

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised July 18, 2013

| | | |
|---|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) | | WELL API NO. 30-015-42731 |
| 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> | | 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator BC OPERATING, INC. | | 6. State Oil & Gas Lease No. |
| 3. Address of Operator P.O. BOX 50820 MIDLAND, TX 79710 | | 7. Lease Name or Unit Agreement Name STERLING 20 STATE |
| 4. Well Location Unit Letter O : 240 feet from the SOUTH line and 1950 feet from the EAST line Section 17 Township 23 S Range 27 E NMPM EDDY County | | 8. Well Number 1 |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3179' GL | | 9. OGRID Number 160825 |
| | | 10. Pool name or Wildcat FOREHAND RANCH: WOLFCAMP SOUTHWEST |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
|--|--|--|--|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input checked="" type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| DOWNHOLE COMMINGLE <input type="checkbox"/> | | | |
| CLOSED-LOOP SYSTEM <input type="checkbox"/> | | | |
| OTHER: <input type="checkbox"/> | | OTHER: <input type="checkbox"/> | |

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

BC OPERATING INC. RESPECTFULLY REQUESTS TO AMEND THE LOCATION.

CURRENT: SURFACE - 240' FSL & 1950' FEL, SEC. 17-T23S-R27E, UL "O"

BOTTOM HOLE - 240' FSL & 1950' FEL, SEC. 20-T23S-R27E, UL "O"

PROPOSED: SURFACE - 240' FSL & 1650' FEL, SEC. 17-T23S-R27E, UL "O"

BOTTOM HOLE - 240' FSL & 1650' FEL, SEC. 20-T23S-R27E, UL "O"

NM OIL CONSERVATION
ARTESIA DISTRICT

OCT 03 2016

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Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Sarah Presley TITLE REGULATORY ANALYST DATE 9.29.2016

Type or print name SARAH PRESLEY E-mail address: SPRESLEY@BCOPERATING. PHONE: 432-684-9696

For State Use Only

APPROVED BY Karen Sharp TITLE Bus Oper Spec-Adv DATE 10-4-16

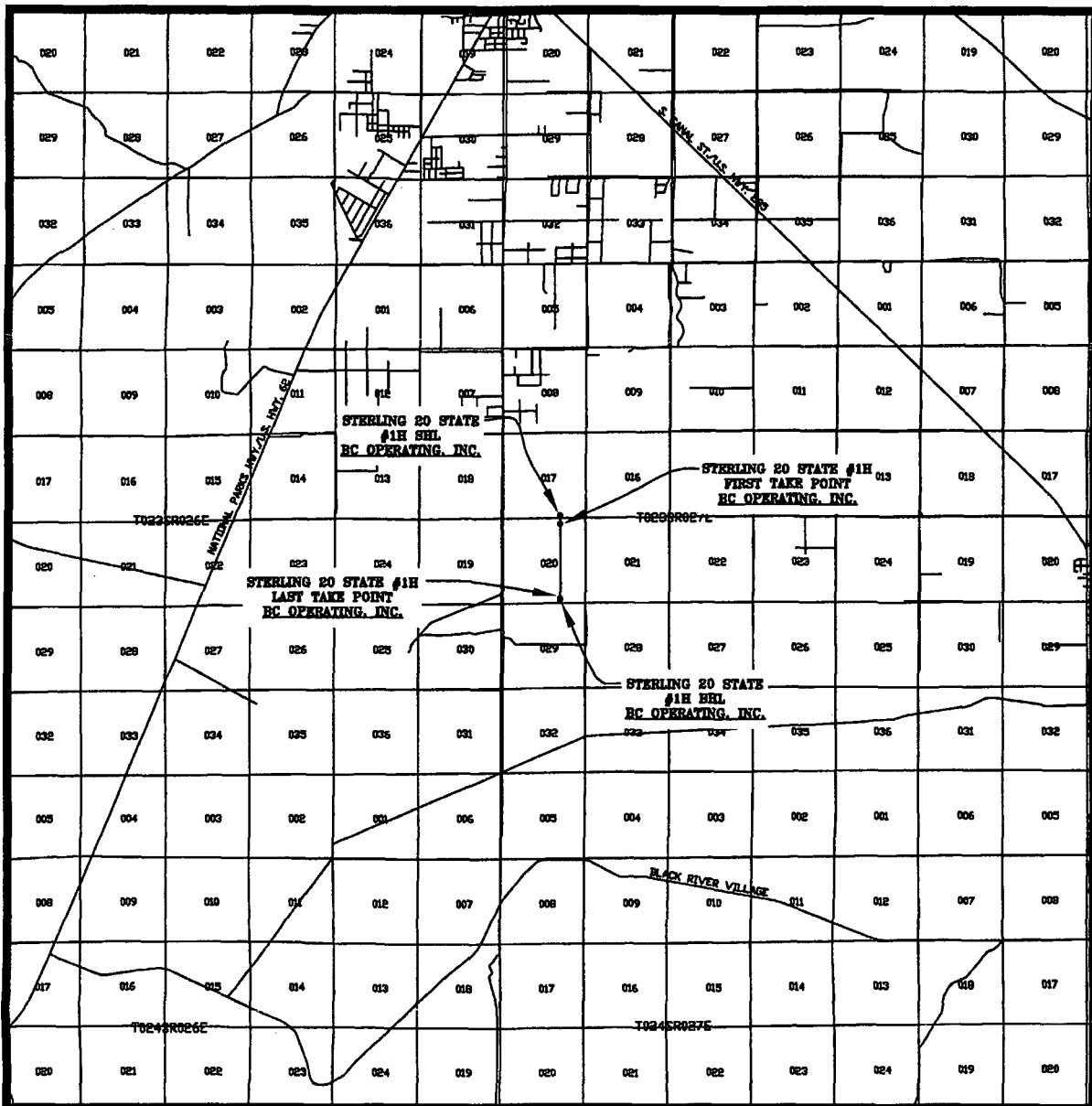
Conditions of Approval (if any):

