

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

WELL API NO. 30-015-42731
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name STERLING 20 STATE
8. Well Number 1H
9. OGRID Number 160825
10. Pool name or Wildcat FOREHAND RANCH; WOLFCAMP

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.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>	NM OIL CONSERVATION
2. Name of Operator BC OPERATING, INC. ARTESIA DISTRICT	
3. Address of Operator P.O BOX 50820 MIDLAND, TX 79710	OCT 17 2016
4. Well Location Unit Letter O : 240 feet from the 800TH line and 1650 feet from the EAST line Section 17 Township 23S Range 27E NMPM EDDY County	(GAS)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3177' GL	

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 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 checked="" 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 EXTEND THE CURRENT DRILLING PERMIT FOR 1 YEAR. THE CEMENT AND CASING WILL BE THE SAME AS LISTED ON THE ORIGINAL DRILLING PERMIT.

CURRENT EXPIRATION DATE: OCTOBER 15, 2016

Additional requests for extension
Must be accompanied by current work plan
and current C-102

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 10/14/2016

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

For State Use Only

APPROVED BY: Karen Sharp TITLE Bus Oper Spec - Adv DATE 10-17-16
Conditions of Approval (if any):

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, Artesia, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87503
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

☐ 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 313796	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

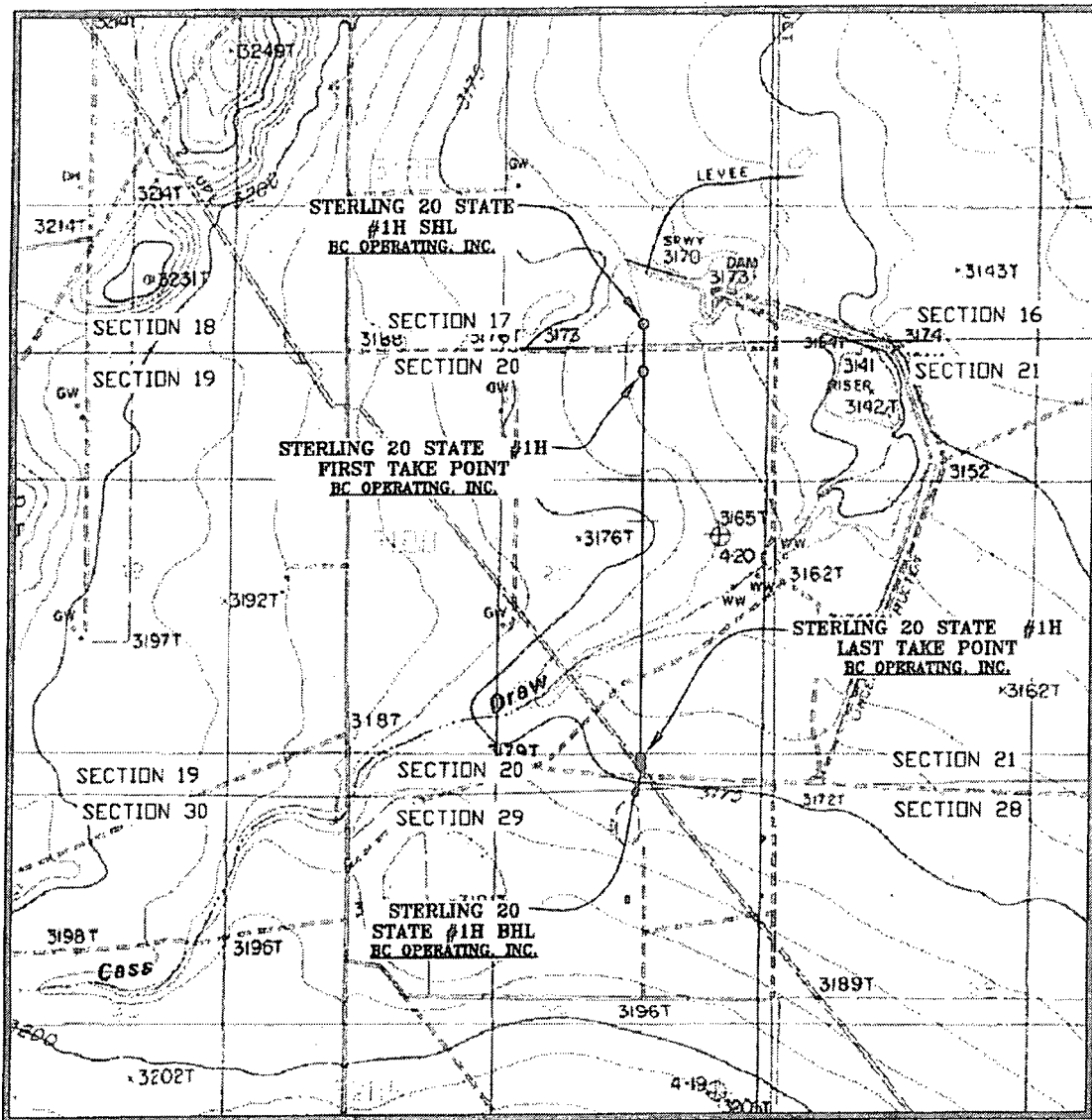
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	20	T23S	R27E		240'	SOUTH	1650'	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
160.00			

