

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 235983

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 317740		3. API Number 30-015-44165
5. Property Name EL PRESIDENTE STATE X		6. Well No. 004H

7. Surface Location

UL - Lot	O	Section	2	Township	24S	Range	27E	Lot Idn	Feet From	330	N/S Line	S	Feet From	2310	E/W Line	E	County	Eddy
----------	---	---------	---	----------	-----	-------	-----	---------	-----------	-----	----------	---	-----------	------	----------	---	--------	------

8. Proposed Bottom Hole Location

UL - Lot	B	Section	2	Township	24S	Range	27E	Lot Idn	B	Feet From	240	N/S Line	N	Feet From	2310	E/W Line	E	County	Eddy
----------	---	---------	---	----------	-----	-------	-----	---------	---	-----------	-----	----------	---	-----------	------	----------	---	--------	------

9. Pool Information

PURPLE SAGE;WOLFCAMP (GAS)	98220
----------------------------	-------

Additional Well Information

11. Work Type New Well	12. Well Type GAS	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3140
16. Multiple N	17. Proposed Depth 14100	18. Formation Wolfcamp	19. Contractor	20. Spud Date 5/30/2017
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	475	400	0
Int1	12.25	9.625	36	2300	800	0
Prod	8.75	7	26	10000	900	0
Liner1	6.125	4.5	13.5	14100	500	9500

Casing/Cement Program: Additional Comments

--

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	CAMERON
Double Ram	5000	5000	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 ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable. Signature:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Sarah Presley Title: Regulatory Analyst Email Address: spresley@bcoperating.com Date: 5/11/2017	Approved By: Raymond Podany Title: Geologist Approved Date: 5/11/2017 Expiration Date: 5/11/2019 Conditions of Approval Attached

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

SECTION 34 SECTION 3 T-23-S T-24-S BOTTOM HOLE LOCATION 240' FNL 2310' FEL NAD 83, SPCS NM EAST Y455978.53' / X594918.17' LATG2.25344143N / LDN104.16000745W NAD 27, SPCS NM EAST Y455980.03' / X553735.44' LATG2.25332154N / LDN104.15951076W LAST TAKE POINT 330' FNL 2310' FEL NAD 83, SPCS NM EAST Y455888.51' / X594916.35' LATG2.25319400N / LDN104.16001382W NAD 27, SPCS NM EAST Y455882.01' / X553733.62' LATG2.25307411N / LDN104.15951713W SURFACE HOLE LOCATION/FIRST TAKE POINT 330' FSL 2310' FEL NAD 83, SPCS NM EAST Y451151.98' / X594820.41' LATG2.24017425N / LDN104.16034805W NAD 27, SPCS NM EAST Y450193.58' / X553637.59' LATG2.24005422N / LDN104.15985252W CORNER COORDINATES NAD 83, SPCS NM EAST A - Y: 456216.24' / X: 594592.47' B - Y: 456234.85' / X: 597233.83' C - Y: 450923.92' / X: 597126.31' D - Y: 450806.36' / X: 594475.07' SECTION 10 CORNER COORDINATES NAD 27, SPCS NM EAST A - Y: 456157.74' / X: 553409.75' B - Y: 456176.31' / X: 556051.07' C - Y: 450865.49' / X: 555943.44' D - Y: 450747.97' / X: 553292.25'	240' 330' SECTION 35 SECTION 2 B SECTION 1 2310' 2310' LAST TAKE POINT PRODUCING AREA 330' 330' SHL/ FIRST TAKE POINT 2310' 330' SECTION 2 C SECTION 11 SECTION 12	SECTION 36 SECTION 1 2310' 2310' Signature Date SARAH PRESLEY Printed Name SPRESLEY@BCOPERATING.COM E-mail Address 18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plot 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 11, 2017 Date of Survey Signature and Seal of Professional Surveyor LLOYD P. SHORT NEW MEXICO 21653 Certificate Number LLOYD P. SHORT 21653
---	---	--