[illegible]

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

PREPARED BY:
R-SQUARED GLOBAL, LLC
1309 LOUISVILLE AVENUE, MONROE, LA 71201
318-323-6900 OFFICE
JOB No. R3450_001

VICINITY MAP



SEC. 17 TWP. 23-S RGE. 27-E
 SURVEY: N.M.P.M.
 COUNTY: EDDY
 DESCRIPTION: 240' FSL & 1650' FEL
 ELEVATION: 3177'
 OPERATOR: B.C. OPERATING, INC.
 LEASE: STERLING 20 STATE
 U.S.G.S. TOPOGRAPHIC MAP: OTIS, N.M.

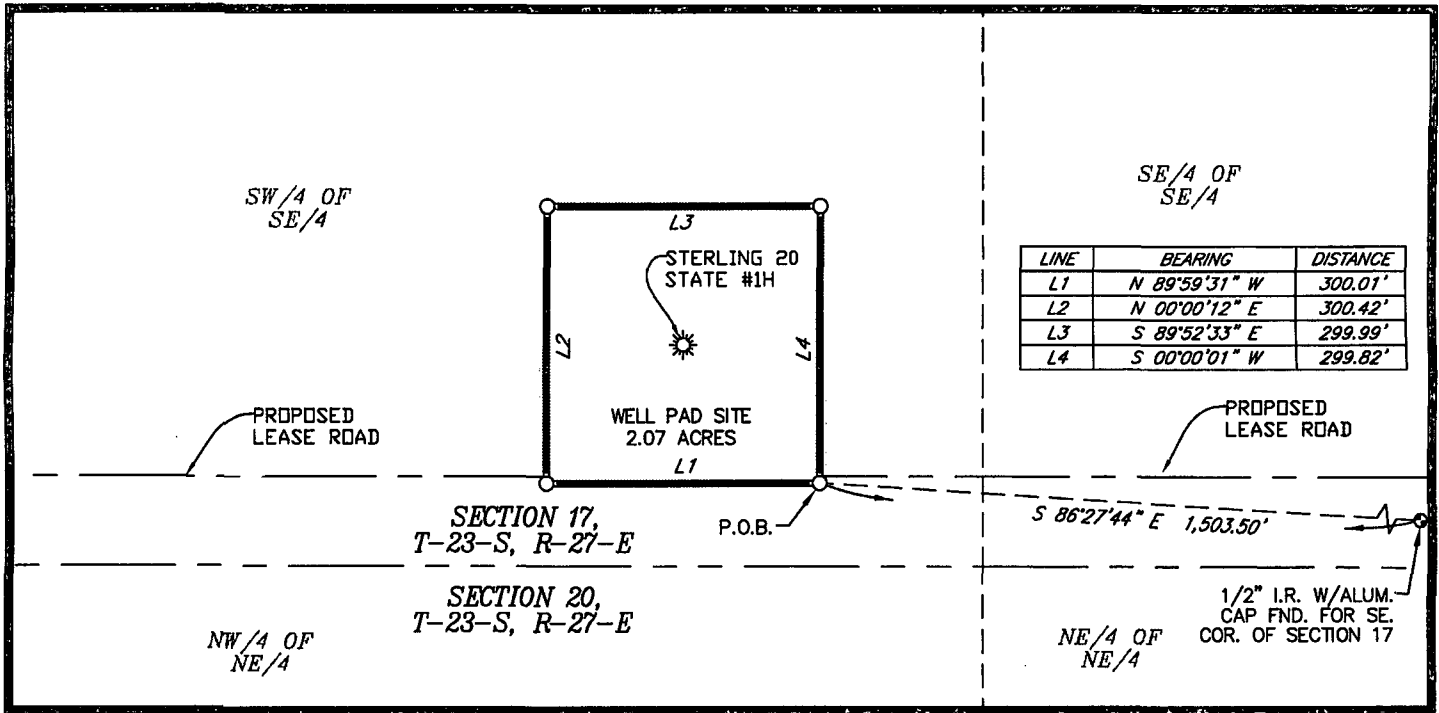
SCALE: 1" = 2 MILES

PREPARED BY:
 R-SQUARED GLOBAL, LLC
 1309 LOUISVILLE AVENUE, MONROE, LA 71201
 318-323-6900 OFFICE
 JOB No. R3450_001

WELL PAD SURFACE

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

SEC. 17 TWP. 23-S RGE. 27-E
SURVEY: N.M.P.M.
COUNTY: EDDY
U.S.G.S. TOPOGRAPHIC MAP: OTIS, N.M.



FIELD NOTES DESCRIBING

A tract of land being 2.07 acres. Said tract being located in Section 17, Township 23 South, Range 27 East, New Mexico Principal Meridian, Eddy County, New Mexico.

Being more particularly described by metes and bounds as follows:

BEGINNING at a point from which a 1/2 inch iron rod with an aluminum cap found for the Southeast corner of said Section 17 bears, S 86°27'44" E a distance of 1,503.50 feet.

THENCE

N 89°59'31" W a distance of 300.01 feet to the Southwest corner of this tract, and N 00°00'12" E a distance of 300.42 feet to the Northwest corner of this tract, and S 89°52'33" E a distance of 299.99 feet to the Northeast corner of this tract, and S 00°00'01" W a distance of 299.82 feet to the **POINT OF BEGINNING**.

The total area of the herein described tract contains 2.07 acres of land.

All bearings and coordinates refer to NAD 83, New Mexico State Plane Coordinate System, East Zone, U.S. Survey Feet. (All bearings and distances are grid measurements.)

Title information furnished by B.C. Operating, Inc.