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: 578789.62' B - Y: 472008.28' / X: 580112.37' C - Y: 466709.48' / X: 580131.33' D - Y: 466718.61' / X: 578813.90'		¹⁷ CORNER COORDINATES NAD 83, SPCS NM EAST A - Y: 471931.73' / X: 537607.49' B - Y: 471949.53' / X: 538930.22' C - Y: 466650.89' / X: 538949.09' D - Y: 466660.04' / X: 537631.66'	
SECTION 18	SECTION 17	SECTION 16	SECTION 15
SECTION 19	SECTION 20	SECTION 21	SECTION 22
<p>SURFACE HOLE LOCATION 240' FSL 1650' FEL NAD 83, SPCS NM EAST X579784.49' / Y472248.89' LAT32.29822434N / LON104.20890162W NAD 83, SPCS NM EAST X538602.35' / Y472190.16' LAT32.29810545N / LON104.20840165W</p> <p>FIRST TAKE POINT 330' FSL 1650' FEL NAD 83, SPCS NM EAST X579785.95' / Y471678.82' LAT32.29665728N / LON104.20889902W NAD 83, SPCS NM EAST X538603.80' / Y471620.11' LAT32.29653838N / LON104.20839910W</p> <p>LAST TAKE POINT 330' FSL 1650' FEL NAD 83, SPCS NM EAST X579497.91' / Y467041.80' LAT32.28391069N / LON104.20887772W NAD 83, SPCS NM EAST X538315.67' / Y466983.21' LAT32.28379172N / LON104.20837817W</p> <p>BOTTOM HOLE LOCATION 240' FSL 1650' FEL NAD 83, SPCS NM EAST X579786.15' / Y466951.80' LAT32.28366320N / LON104.20887731W NAD 83, SPCS NM EAST X538615.90' / Y466893.21' LAT32.28354431N / LON104.20887777W</p>		<p>¹⁸ 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.</p> <p>Signature: <i>Sarah Presley</i> Date: 10-14-16 Printed Name: Sarah Presley E-mail Address: spresley@bcooperating.com</p> <p>¹⁹ 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.</p> <p>AUGUST 25, 2016 Date of Survey Signature and Seal of Professional Surveyor: <i>Lloyd P. Short</i> Certificate Number: 21653</p>	
SECTION 19	SECTION 20	SECTION 21	SECTION 22
SECTION 30	SECTION 29	SECTION 28	SECTION 27

