

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 749-1283 Fax:(575) 749-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-8178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

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

Form C-101
August 1, 2011
Permit 223191

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, TX 79710		2. OGRID Number 160825
4. Property Code 313797		3. API Number 30-015-43869
5. Property Name CASS 16 STATE		6. Well No. 003H

7. Surface Location

UL - Lot	E	Section	16	Township	23S	Range	28E	Lot Idn	Feet From	1983	N/S Line	N	Feet From	126	E/W Line	W	County	Eddy
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8. Proposed Bottom Hole Location

UL - Lot	H	Section	16	Township	23S	Range	27E	Lot Idn	H	Feet From	1983	N/S Line	N	Feet From	240	E/W Line	E	County	Eddy
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9. Pool Information

FOREHAND RANCH;WOLFCAMP (GAS)	76780
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Additional Well Information

11. Work Type New Well	12. Well Type GAS	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3160
16. Multiple N	17. Proposed Depth 14710	18. Formation Wolfcamp	19. Contractor	20. Spud Date 8/20/2016
Depth to Ground water		Distance from nearest fresh water well		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
Surf	17.5	13.375	48	400	450	0
Int1	12.25	9.625	36	2100	700	0
Prod	8.75	7	26	9990	1200	0
Liner1	6.125	4.5	13.5	14710	500	9790

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	Cameron
Double Ram	10000	10000	Cameron

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Star L Harrell	Approved By: Karen Sharp
Title: REGULATORY ANALYST	Title: OCD Reviewer
Email Address: sharrell@bcoperating.com	Approved Date: 7/28/2016 Expiration Date: 7/28/2018
Date: 7/27/2016 Phone: 432-684-9696	Conditions of Approval Attached

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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

¹ API Number		² Pool Code 76780		³ Pool Name FOREHAND RANCH; WOLFCAMP (GAS)	
⁴ Property Code		⁵ Property Name CASS 16 STATE			⁶ Well Number 3H
⁷ OGRID No. 160825		⁸ Operator Name B.C. OPERATING, INC.			⁹ Elevation 3160

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
E	16	T23S	R27E		1983'	NORTH	126'	WEST	EDDY

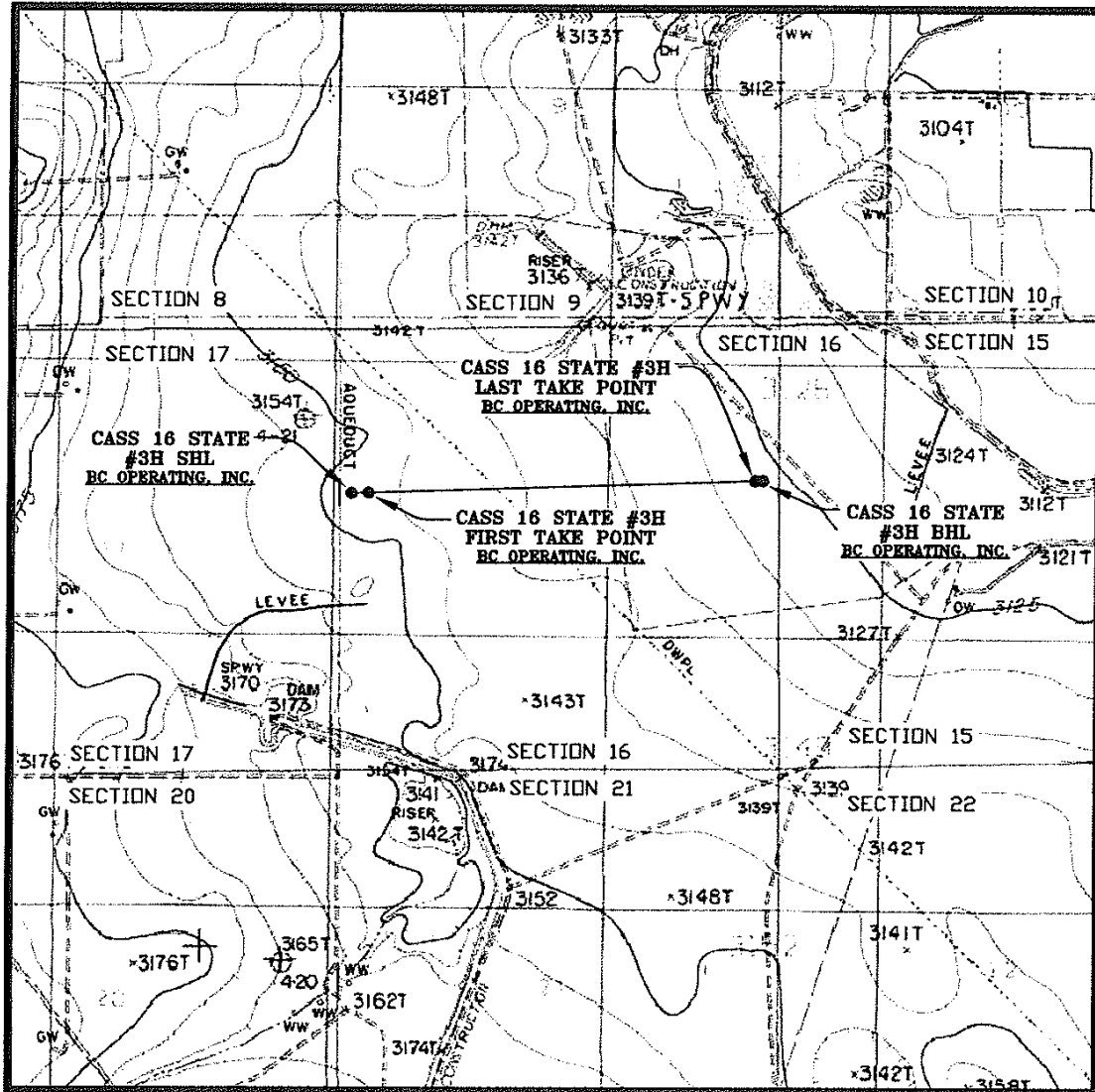
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	16	T23S	R27E		1983'	NORTH	240'	EAST	EDDY