Reference accompanying Certificate of Survey prepared in conjunction with this legal description for easement.

STATE OF NEW MEXICO
COUNTY OF EDDY

I, Lloyd P. Short, New Mexico Professional Surveyor No. 21653, do hereby certify that this easement survey plat and the actual survey on the ground upon which it is based were performed by me or under my direct supervision; that I am responsible for this survey; that this survey meets the minimum standards for surveying in New Mexico; and that it is true and correct to the best of my knowledge and belief. I further certify that this survey is not a land division or subdivision as defined in the New Mexico Subdivision Act and that this instrument is an easement survey plat crossing an existing tract or tracts.

BASIS OF BEARING

ALL BEARINGS AND COORDINATES REFER TO NAD 83, NEW MEXICO STATE PLANE COORDINATE SYSTEM, EAST ZONE, U.S. SURVEY FEET. (ALL BEARINGS AND DISTANCES ARE GRID MEASUREMENTS.)



LLOYD P. SHORT, PS No. 21653 DATE: AUGUST 25, 2016

Lloyd P. Short

BC OPERATING, INC.

PLAT FOR A SURFACE SITE ON THE PROPERTY OF
STATE OF NEW MEXICO
EDDY COUNTY, NEW MEXICO

| | | | | | | | | | | |
|--|-----------|--------|-----|---------------------------|-----------|------------------|------|-------------|----|------|
| STERLING 20 STATE #1H WELL PAD SURFACE TOTALS | | LEGEND | | P.O.B. POINT OF BEGINNING | R3450_001 | REV. | DATE | DESCRIPTION | BY | CHKD |
| FEET | 1,200.24' | --- | --- | PROP. LEASE RD. | --- | SHEET 4 OF 7 | | | | |
| RODS | 72.74 | --- | --- | LOT LINE | x x | DRAWN BY: DEF | | | | |
| ACRES | 2.07 | --- | --- | SURFACE SITE EDGE | --- | DATE: 08/25/2016 | | | | |
| | | --- | --- | EXIST. PIPELINE | --- | CHECKED BY: LPS | | | | |
| | | ● | ○ | MONUMENT | ○ | | | | | |
| | | | | POWER POLE | | | | | | |
| | | | | QUARTER SPLIT | | | | | | |