LOCATION VERIFICATION MAP

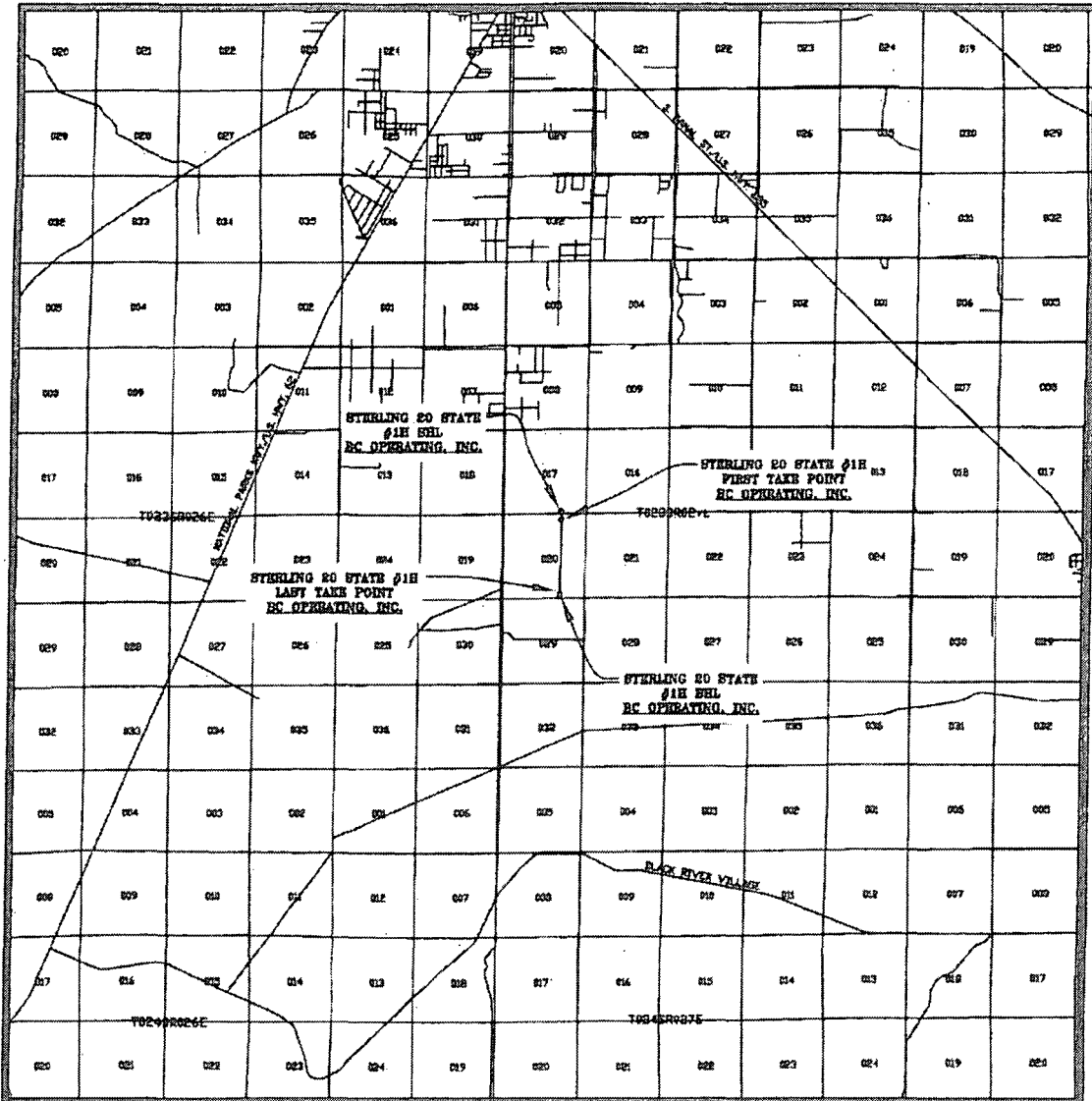


SEC. 17 TWP. 23-S RGE. 27-E
SURVEY: N.M.P.M.
COUNTY: EDDY
DESCRIPTION: 240' FSL & 1650' FEL
ELEVATION: 3177'
OPERATOR: B.C. OPERATING, INC.
LEASE: STERLING 20 STATE
U.S.G.S. TOPOGRAPHIC MAP: OTIS, N.M.