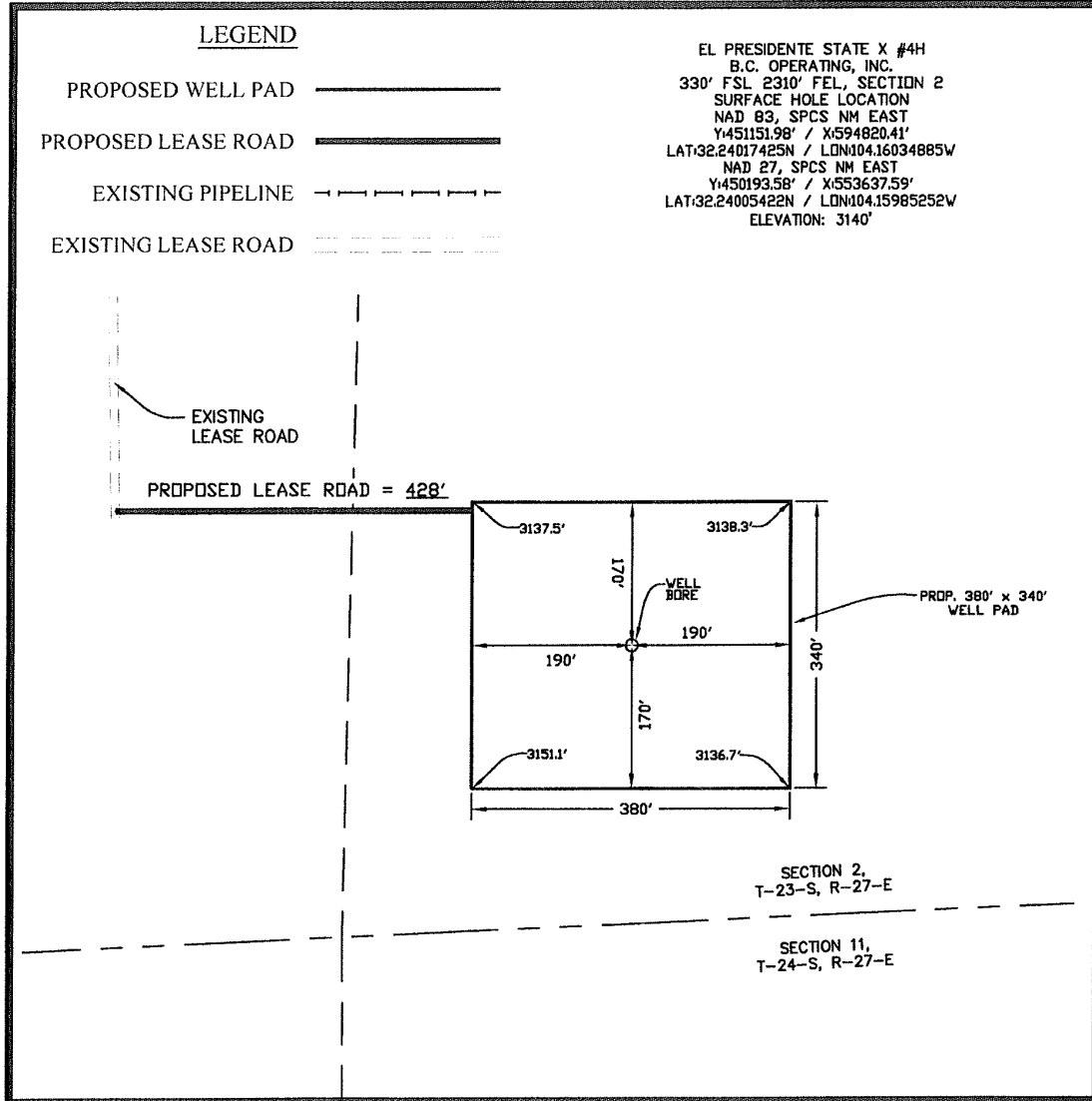
WELL PAD TOPO

SEC. 2 TWP. 24-S RGE. 27-E

SURVEY: N.M.P.M.

