District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
rst St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone.(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

HOBBS OCD
AUG 11 2011
RECEIVED

Form C-101
August 1, 2011

Permit 135437

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

1. Operator Name and Address	2. OGRID Number
BC OPERATING, INC. P O Box 50820 Midland, TX 79710	160825
	3. API Number 30-025-40235

4. Property Code	5 Property Name	6. Well No.
38750	BOBWHITE STATE 11	001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
F	11	19S	34E	F	2310	N	2310	W	LEA

8. Pool Information

QUAIL;QUEEN	50450

Additional Well Information

9 Work Type	10. Well Type	11. Cable/Rotary	12. Lease Type	13. Ground Level Elevation
New Well	OIL	R	State	3976'
14. Multiple	**15. Proposed Depth**	**16. Formation**	**17. Contractor**	**18. Spud Date**
N	5300'	Queen	Western	8/20/2011
Depth to Ground water	Distance from nearest fresh water well			Distance to nearest surface water

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	1875'	830	Surface
Prod	7.875	5.5	15.5	5300'	780	Surface

Casing/Cement Program: Additional Comments

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	2000	Shaffer
Annular	3000	2000	Hydril

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☑.

Printed Name: Linda Gregg

Title: Regulatory Analyst

Email Address: lgregg@bcoperating.com

Date: 8/10/11 Phone: 432-684-9696, ext 218

OIL CONSERVATION DIVISION

Approved By:

Title: PETROLEUM ENGINEER

Approved Date: AUG 15 2011 Expiration Date:

AUG 16 2011

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

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

HOBBS OCD
AUG 11 2011
RECEIVED

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-025-40235	50450	Quail Queen

Property Code	Property Name	Well Number
38750	BOBWHITE STATE 11	1

OGRID No.	Operator Name	Elevation
160825	BC OPERATING, INC.	3976'

Surface Location

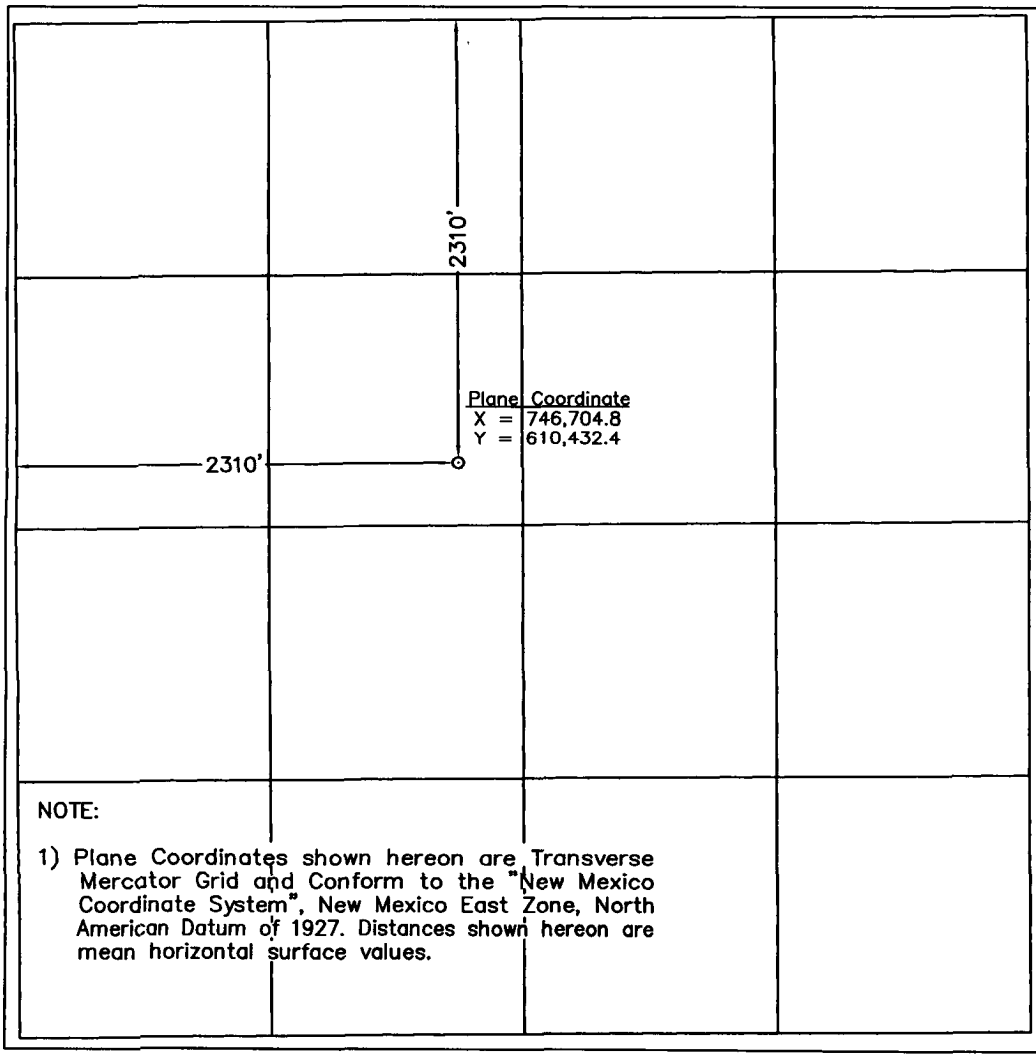
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	11	19 S	34 E		2310	NORTH	2310	WEST	LEA