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

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

WELL PAD SURFACE

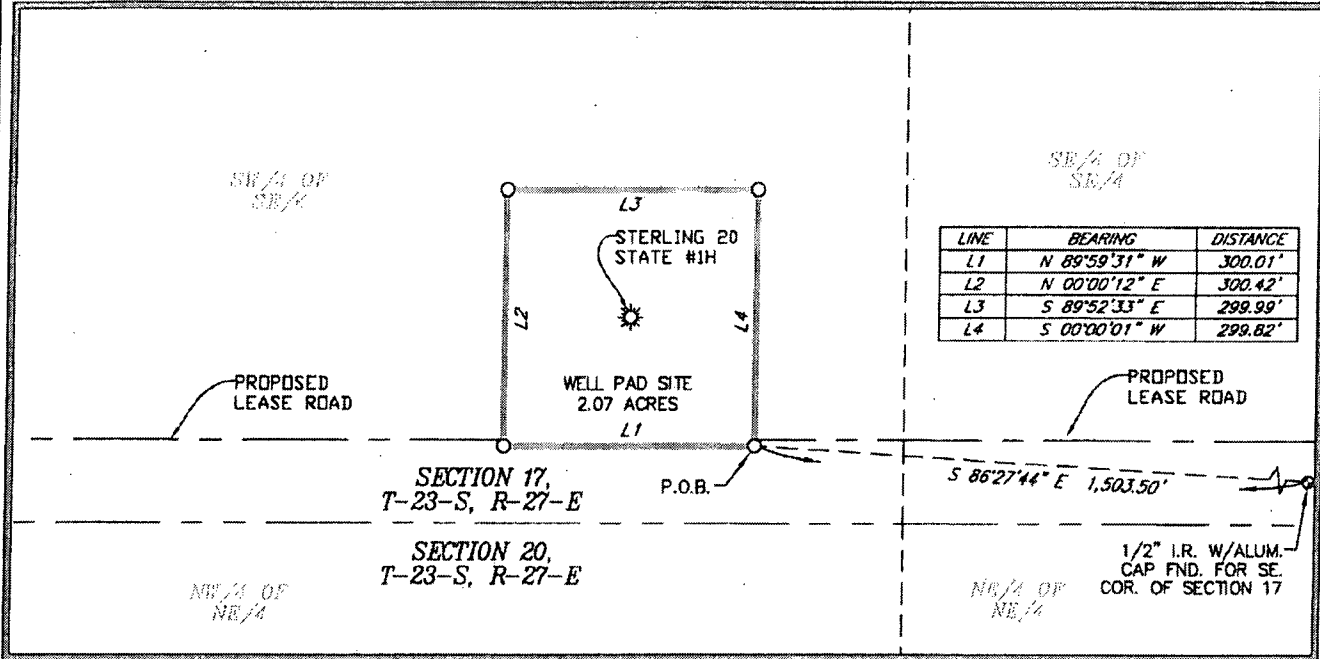
100' 0' 100' 200'
SCALE: 1" = 200'

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 notes 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		RS450_001	REV.	DATE	DESCRIPTION	BY	CHKD
FEET	1,200.24'	— — — — —	PROP. LEASE RD.	— — — — —	—	—	—	—	—
RODS	72.74	— — — — —	LOT LINE	— — — — —	—	—	—	—	—
ACRES	2.07	— — — — —	SURFACE SITE EDGE	— — — — —	—	—	—	—	—
		— — — — —	EXIST. PIPELINE	— — — — —	—	—	—	—	—
		— — — — —	ARC LIMITS	— — — — —	—	—	—	—	—
		— — — — —	FENCE	— — — — —	—	—	—	—	—
		— — — — —	SECTION LINE	— — — — —	—	—	—	—	—
		— — — — —	OVERHEAD POWER	— — — — —	—	—	—	—	—
		— — — — —	QUARTER SPLIT	— — — — —	—	—	—	—	—
		— — — — —	MONUMENT	— — — — —	—	—	—	—	—
		— — — — —	POWER POLE	— — — — —	—	—	—	—	—

