performed on the above referenced Well by Phoenix Technology Services, Inc. (P-5 No. 664171). Other information required by your office is as follows:

	Drain	Surveye	d Depths	Dates Pe	erformed	
Name of Surveyor	Hole Number	From	То	Start	End	Type of Survey
Noe Garza	14	0	413	11/3/16	11/3/16	Gyro

A certified plat on which the bottom hole location is oriented both to the surface location and to the lease lines (or unit lines in case of pooling) is attached to the survey report. If any other information is required, please contact the undersigned at the letterhead address and phone number.

Best Regards,

Brittany Carley

Brittany Carley Operations Administrator

SURVEY C	ERTIFI	CATION I	FORM			PHOENIX TECHNOLOGY SERVICES
610 Elkins Road	Midland, TX	79705 t:432-68	4-0057 f: 432-	686-7964	•	1
•			1			
Company:	BC Operatin	ng	(Job # <u>:</u>	60503
Well Name:	Sterling 20	State # 14			County/State:	Eddy Co., New Mexico
Survey Instrun	nent Type:	North Seek Rat	e Gyro		API #	30-015-42731
					ar sector and the sector of	
Measure Depth (ft)	Vertical Depth (ft)	Inclination (°)	Azimuth (°)	N-S Coordinates	E-W Coordinates	Data Source
0	0		0	0	0	Surface
	First St	urvey			Last Sur	VOV
Date	Depth (ft)	Inclination	Azimuth (°)	Date	Depth (ft)	Inclination Azimuth (°)
2016-11-03	0	(°)0	0	2016-11-03	413	<u>(°)</u> 1.6 342.34
	n dagai					
	Projected 1					~
Date	Depth (ft)	Inclination (°)	Azimuth (°)		Grid Correction	
0	0	0	0		-0.07	
Gyro Operator:	Phoenix Te	echnology Servic	es USA Ltd.			
Gyro Supervisor:	Jaime Steph	enson				
					,	
To the best of r	ny knowledg	e I certify this su	rvey data to be	correct and true		
Data		, ,		Print Name:	Noo Carza	
Date:	11-03-1	<u> </u>		Phill Name.	NOE Galza	\sim
1 .				Signature:	\rightarrow	
						\mathbf{i}
					\sim	
		•				
			www.phxt	ech.com		

			Gyro	TIE IN	Enter	Ţ	<u> </u>	Sui	
					Tie-In Su	Туре	00	Survey	P H O E N I X
388.08 413.00	296.12	206.89	107.55	0	Enter Tie-In Survey on Line 10	(ft)	Depth	Survey	PHOENIX TECHNOLOGY SERVICES
1.54 1.60	0.99	0.53	0.11		10	(deg)	tion	Inclina-	Company: Well: Location: Rig:
346.21 342.34	0.81	53.75	164.58			(deg)	Azimuth		Ster
92 25	68	66	108	0		(ft)	Length	Course	BC Operating Sterling 20 State # 14 Eddy Co., New Mexico Patterson 244
388.05 412.96	296.11	206.89	107.55	0	FII	(ft)	Depth	True Vertical	ting ate # 14 / Mexico 244
-3.10 -3.75	-1.11		0	0	FIELD COPY, NON-DEFINITIVE	(ft)	Section	Vertical	G
3.09 N 3.75 N			0.10 \$	0	ON-DEFINITI	(ft)	S/N	Coord	Job Number: Grid Corr.: Lat: Long:
 0.48 E 0.30 E	0.77 E	0.42 E	0 03 F	>	VE	(ft)	E/W	Coordinates	60503 -0.07 32.30 -104.21
3.13 3.76	1.34	0.43	n 1n			(ft)	Distance	Closure	Date: <u>11-03-1</u> Calculation Method: Proposed Azimuth: RKB - MSL in feet: Tie Into:
8.90 4.55	35.01	104.58 79.77	167 50			(deg)	Angle	ure	<u>11-03-16</u> Method: zimuth: n feet:
		0.10				(d/100')	Severity	Dogleg	Minimum Curvature 180.9 28.5 Surface
		0.10				(d/100')	Rate	Ruild	
	-59.33					(d/100')	Rate	Walk	5

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