

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) 748-1283 Fax:(575) 748-9720
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 222806

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 316829		3. API Number 30-015-43916
5. Property Name RED LIGHT 27 34 STATE COM		6. Well No. 001H

7. Surface Location

UL - Lot	B	Section	27	Township	23S	Range	26E	Lot Idn	B	Feet From	190	N/S Line	N	Feet From	1650	E/W Line	E	County	Eddy
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8. Proposed Bottom Hole Location

UL - Lot	G	Section	34	Township	23S	Range	26E	Lot Idn	G	Feet From	2400	N/S Line	N	Feet From	1650	E/W Line	E	County	Eddy
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9. Pool Information

WC-015 S232627B;WOLFCAMP (GAS)	98204
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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 3294
16. Multiple N	17. Proposed Depth 16500	18. Formation Wolfcamp	19. Contractor	20. Spud Date 1/4/2017
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	450	450	0
Int1	12.25	9.625	36	1900	550	0
Prod	8.75	7	26	9900	1000	0
Liner1	6.125	4.5	13.5	16500	900	9500

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	Townsend T-90 Type
Double Ram	10000	10000	Townsend T-90 Type

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 ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable. Signature: _____ Printed Name: Electronically filed by Sarah Presley Title: Regulatory Analyst Email Address: spresley@bcoperating.com Date: 9/29/2016	OIL CONSERVATION DIVISION Approved By: Paul Kautz Title: Geologist Approved Date: 9/29/2016 Expiration Date: 9/29/2018 Conditions of Approval Attached
Phone: 432-684-9696	

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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 98204		³ Pool Name WC-015-S232627B; Wolfcamp (Gas)	
⁴ Property Code		⁵ Property Name RED LIGHT 27-34 STATE COM			⁶ Well Number 1H
⁷ OGRID No. 160825		⁸ Operator Name B.C. OPERATING, INC.			⁹ Elevation 3294'

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
B	27	T23S	R26E		190'	NORTH	1650'	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

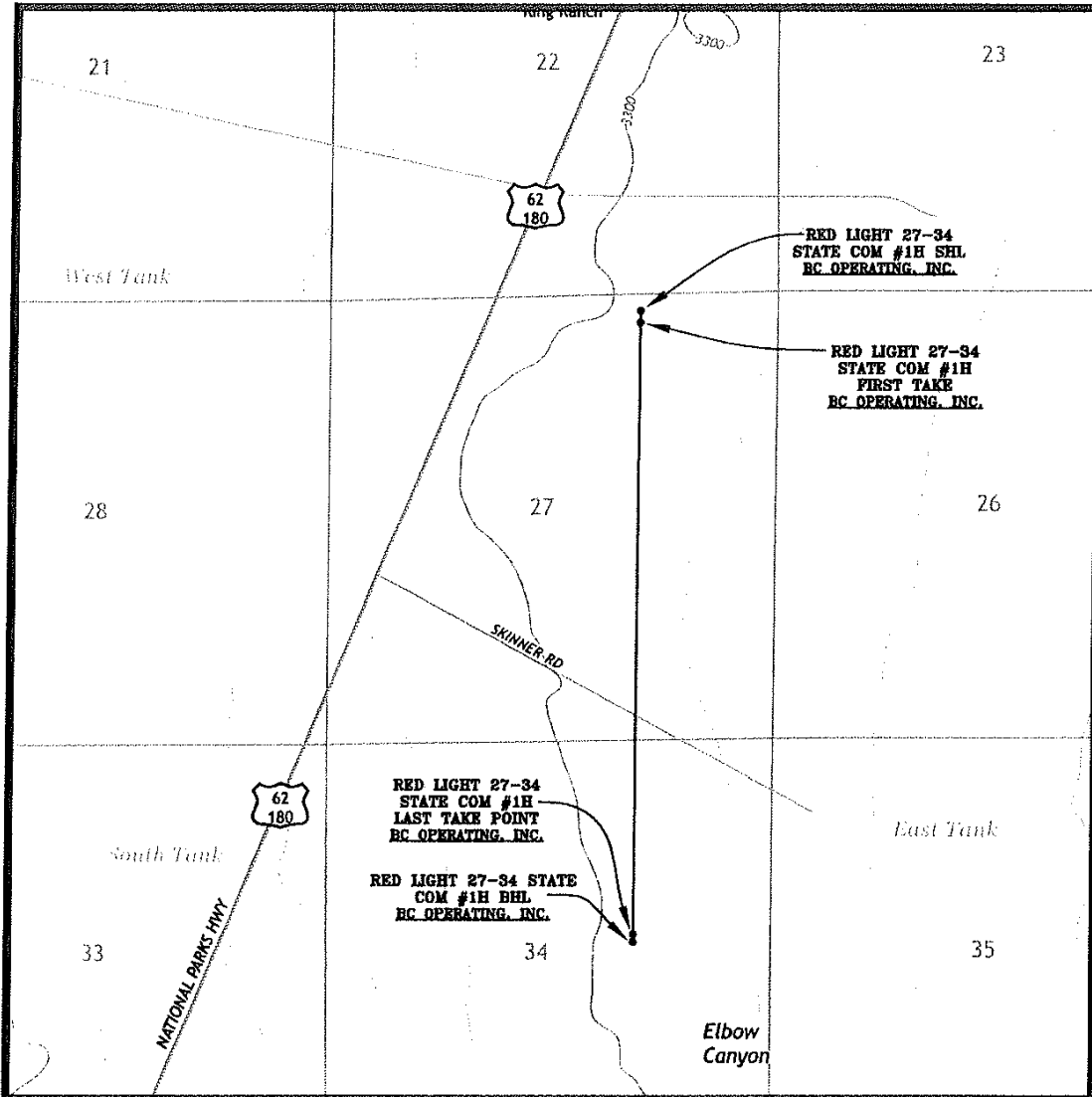
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	34	T23S	R26E		2400'	NORTH	1650'	EAST	EDDY

