

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
NM OIL CONSERVATION
ARTESIA DISTRICT Energy Minerals and Natural Resources

Form C-101
Revised July 18, 2013

OCT 13 2015 Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

AMENDED REPORT

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, Texas 79710		2. OGRID Number 160825	
3. Property Name Man Cave 7 State Com		4. API Number 30-015-43447	
5. Property Code 315314		6. Well No. 1H	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
1/8	7	23S	26E		257	North	451	West	Eddy

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
4	7	23S	26E		240	South	451	West	Eddy

9. Pool Information

Pool Name Wildcat Wolfcamp WC-015 S2326060:UE	Pool Code 98170
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Additional Well Information

11. Work Type New Well	12. Well Type Gas	13. Cable/Rotary Rotary	14. Lease Type State	15. Ground Level Elevation 3437'
16. Multiple No	17. Proposed Depth 13,664' MD/9050' TVD	18. Formation Wolfcamp	19. Contractor TBD	20. Spud Date 03/01/2016
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
Surface	16"	13 3/8"	48#	400'	400	0'
Intermediate	12 1/4"	9 5/8"	40#	5100'	1400	0'
Production	8 3/4"	5 1/2"	17#	13,664'	1750	5000'

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram Annular	3000#	2000#	Hydrill/Shaeffer

<p>23. 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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/>, if applicable. Signature: <i>Pam Stevens</i> Printed name: Pam Stevens Title: Regulatory Analyst E-mail Address: pstevens@bcoperating.com Date: 09/30/2015 Phone: 432-684-9696</p>	OIL CONSERVATION DIVISION	
	Approved By: <i>[Signature]</i>	
	Title: <i>Dist. P. Stevens</i>	
	Approved Date: <i>11/5/2015</i>	Expiration Date: <i>11/5/2017</i>
	Conditions of Approval Attached	

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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 30-015-43447	² Pool Code 98170	³ Pool Name WC-015 52826060 Wildcat; Wolfcamp (6as)
⁴ Property Code 315314	⁵ Property Name MAN CAVE 7 STATE COM	⁶ Well Number 1H
⁷ OGRID No. 160825	⁸ Operator Name B.C. OPERATING, INC.	⁹ Elevation 3437'

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
1	7	T23S	R26E		257'	NORTH	451'	WEST	EDDY

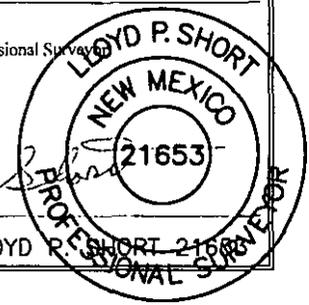
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	7	T23S	R26E		240'	SOUTH	451'	WEST	EDDY