SHEET 4 OF 7

DRAWN BY: DEF

DATE: 08/25/2016

CHECKED BY: LPS



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

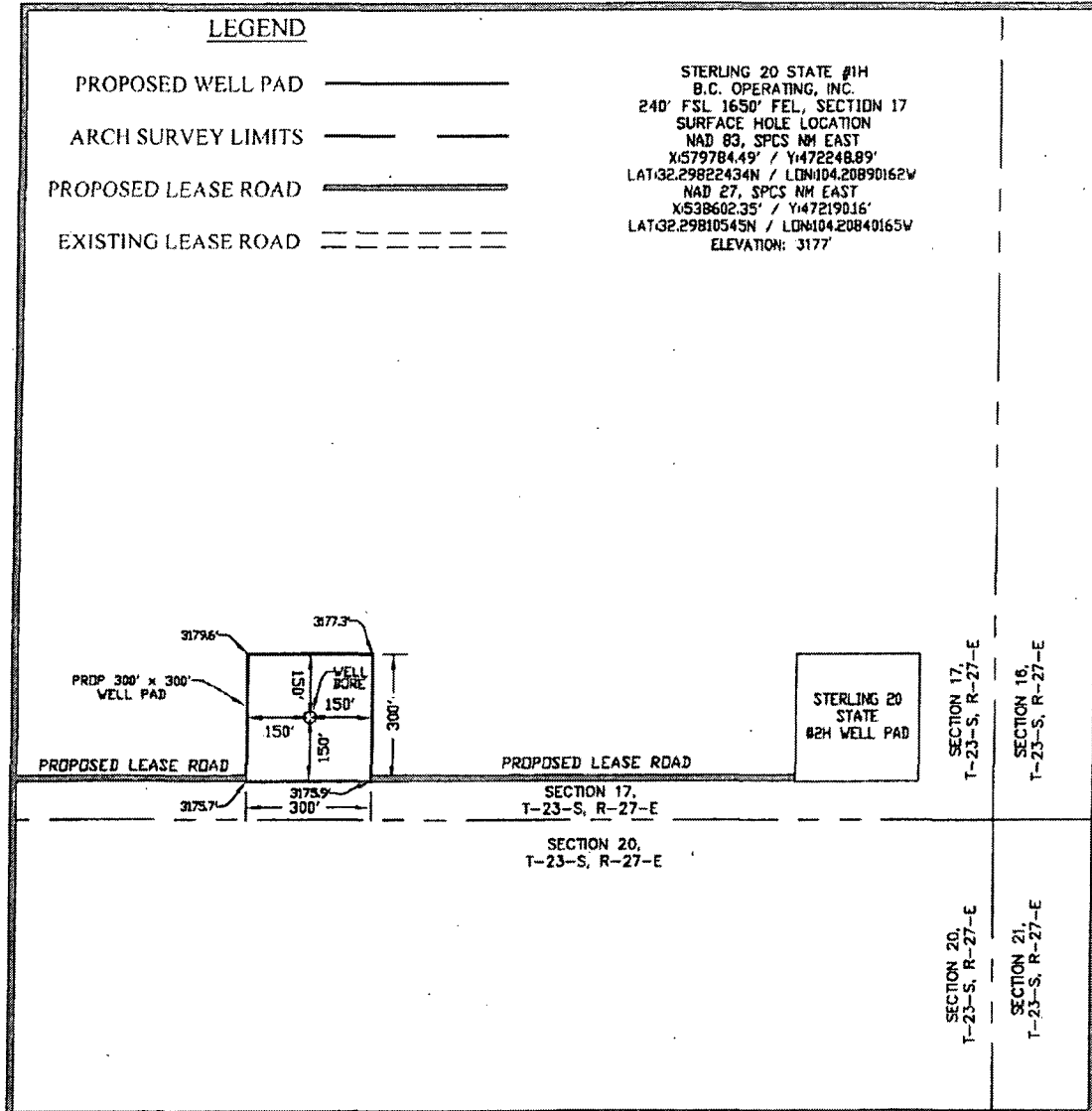
WELL PAD TOPO

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:

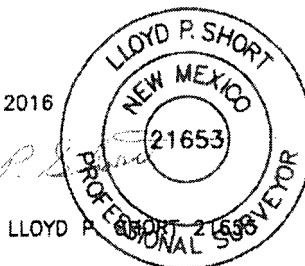
FROM THE INTERSECTION OF U.S. HIGHWAY 62/WEST GREENE STREET AND U.S. 180 W./U.S. 82 W./S. CANAL STREET IN CARLESBAD, NEW MEXICO, TRAVEL SOUTH ON U.S. 62 W./S. CANAL STREET FOR 2.3 MILES TO OLD CAVERN HWY. ON THE LEFT. TRAVEL SOUTH ON OLD CAVERN HWY. FOR 6.3 MILES TO LEASE ROAD ON THE LEFT. TRAVEL EAST ON LEASE ROAD FOR 0.7 MILE TO PROPOSED WELL 285 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.

