

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

HOBBS OCD

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
Revised December 16, 2011

Permit

JUL 13 2012

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

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 API Number 30-025-40216
⁴ Property Code 37375	⁵ Property Name Jalmat	⁶ Well No. 1

⁷ Surface Location

UL - Lot N	Section 16	Township 23S	Range 36E	Lot Idn	Feet from 422	N/S Line South	Feet From 2158	E/W Line West	County Lea
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⁸ Pool Information

Grayburg/San Andres

Additional Well Information

⁹ Work Type Recomplete	¹⁰ Well Type Oil	¹¹ Cable/Rotary Rotary	¹² Lease Type State	¹³ Ground Level Elevation 3454'
¹⁴ Multiple	¹⁵ Proposed Depth 4007'	¹⁶ Formation Yates	¹⁷ Contractor Western Drilling	¹⁸ Spud Date 08/13/11
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 Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	12 1/4"	8 5/8"	24#	1395'	350	0'
Production	7 7/8"	5 1/2"	15.5#	3598'	620	2780'

Casing/Cement Program: Additional Comments

Squeeze Queen perfs w/150 sx below cmt retainer @ 3715'
CIBP @ 3865' w/2 sx on top
Plan to plug back Seven Rivers perfs and recomplete to the Yates

**Permit Expires 2 Years From Approval
Date Unless Drilling Underway**

Proposed Blowout Prevention Program

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

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 ☐.

Signature: *Pam Stevens*

Printed name: Pam Stevens

Title: Regulatory Analyst

E-mail Address: pstevens@bcoperating.com

Date: 07/11/12

Phone: 432-684-9696

OIL CONSERVATION DIVISION

Approved By:

Title: **PETROLEUM ENGINEER**

Approved Date

Expiration Date:

JUL 23 2012

JUL 23 2012

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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 30-025-40216	² Pool Code 33820	³ Pool Name Jalmat; Tansil-Yates-Seven Rivers
⁴ Property Code 37375	⁵ Property Name Jalmat	⁶ Well Number 1
⁷ OGRID No. 160825	⁸ Operator Name BC Operating, Inc.	⁹ Elevation 3454'

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
N	16	23S	36E		422	South	2158	West	Lea

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

¹² Dedicated Acres	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.

<p>16</p>	<p>OPERATOR CERTIFICATION</p> <p><i>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 undivided 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 secondary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><u>Pam Stevens</u> 7/11/12 Signature Date</p> <p><u>Pam Stevens</u> Printed Name</p> <p>pstevens@bcoperating.com</p>
	<p>SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was made from field data of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>_____ Date of Survey</p> <p>_____ Signature and Seal of Professional Surveyor</p>
	<p>Michael Blake Brown R.P.S. #18329 JOB # 135667 / 24 NE / J.A.F.</p>