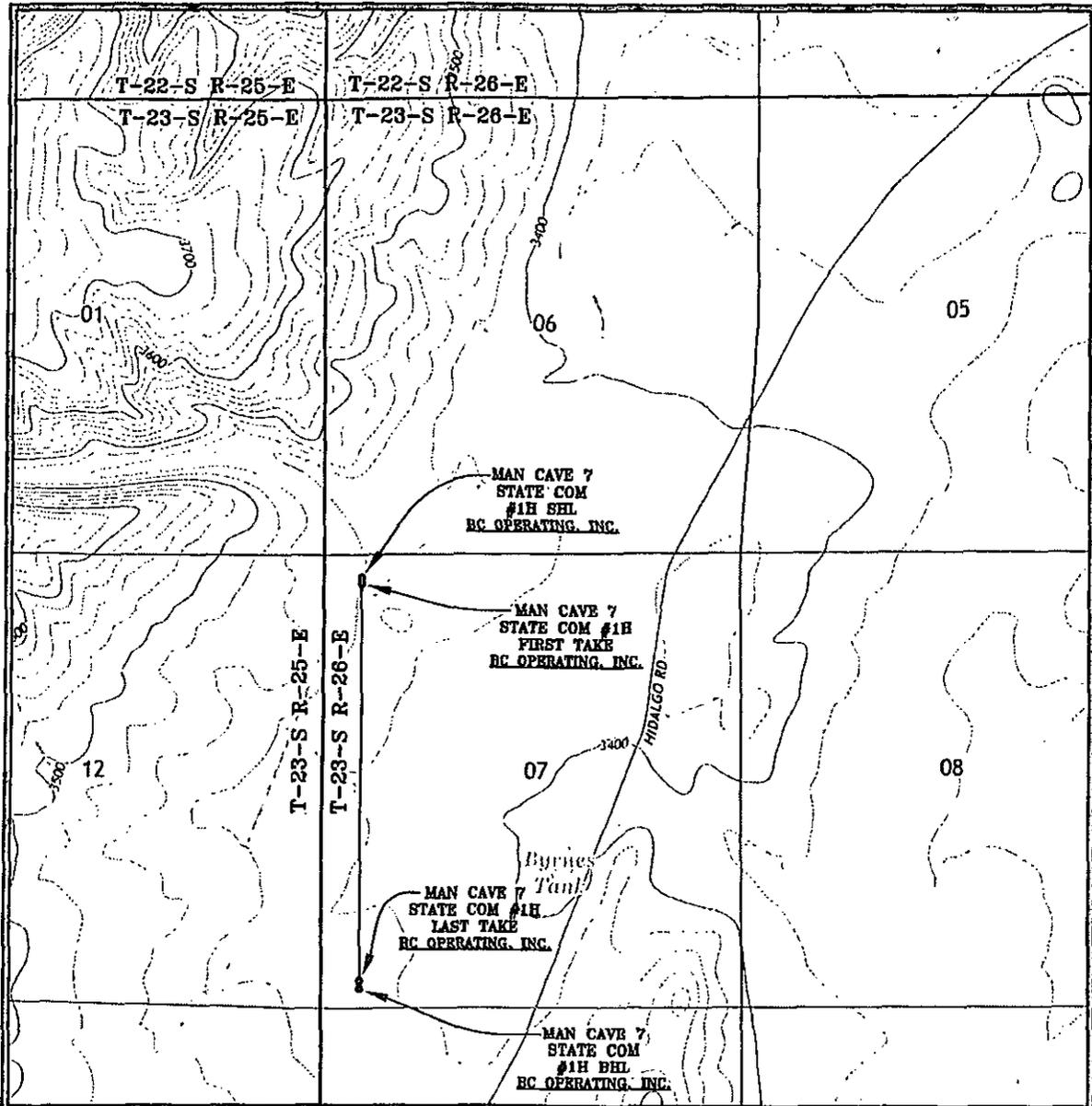
¹² Dedicated Acres 320.00	¹³ Joint or Infill 317.36	¹⁴ Consolidation Code (99749)	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	<p>16</p> <p>CORNER COORDINATES NAD 83, SPCS NM EAST A - Y: 482392.07 / X: 539113.61 B - Y: 482416.90 / X: 541589.19 C - Y: 477066.63 / X: 541621.32 D - Y: 477046.72 / X: 539106.43</p>		<p>17 OPERATOR CERTIFICATION</p> <p>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> 09/30/15 Signature Date</p> <p>Pam Stevens Printed Name</p> <p>pstevens@bcoperating.com E-mail Address</p>	
	<p>18 SURVEYOR CERTIFICATION</p> <p>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>SEPTEMBER 24, 2015 Date of Survey</p> <p><i>Lloyd P. Short</i> Signature and Seal of Professional Surveyor</p>		<p>19</p> <p>CORNER COORDINATES NAD 27, SPCS NM EAST A - Y: 482333.84 / X: 497932.49 B - Y: 482358.61 / X: 500407.83 C - Y: 477008.50 / X: 500439.83 D - Y: 476988.65 / X: 497924.98</p>	
	<p>20</p> <p>CORNER COORDINATES NAD 83, SPCS NM EAST A - Y: 482392.07 / X: 539113.61 B - Y: 482416.90 / X: 541589.19 C - Y: 477066.63 / X: 541621.32 D - Y: 477046.72 / X: 539106.43</p>		<p>21</p> <p>CORNER COORDINATES NAD 27, SPCS NM EAST A - Y: 482333.84 / X: 497932.49 B - Y: 482358.61 / X: 500407.83 C - Y: 477008.50 / X: 500439.83 D - Y: 476988.65 / X: 497924.98</p>	
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LOCATION VERIFICATION MAP

