

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**APPLICATION OF KEY ENERGY SERVICES, LLC  
FOR APPROVAL OF A SALT WATER DISPOSAL  
WELL, EDDY COUNTY, NEW MEXICO.  
CASE NO. 15322**

**EXHIBITS FOR**

**BC  PERATING, INC.**

*Crown Oil Partners V, LP*

*Crump Energy Partners II, LLC*

**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**  
1009 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 and Natural Resources**  
**Oil Conservation Division**  
**1220 South St. Francis Dr.**  
**Santa Fe, NM 87505**

Form C-101  
Revised July 18, 2013

AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address BC Operating, Inc. P.O. Box 50820 Midland, Texas 79710		<sup>2</sup> OGRID Number 160825
<sup>3</sup> Property Code 313724	<sup>4</sup> Property Name Airport 36 State	<sup>5</sup> Well No. 30-015-42666

<sup>7</sup> Surface Location									
UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
P	36	22S	26E		330	South	330	East	Eddy

<sup>8</sup> Proposed Bottom Hole Location									
UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

<sup>9</sup> Pool Information	
Pool Name Carlsbad; Wolfcamp, South (Gas)	Pool Code 74200

<sup>10</sup> Additional Well Information				
<sup>11</sup> Work Type New Well	<sup>12</sup> Well Type Gas	<sup>13</sup> Cable/Rotary Rotary	<sup>14</sup> Lease Type State	<sup>15</sup> Ground Level Elevation 3209'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 11,000'	<sup>18</sup> Formation Wolfcamp	<sup>19</sup> Contractor TBD	<sup>20</sup> Spud Date 01/01/2015
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

<sup>21</sup> Proposed Casing and Cement Program						
Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	17 1/2"	13 3/8"	54.5#	900'	980	0'
Intermediate	12 1/4"	9 5/8"	40#	5300'	1650	0'
Production	8 3/4"	5 1/2"	17#	11,000'	2500	5100'

<sup>22</sup> Casing/Cement Program: Additional Comments

<sup>22</sup> Proposed Blowout Prevention Program			
Type	Working Pressure	Test Pressure	Manufacturer
Double Ram Annular	3000#	2000#	Hydrill/Shaeffer

<sup>23</sup> 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](mailto:pstevens@bcoperating.com)

Date: 09/22/2014 Phone: 432-684-9696

<b>OIL CONSERVATION DIVISION</b>	
Approved By: <i>T. C. Shepard</i>	
Title: <b>"Geologist"</b>	
Approved Date: <i>9-22-2014</i>	Expiration Date: <i>9-22-2016</i>
Conditions of Approval Attached	

NSL Required pr.

**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
Exhibit No. 1  
Submitted by: BC OPERATING, INC.  
Hearing Date: July 23, 2015

**NM OIL CONSERVATION**  
ARTESIA DISTRICT

SEP 22 2014

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

RECEIVED

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-015-12666		<sup>2</sup> Pool Code 74200		<sup>3</sup> Pool Name CARLSBAD; WOLFCAMP, SOUTH (GAS)	
<sup>4</sup> Property Code 313724		<sup>5</sup> Property Name AIRPORT 36 STATE		<sup>6</sup> Well Number 1	
<sup>7</sup> OGRID No. 160825		<sup>8</sup> Operator Name B.C. OPERATING, INC.		<sup>9</sup> Elevation 3209	

**" Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	36	T22S	R26E		330'	SOUTH	330'	EAST	EDDY

**" 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

<sup>10</sup> Dedicated Acres 320.00	<sup>11</sup> Joint or Infill	<sup>12</sup> Consolidation Code	<sup>13</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

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><b>CORNER COORDINATES</b> NAD 83, SPCS NM EAST A - Y: 493200.20' / X: 568161.72' B - Y: 493139.71' / X: 570884.53' C - Y: 487843.47' / X: 570881.56' D - Y: 487840.96' / X: 568227.81' NAD 27, SPCS NM EAST A - Y: 493141.05' / X: 526980.15' B - Y: 493080.53' / X: 529702.93' C - Y: 487784.43' / X: 529699.85' D - Y: 487781.96' / X: 527046.14'</p>	<p><b>" OPERATOR CERTIFICATION</b> 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><i>Pam Stevens</i> 9/18/14 Signature Date</p> <p><i>Pam Stevens</i> Printed Name</p> <p><i>pstevens@bcoperating.com</i> E-mail Address</p>