1309 LOUISVILLE AVE.
MONROE, LA 71201
(318) 323-6900
FAX (318) 362-0064

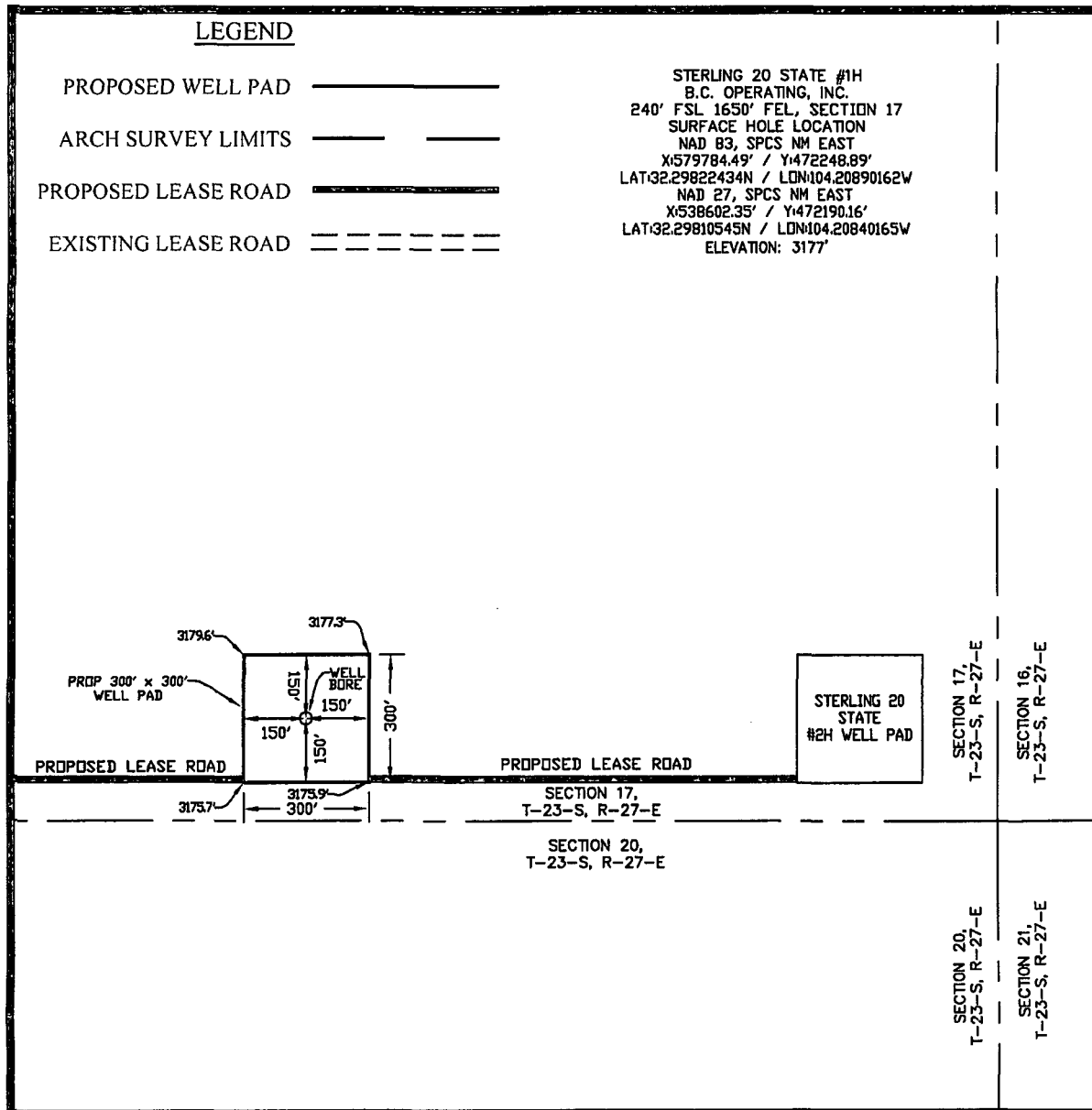
WELL PAD TOPO

SEC. 17 TWP. 23-S RGE. 27-E

SURVEY: N.M.P.M.