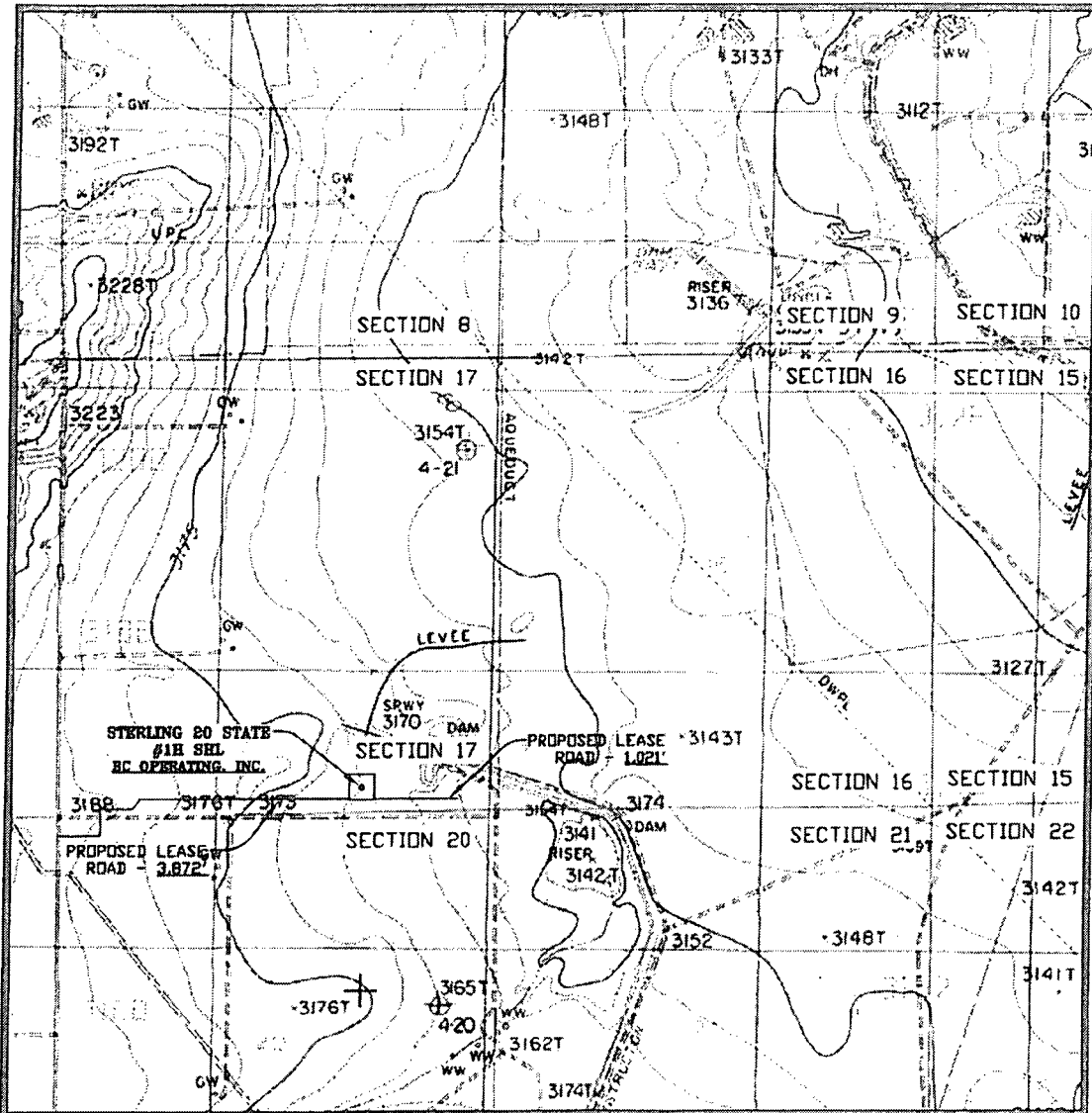
200' 0' 200' 400'
SCALE: 1" = 400'