¹² Dedicated Acres 480.00	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 21 SECTION 28 SURFACE HOLE LOCATION 190' FNL 1650' FEL, SECTION 27 NAD 83, SPCS NM EAST X:558565.59' / Y:466378.73' LAT:32.28213700N / LON:104.27758334W NAD 27, SPCS NM EAST X:517383.64' / Y:466320.52' LAT:32.282019290N / LON:104.277083273W FIRST TAKE POINT 330' FNL 1650' FEL, SECTION 27 NAD 83, SPCS NM EAST X:558563.44' / Y:466238.73' LAT:32.28173215N / LON:104.27759252W NAD 27, SPCS NM EAST X:517381.49' / Y:466180.52' LAT:32.281634438N / LON:104.277090464W		SECTION 22 SECTION 27 330' 660' SHL 190' B 1650' 1650' FIRST TAKE POINT PRODUCING AREA 660' 660' SECTION 26 SECTION 23		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. Signature: <i>Sarah Presley</i> Date: 9/28/2016 Printed Name: Sarah Presley E-mail Address: spresley@bcoperating.com
SECTION 28 SECTION 33 LAST TAKE POINT 2310' FNL 1650' FEL, SECTION 34 NAD 83, SPCS NM EAST X:558535.69' / Y:458955.77' LAT:32.26173217N / LON:104.27769453W NAD 27, SPCS NM EAST X:517333.59' / Y:458997.76' LAT:32.261614377N / LON:104.277193057W BOTTOM HOLE LOCATION 2400' FNL 1650' FEL, SECTION 34 NAD 83, SPCS NM EAST X:558535.38' / Y:458865.75' LAT:32.26148474N / LON:104.27769570W NAD 27, SPCS NM EAST X:517353.28' / Y:458807.75' LAT:32.26136695N / LON:104.27719423W		SECTION 27 SECTION 34 F C LAST TAKE POINT 330' 660' 2310' 2400' D 1650' 1650'		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. MAY 18, 2016 Date of Survey Signature and Seal of Professional Surveyor LLOYD P. SHORT NEW MEXICO 21653 PROFESSIONAL SURVEYOR Certificate Number: LLOYD P. SHORT 21653
SECTION 33 SECTION 4 CORNER COORDINATES NAD 83, SPCS NM EAST A - Y: 466345.58' / X: 537527.58' B - Y: 466603.88' / X: 560216.51' C - Y: 461289.80' / X: 560193.87' D - Y: 458631.82' / X: 560184.56' E - Y: 458605.48' / X: 537323.27' F - Y: 461251.35' / X: 537514.89'		SECTION 34 SECTION 3 CORNER COORDINATES NAD 27, SPCS NM EAST A - Y: 466487.38' / X: 516345.57' B - Y: 466547.63' / X: 519034.55' C - Y: 461231.63' / X: 519011.80' D - Y: 458572.99' / X: 519002.44' E - Y: 458547.51' / X: 516341.17' F - Y: 461193.31' / X: 516332.85'		SECTION 35 SECTION 2