COUNTY: EDDY

U.S.G.S. TOPOGRAPHIC MAP: BOND DRAW, N.M.



DIRECTIONS TO LOCATION:

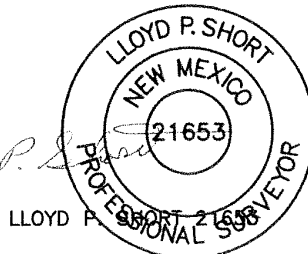
FROM THE INTERSECTION OF U.S. HIGHWAY 62/WEST GREENE STREET AND U.S. 180 W./U.S. 62 W./S. CANAL STREET IN CARLESBAD, NEW MEXICO, TRAVEL SOUTH ON U.S. 180 W./U.S. 62 W./S. CANAL STREET TOWARD W. TANSILL ST. FOR 0.5 MILES TO A SLIGHT RIGHT TURN ONTO SAN JOSE BLVD.. TRAVEL SOUTH ON SAN JOSE BLVD. FOR 2.4 MILES TO U.S. 180 W./U.S. 62 W. ON THE RIGHT. TRAVEL SOUTHWEST ON U.S. 180 W./U.S. 62 W. FOR 2.8 MILES TO WEST DERRICK RD. ON THE LEFT. TRAVEL EAST ON WEST DERRICK RD. FOR 1.8 MILES TO OLD CAVERN HWY. ON THE RIGHT. TRAVEL SOUTH ON OLD CAVERN HWY. FOR 6.0 MILES TO BOUNDS ROAD ON THE LEFT. TRAVEL NORTHEAST ON BOUNDS ROAD FOR 4.1 MILES TO A LEASE ROAD ON THE RIGHT. TRAVEL SOUTHWEST ON LEASE ROAD FOR 1.2 MILES TO A LEASE ROAD ON THE LEFT. TRAVEL SOUTH ON LEASE ROAD FOR 0.8 MILE TO PROPOSED WELL 625 FEET TO THE LEFT.

NOTE:

THIS IS NOT A BOUNDARY SURVEY, APPARENT PROPERTY CORNERS AND PROPERTY LINES ARE SHOWN FOR INFORMATION ONLY. BOUNDARY DATA SHOWN IS FROM STATE OF NEW MEXICO OIL CONSERVATION DIVISION FORM C-102 INCLUDED IN THIS SUBMITTAL.