AUGUST 25, 2016



PREPARED BY:
R-SQUARED GLOBAL, LLC
1309 LOUISVILLE AVENUE, MONROE, LA 71201
318-328-8900 OFFICE
JOB No. R3450_001

WELL PAD LOCATION VERIFICATION MAP



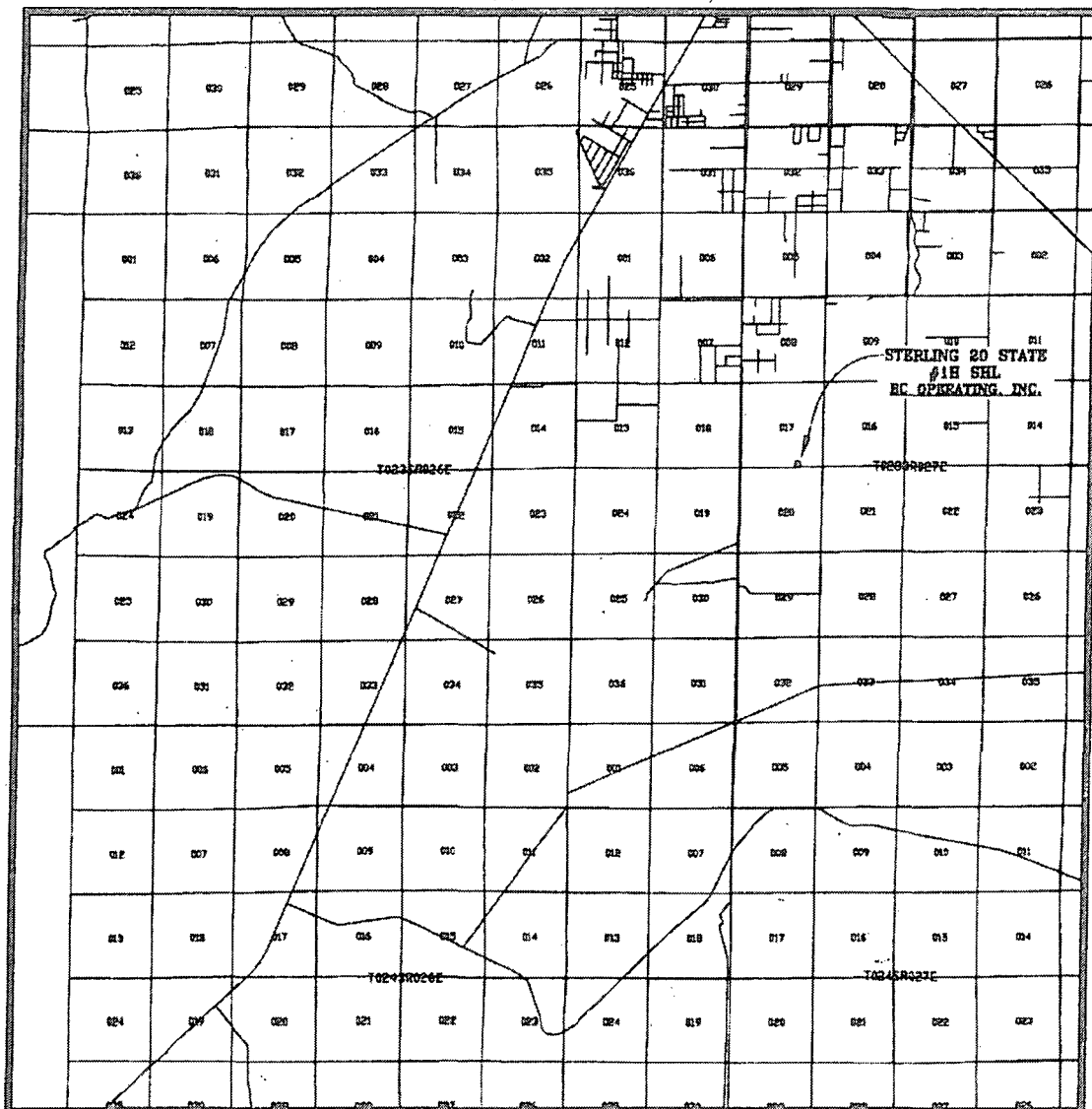
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SCALE: 1" = 2000'
 CONTOUR INTERVAL = 20'

PREPARED BY:
 R-SQUARED GLOBAL, LLC
 1308 LOUISVILLE AVENUE, MONROE, LA 71201
 318-323-8900 OFFICE
 JOB No. R3460_001

EXISTING ACCESS ROAD VICINITY MAP

STERLING 20 STATE #1H
240' FSL & 1650' FEL
SEC. 17 TWP. 23-S RGE. 27-E
SURVEY: N.M.P.M.
COUNTY: EDDY
U.S.G.S. TOPOGRAPHIC MAP: OTIS, N.M.



SCALE: 1" = 2 MILES

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JOB No. R3450_001