COUNTY: EDDY

U.S.G.S. TOPOGRAPHIC MAP: OTIS, 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. 62 W./S. CANAL STREET FOR 2.3 MILES TO OLD CAVERN HWY. ON THE LEFT. TRAVEL SOUTH ON OLD CAVERN HWY. FOR 6.3 MILES TO LEASE ROAD ON THE LEFT. TRAVEL EAST ON LEASE ROAD FOR 0.7 MILE TO PROPOSED WELL 265 FEET TO THE LEFT.

NOTE:

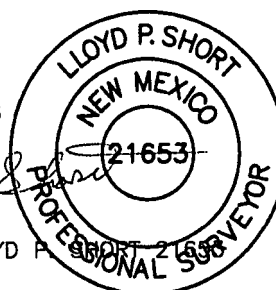
THIS IS NOT A BOUNDARY SURVEY, APPARENT PROPERTY CORNERS AND PROPERTY LINES ARE SHOWN FOR INFORMATION ONLY. BOUNDARY DATA SHOWN IS FROM STATE OF NEW MEXICO OIL CONSERVATION DIVISION FORM C-102 INCLUDED IN THIS SUBMITTAL.

200' 0' 200' 400'
SCALE: 1" = 400'

AUGUST 25, 2016

Lloyd P. Short

LLOYD P. SHORT



PREPARED BY:
R-SQUARED GLOBAL, LLC
1309 LOUISVILLE AVENUE, MONROE, LA 71201
318-323-8900 OFFICE
JOB No. R3450_001

[illegible]

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

PREPARED BY:
R-SQUARED GLOBAL, LLC
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JOB No. R3450_001

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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

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|--|--|
| ¹ API Number 30-015-42731 | ² Pool Code 96409 | ³ Pool Name FOREHAND RANCH; WOLFCAMP SOUTHWEST |
| ⁴ Property Code 312796 | ⁵ Property Name STERLING 20 STATE | ⁶ Well Number 1H |
| ⁷ OGRID No. 160825 | ⁸ Operator Name B.C. OPERATING, INC. | ⁹ Elevation 3177 |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 0 | 17 | T23S | R27E | | 240' | SOUTH | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 0 | 20 | T23S | R27E | | 240' | SOUTH | 1650' | EAST | EDDY |

| | | | |
|---|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 160.00 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ 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.

| | | | | | |
|--|------------|---|------------|---|--|
| ¹⁶ CORNER COORDINATES NAD 83, SPCS NM EAST A - Y: 472010.44' / X: 576789.62' B - Y: 472008.28' / X: 580112.37' C - Y: 466709.48' / X: 580131.35' D - Y: 466718.61' / X: 578913.93' | | CORNER COORDINATES NAD 27, SPCS NM EAST A - Y: 471951.73' / X: 537607.49' B - Y: 471949.53' / X: 538930.22' C - Y: 466650.89' / X: 538949.09' D - Y: 466660.04' / X: 537631.66' | | 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: 9.29.16 Printed Name: Sarah Presley E-mail Address: Spresley@bcoperating.com | |
| SECTION 18 | SECTION 17 | SECTION 16 | SECTION 21 | | |
| SECTION 19 | SECTION 20 | SURFACE HOLE LOCATION 240' FSL 1650' FEL NAD 83, SPCS NM EAST X:579784.49' / Y:472248.89' LAT:32.29822434N / LON:104.20890162W NAD 27, SPCS NM EAST X:538602.35' / Y:472190.16' LAT:32.29810545N / LON:104.20840165W FIRST TAKE POINT 330' FSL 1650' FEL NAD 83, SPCS NM EAST X:579785.95' / Y:471678.82' LAT:32.29665728N / LON:104.20889902W NAD 27, SPCS NM EAST X:538603.60' / Y:471620.11' LAT:32.29653838N / LON:104.20839910W LAST TAKE POINT 330' FSL 1650' FEL NAD 83, SPCS NM EAST X:579497.91' / Y:467041.80' LAT:32.28391069N / LON:104.20887772W NAD 27, SPCS NM EAST X:538315.67' / Y:466983.21' LAT:32.28379172N / LON:104.20837817W BOTTOM HOLE LOCATION 240' FSL 1650' FEL NAD 83, SPCS NM EAST X:579798.15' / Y:466951.80' LAT:32.2836328N / LON:104.20887731W NAD 27, SPCS NM EAST X:538615.90' / Y:466893.21' LAT:32.28354431N / LON:104.20987777W | | | |
| SECTION 19 | SECTION 20 | SECTION 21 | SECTION 28 | | |
| SECTION 30 | SECTION 29 | | | | |