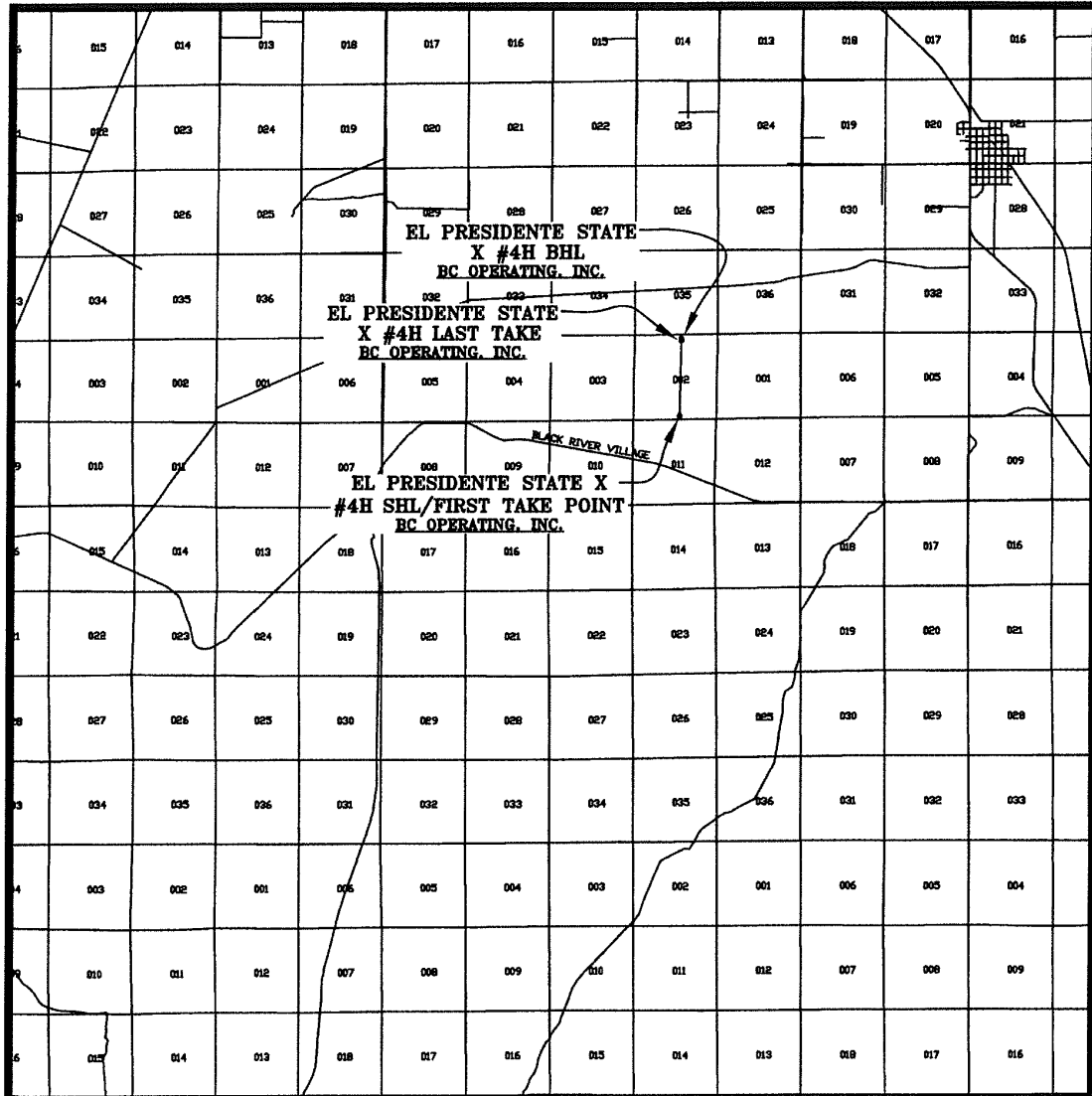
100' 0' 100' 200'
SCALE: 1" = 200'

MAY 11, 2017



PREPARED BY:
R-SQUARED GLOBAL, LLC
1309 LOUISVILLE AVENUE, MONROE, LA 71201
318-323-8900 OFFICE
JOB No. R3738-01

VICINITY MAP



SEC. 2 TWP. 24-S RGE. 27-E

SCALE: 1" = 2 MILES

SURVEY: N.M.P.M.

COUNTY: EDDY

DESCRIPTION: 330' FSL & 2310 FEL

ELEVATION: 3140'

OPERATOR: B.C. OPERATING, INC.

LEASE: EL PRESIDENTE STATE X

U.S.G.S. TOPOGRAPHIC MAP: BOND DRAW, N.M.

PREPARED BY:
R-SQUARED GLOBAL, LLC
1309 LOUISVILLE AVENUE, MONROE, LA 71201
318-323-6900 OFFICE
JOB No. R3738-01

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) 749-1283 Fax:(575) 749-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form APD Comments

Permit 235983

PERMIT COMMENTS

Operator Name and Address: BC OPERATING, INC. [160825] P O Box 50820 Midland, TX 79710	API Number: 30-015-44165
	Well: EL PRESIDENTE STATE X #004H

Created By	Comment	Comment Date
------------	---------	--------------

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) 749-1283 Fax:(575) 749-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form APD Conditions

Permit 235983

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: BC OPERATING, INC. [160825] P O Box 50820 Midland, TX 79710		API Number: 30-015-44165
		Well: EL PRESIDENTE STATE X #004H
OCD Reviewer	Condition	
RPodany	Will require a directional survey with the C-104	
RPodany	Cement is required to circulate on both surface and intermediate1 strings of casing	