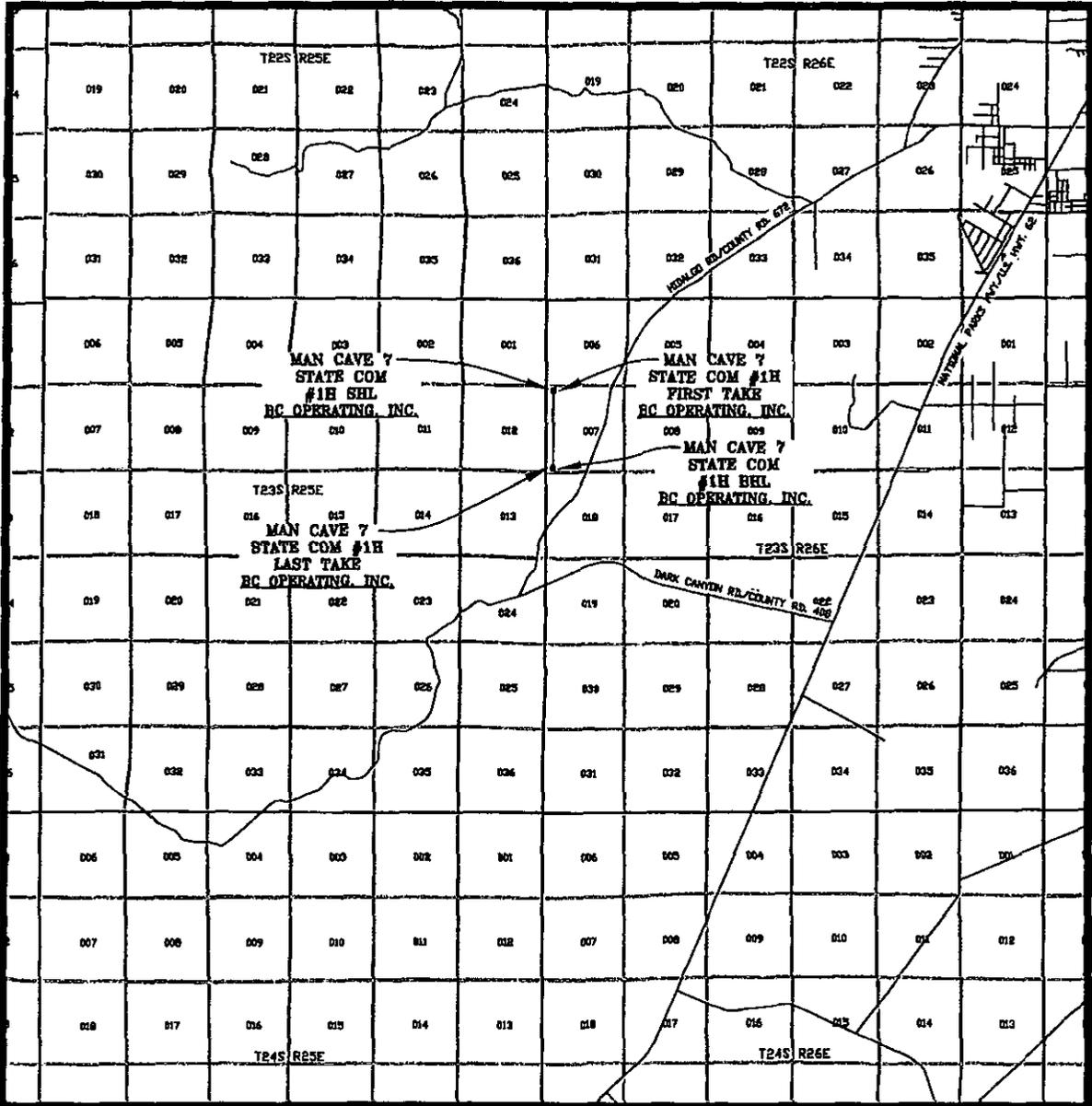


SEC. 7 TWP. 23 S RGE. 26 E
 SURVEY: N.M.P.M.
 COUNTY: EDDY
 DESCRIPTION: 257' FNL & 451' FWL
 ELEVATION: 3437'
 OPERATOR: B.C. OPERATING, INC.
 LEASE: MAN CAVE 7 STATE COM
 U.S.G.S. TOPOGRAPHIC MAP: KITCHEN COVE, N.M.

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

PREPARED BY:
 R-SQUARED GLOBAL, LLC
 1309 LOUISVILLE AVENUE, MONROE, LA 71201
 318-323-6900 OFFICE
 JOB No. R3688_001

VICINITY MAP



SEC. 7 TWP. 23 S RGE. 26 E
 SURVEY: N.M.P.M.
 COUNTY: EDDY
 DESCRIPTION: 257' FNL & 451' FWL
 ELEVATION: 3437'
 OPERATOR: B.C. OPERATING, INC.
 LEASE: MAN CAVE 7 STATE COM
 U.S.G.S. TOPOGRAPHIC MAP: KITCHEN COVE, N.M.

SCALE: 1" = 2 MILES

PREPARED BY:
 R-SQUARED GLOBAL, LLC
 1309 LOUISVILLE AVENUE, MONROE, LA 71201
 318-323-6900 OFFICE
 JOB No. R3688_001

NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 S. FIRST
ARTESIA, NM 88210
(575)748-1283

CONDITIONS OF APPROVAL:

NAME OF OPERATOR: BC Operating
WELL NAME & NUMBER: MAN CAVE 7 State Com 1H
30-015-43447

1. Trucking companies being used to haul oilfield waste to disposal facilities – commercial or private- shall have an approved NMOCD C-133 Permit. A copy of this permit shall be available in each truck used to transport waste products. It is the responsibility of the operator as well as the contractor to verify that this permit is in place. Drivers shall make permit available upon request of an OCD inspector. It is the responsibility of the operator to see to it that waste from their wells is being disposed of in a proper manner.
2. Once well is spud, to prevent groundwater contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the ~~freshwater-zone or zones~~ and shall immediately set in cement the water protection string.

INITIALS AD
DATE 11/5/2015