¹² Dedicated Acres 320.00	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 SECTION 8 SECTION 17 1983' 1983' 330' 330' 126' SHL D PRODUCING AREA LAST TAKE POINT 330' 330' 1983' 1983' B SECTION 10 SECTION 15 240' C		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 leased 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. Signature: <i>Sarah Presley</i> Date: 7.25.16 Printed Name: Sarah Presley E-mail Address: Spresley@bcoperating.com
SURFACE HOLE LOCATION 1983' FNL 126' FVL NAD 83, SPCS NM EAST X581552.37' / Y475336.36' LATG2.30670561N / LDN104.20316785W NAD 27, SPCS NM EAST X548370.27' / Y475277.53' LATG2.30658669N / LDN104.20266785W	LAST TAKE POINT 1983' FNL 330' FEL NAD 83, SPCS NM EAST X586381.86' / Y475491.88' LATG2.30711602N / LDN104.18753535W NAD 27, SPCS NM EAST X545198.92' / Y475432.98' LATG2.30699687N / LDN104.18703593W	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. Date of Survey: JUNE 21, 2016 Signature and Seal of Professional Surveyor: <i>Lloyd P. Short</i> Certificate Number: 21653 LLOYD P. SHORT 21653
FIRST TAKE POINT 1983' FNL 330' FVL NAD 83, SPCS NM EAST X581756.23' / Y475342.92' LATG2.30672297N / LDN104.20250798W NAD 27, SPCS NM EAST X540574.32' / Y475284.08' LATG2.30660404N / LDN104.20208801W	BOTTOM HOLE LOCATION 1983' FNL 240' FEL NAD 83, SPCS NM EAST X586471.85' / Y475494.77' LATG2.30712365N / LDN104.18724405W NAD 27, SPCS NM EAST X545289.68' / Y475435.87' LATG2.30700450N / LDN104.18674464W	
SECTION 17 SECTION 20 CORNER COORDINATES NAD 83, SPCS NM EAST A - Y: 477316.50' / X: 581420.97' B - Y: 477486.36' / X: 586707.24' C - Y: 474772.99' / X: 586713.52' D - Y: 474661.31' / X: 581428.04'	SECTION 16 SECTION 21 CORNER COORDINATES NAD 27, SPCS NM EAST A - Y: 477257.62' / X: 540238.91' B - Y: 477427.41' / X: 545325.10' C - Y: 474714.31' / X: 545531.33' D - Y: 474602.50' / X: 540245.92'	SECTION 15 SECTION 22 T23S-R27E T23S-R27E

LOCATION VERIFICATION MAP



SEC. 16 TWP. 23-S RGE. 27-E
 SURVEY: N.M.P.M.
 COUNTY: EDDY
 DESCRIPTION: 1983' FNL & 126' FWL
 ELEVATION: 3160'
 OPERATOR: B.C. OPERATING, INC.
 LEASE: CASS 16 STATE
 U.S.G.S. TOPOGRAPHIC MAP: OTIS, N.M.

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

PREPARED BY:
 R-SQUARED GLOBAL, LLC
 1309 LOUISVILLE AVENUE, MONROE, LA 71201
 318-323-6900 OFFICE
 JOB No. R3449_005

SCALE: 1" = 2 MILES

PREPARED BY:
R-SQUARED GLOBAL, LLC
1309 LOUISVILLE AVENUE, MONROE, LA 71201
318-323-6900 OFFICE
JOB No. R3449_005

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Form APD Comments

Permit 223191

PERMIT COMMENTS

Operator Name and Address: BC OPERATING, INC. [160825] P O Box 50820 Midland, TX 79710	API Number: 30-015-43869
	Well: CASS 16 STATE #003H

Created By	Comment	Comment Date
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Form APD Conditions

Permit 223191

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: BC OPERATING, INC. [160825] P O Box 50820 Midland, TX 79710		API Number: 30-015-43869
		Well: CASS 16 STATE #003H
OCD Reviewer	Condition	
pkautz	Will require a directional survey with the C-104	
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string	
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.	
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing -- 3) Liner - Cement must tie back into production casing	
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement	
pkautz	Must notify OCD Artesia Office if lost circulation is encountered	
pkautz	Must notify OCD Artesia Office of any water flows in the Castile Formation. Report depth and flow rate	
pkautz	The New! Gas Capture Plan (GCP) notice is posted on the NMOCD website under Announcements. The Plan became effective May 1, 2016. A copy of the GCP form is included with the NOTICE and is also in our FORMS section under Unnumbered Forms. Please review filing dates for all applicable activities currently approved or pending and submit accordingly. Failure to file a GCP may jeopardize the operator's ability to obtain C-129 approval to flare gas after the initial 60-day completion period.	