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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



NOTE:

1) Plane Coordinates shown hereon are Transverse Mercator Grid and Conform to the "New Mexico Coordinate System", New Mexico East Zone, North American Datum of 1927. Distances shown hereon are mean horizontal surface values.

OPERATOR CERTIFICATION

I hereby certify the 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 interestin 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 Date: 8-10-11

Printed Name: Linda Gregg

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 supervison and that the same is true and correct to the best of my belief.

August 1, 2011

Date of Survey

Signature & Seal of Professional Surveyor

MACON McDONALD NEW MEXICO 12185 REGISTERED PROFESSIONAL SURVEYOR SJA

W.O. Num. 20111374

Certificate No. MACON McDONALD 12185

Rig Western #5 Spud Date: Field County Lea, NM	**BC Operating** **#1 Bobwhite St "11"**	**Plan Target / AFE+Supps:** AFE # Total AFE Days Total AFE Cost (K)

Formation		*Approx Spud Date - Aug 20th, 2011*	*Hole*	*MW, ppg*	*Shoe*
Rustler	1850'				
Yates	3570'				
Seven River	4075'				
Queen	4730'				
TD	5300'				

Well Head Program
Surface 8 5/8" SOW x 11" 3M
Production 11" 3M x 7 1/16" 3M

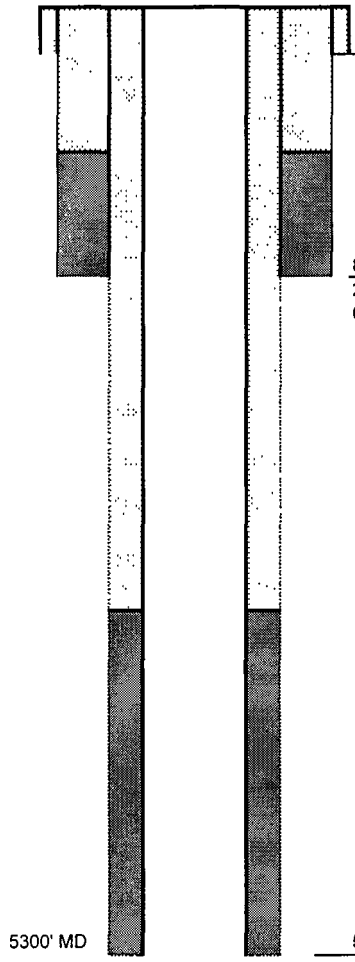
BHA Program
surf / slick w/ (3) 8" DC & (16) 6" DC
prod / DD tools for deviation

Cement Program
Surface
Lead 13 5 ppg, 0' - 1000"
Tail 14 8 ppg, 1000' - 1875'
Production
Lead 12.4 ppg, 0' - 4300'
Tail 14.2 ppg, 4300' - 5300'

Surface @ 75% excess
Lead 495 sxs
Tail 335 sxs

Production @ 30% excess over log vol
Lead 565 sxs
Tail 215 sxs

this design assumes cement to surf
on both surf & prod strings of csg



14" conductor set at +-40'

8-5/8" Surface Csg — **12-1/4"** — **8.3-9.0**
24#, J-55, STC
0' - 1875'

5-1/2" Production Csg — **7-7/8"** — **10**
15 5# J-55, STC
0'-5300'

Drilling Engineer Adam Cunyus	**Revised:**

Given

Depth csg 1	Depth csg 2	Weight Mud	Safety factor (	safety factor T	Const	weight 24#	weight 15 5#
1875	5300	8 4	1 2	1 8	0.052	24	15.5

Surface Casing

	Needed	J-55 24#	Safety factor
Collapse	819	1,370	1 67277167
Tensil, STC	45000	244000	5 42222222

Production Casing

	Needed	J-55 15.5#	Safety factor
Collapse	2315 04	4040	1 74511024
Tensil, LTC	82150	202000	2.45891662

Surface	2613 70574	maximum depth based on collapse
	5648 14815	maximum depth based on tensil
Production	7707 57021	maximum depth based on collapse
	7,240	maximum depth based on tensil