

WELL API NO.

30-015-42731

5. Indicate Type of Lease

STATE ☒ FEE ☐

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 SOUTHWEST

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 ☒ Gas Well ☐ Other ☐

2. Name of Operator BC OPERATING, INC.

3. Address of Operator P.O. BOX 50820
MIDLAND, TX 79710

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 County11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3179' GL

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☒PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐DOWNHOLE COMMINGLE ☐CLOSED-LOOP SYSTEM ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: ☐

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 CHANGE THE CASING AND CEMENT PROGRAM THAT IS ON THE CURRENT DRILLING PERMIT TO THE INFORMATION LISTED BELOW:

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
SURFACE	17.5"	13.375"	48#	400'	660	0'
INTERMEDIATE	12.25"	9.625"	36#	2,100'	850	0'
PRODUCTION	8.75"	7"	26#	10,000'	1,000	1,600'
LINER	6.125"	4.5"	13.5#	14,460'	440	9,200'

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

TITLE REGULATORY ANALYST

DATE 10.26.2016

Type or print name SARAH PRESLEY

E-mail address: SPRESLEY@BCOPERATING.COM

PHONE: 432-684-9696

For State Use Only

APPROVED BY:

TITLE COMPLIANCE OFFICER

DATE 10/31/2016

Conditions of Approval (if any):