LOCATION VERIFICATION MAP

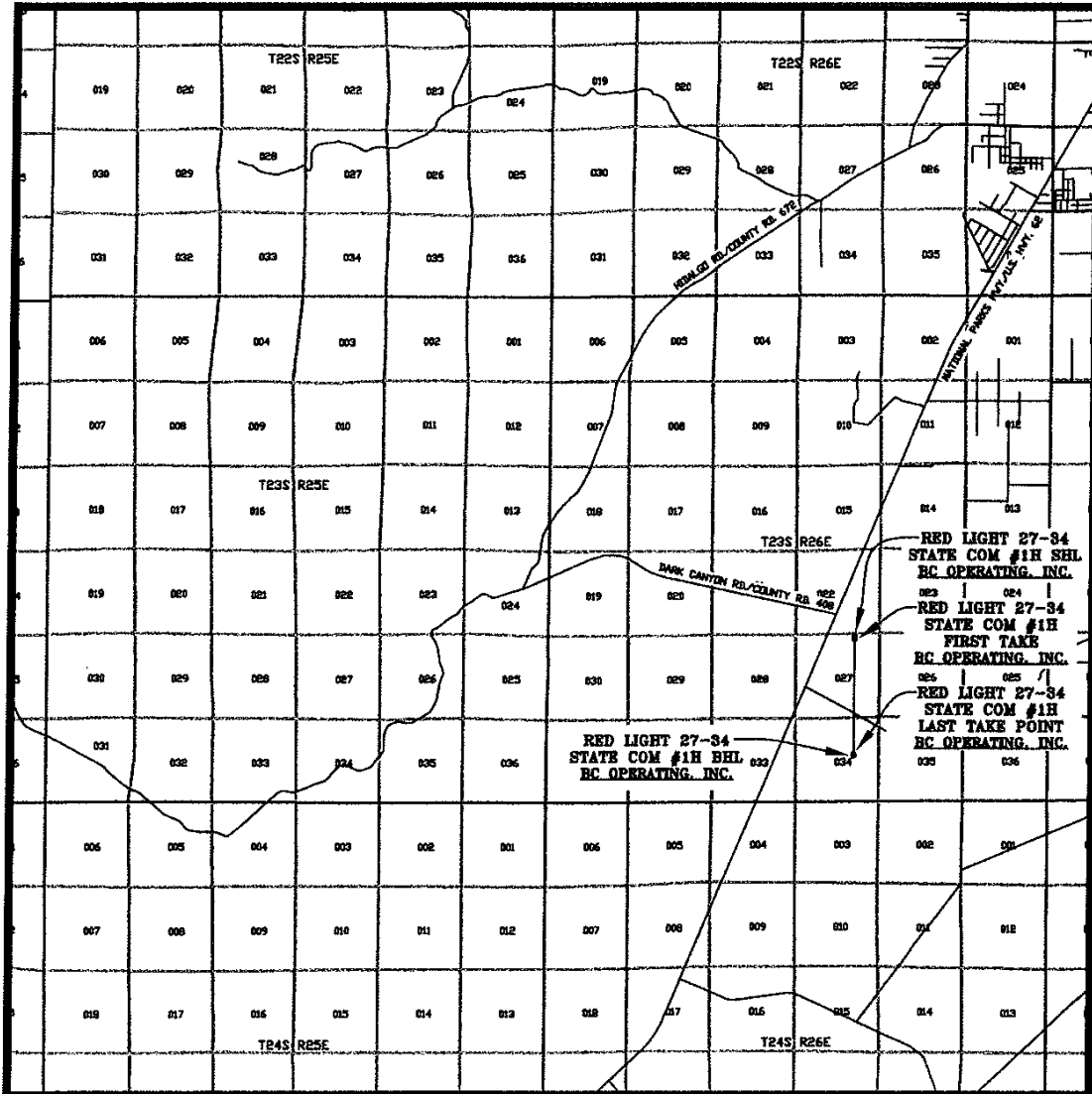


SEC. 27 TWP. 23 S RGE. 26 E
 SURVEY: N.M.P.M.
 COUNTY: EDDY
 DESCRIPTION: 190' FNL & 1650' FEL
 ELEVATION: 3294'
 OPERATOR: B.C. OPERATING, INC.
 LEASE: RED LIGHT 27-34 STATE COM
 U.S.G.S. TOPOGRAPHIC MAP: KITCHEN COVE, N.M.

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

PREPARED BY:
 R-SQUARED GLOBAL, LLC
 1309 LOUISVILLE AVENUE, MONROE, LA 71201
 318-323-6900 OFFICE
 JOB No. R3842_001

VICINITY MAP



SEC. 27 TWP. 23 S RGE. 26 E
 SURVEY: N.M.P.M.
 COUNTY: EDDY
 DESCRIPTION: 190' FNL & 1650' FEL
 ELEVATION: 3294'
 OPERATOR: B.C. OPERATING, INC.
 LEASE: RED LIGHT 27-34 STATE COM
 U.S.G.S. TOPOGRAPHIC MAP: KITCHEN COVE, N.M.

SCALE: 1" = 2 MILES

PREPARED BY:
 R-SQUARED GLOBAL, LLC
 1309 LOUISVILLE AVENUE, MONROE, LA 71201
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Form APD Comments

Permit 222606

PERMIT COMMENTS

Operator Name and Address: BC OPERATING, INC. [160825] P O Box 50820 Midland, TX 79710	API Number: 30-015-43916
	Well: RED LIGHT 27 34 STATE COM #001H

Created By	Comment	Comment Date
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Form APD Conditions

Permit 222806

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: BC OPERATING, INC. [160825] P O Box 50820 Midland, TX 79710		API Number: 30-015-43916
		Well: RED LIGHT 27 34 STATE COM #001H
OCD Reviewer	Condition	
pkautz	Will require a directional survey with the C-104	
pkautz	Will require administrative order for non-standard spacing unit	
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	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.	