

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
BC Operating, Inc.

3a. Address
P.O. Box 50820
Midland, Texas 79710

3b. Phone No. (include area code)
432-684-9696

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL: 330' FSL & 2200' FEL of Section 17, T22S, R33E
BHL: 330' FNL & 2200' FEL of Section 17, T22S, R33E

5. Lease Serial No.
NMNM114984

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.
Chili Parlor 17 Federal #1H

9. API Well No.
30-025-41540

10. Field and Pool or Exploratory Area
Red Tank, Bone Spring, East

11. County or Parish, State
Lea County, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☒ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☒ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Notification of Change of Plans to Deepen APD:

Add - Top 3rd Bone Spring Sand @ 11,600' MD/TVD

New - 3rd Bone Spring Target = 11,825' TVD

New - Pilot Hole TD = 12,100' MD/TVD - Will be drilled through the Wolfcamp Formation.

New - Horizontal TD = 16,200' MD/11,825' TVD HTD = 16,334

5 1/2" production casing change connection to 5 1/2" CDC HT Semi-Premium Connection

5 1/2" cement - leave all the same except increase tail cmt from 750 sx to 777 sx.

Plug back will be achieved by spotting a balanced plug Class H cement a minimum of 50' below and 50' above the top of the Wolfcamp formation, which is anticipated to be at 11,950'. Then, an open hole whip stock will be cemented in place with enough tail pipe to have cement 50' below the top of the 3rd Bone Spring (11,600') to above the whip stock at approximately 11,200'.

Please see Horizontal Drilling Plan (attached).

Please see manufacturer specs for production casing (attached).

Drilling Rig scheduled is Latchaw #05. Nighbors M-28

WITNESS
PLUG BACK

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Pam Stevens

Title Regulatory Analyst

Signature

Pam Stevens

Date 06/17/2014

SUBJECT TO LIKE
APPROVAL BY STATE

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

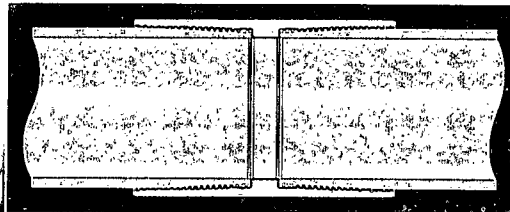
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

SEP 19 2014



TTRS1 Connections *



5 1/2-in 17.0 ppf P-110 Tejas Tubular Reduced Stress

Pipe Body	Data
	Imperial [Metric]
Nominal OD (in [mm])	5.500 [139.7]
Nominal weight (lbm/ft)	17.0
Minimum yield of material (psi [kPa])	110,000 [758,423]
Minimum ID (in [mm])	4.892 [124.3]
Drift (in [mm])	4.767 [121.1]
Wall thickness (in [mm])	0.304 [7.72]
Plain end weight (lbm/ft)	16.89
Cross sectional area (in ² [mm ²])	4.962 [3,201]
Performance	
API tensile yield (lbf [N])	546,000 [2,428,729]
API internal yield pressure (psi [kPa])	10,640 [73,360]
API external yield pressure (psi [kPa])	7,480 [51,573]
Connection Dimensions	
Coupling OD (in [mm])	6.050 [153.7]
Coupling ID (in [mm])	4.892 [124.3]
Coupling length (in [mm])	9.375 [238.1]
Make-up loss (in [mm])	4.125 [104.8]
Threads per inch	5
Connection Performance	
Tensile yield strength** (lbf [N])	546,000 [2,428,729]
Internal yield pressure** (psi [kPa])	10,640 [73,360]
External yield pressure** (psi [kPa])	7,480 [51,573]
Compression strength** (lbf [N])	546,000 [2,428,729]
Working bending rate, tested (°/100 ft)*	20
Bending rate, calculated (°/100 ft)	92
**Values based on 100% efficiency	
Torque Values	
Minimum (lbf.ft [N.m])	6,800 [9,219]
Optimum, recommended make-up (lbf.ft [N.m])	7,200 [9,762]
Maximum (lbf.ft [N.m])	8,600 [11,660]
Yield (lbf.ft [N.m])	17,000 [23,049]
Max. operational torque (lbf.ft [N.m])	15,500 [21,015]

Inspection Criteria

All the material is inspected to 5% Test notch inspection for OD/ID, Long/Trans and wall check as per API/ASTM requirements through EMI/SEA.

Note: All the information provided is general data. This document is not a warranty/quality certificate. Tejas Tubular reserves the right to change any and all of this data at any time for corrections and product improvement. This is an uncontrolled document.



B.C Operating, Inc.

Lea County

Chili Parlor 17 Federal #1H

Plan: 140910 Chili Parlor 17 Federal #1H

MOJO Standard Survey

10 September, 2014



MOJO
DIRECTIONAL CORPORATION

Company:	B/C Operating, Inc.	Local Co-ordinate Reference:	Well Chili Parlor 17 Federal #1H
Project:	Lea County	TVD Reference:	WELL @ 3618.0usft (Original Well Elev)
Site:	Chili Parlor 17 Federal #1H	MD Reference:	WELL @ 3618.0usft (Original Well Elev)
Well:	Chili Parlor 17 Federal #1H	North Reference:	Grid
Wellbore:	Chili Parlor 17 Federal #1H	Survey Calculation Method:	Minimum Curvature
Design:	140910 Chili Parlor 17 Federal #1H	Database:	EDM 5000.1 Single User Db

Project	Lea County		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site:	Chili Parlor 17 Federal #1H		
Site Position:	From:	Map	0.0 usft
Position Uncertainty:	0.0 usft		
Northing:	504,767.60 usft	Latitude:	32° 23' 7.806 N
Easting:	769,835.90 usft	Longitude:	103° 35' 35.190 W
Slot Radius:	13-3/16 "	Grid Convergence:	0.40 °

Well	Chili Parlor 17 Federal #1H		
Well Position	+N/-S	0.0 usft	Northing: 504,767.60 usft
	+E/-W	0.0 usft	Easting: 769,835.90 usft
Position Uncertainty	0.0 usft	Wellhead Elevation:	usft
		Latitude:	32° 23' 7.806 N
		Longitude:	103° 35' 35.190 W
		Ground Level:	3,596.0 usft

Wellbore	Chili Parlor 17 Federal #1H				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	13/08/2014	7.22	60.25	48,393

Design	140910 Chili Parlor 17 Federal #1H			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.0	0.0	0.0	359.51

Survey Tool Program	Date: 10/09/2014			
From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description
0.0	16,334.0	140910 Chili Parlor 17 Federal #1H (Chili P		

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Planned Survey											
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0.0	0.00	0.00	0.00	0.0	-3,618.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
100.0	0.00	0.00	100.0	-3,518.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
200.0	0.00	0.00	200.0	-3,418.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
300.0	0.00	0.00	300.0	-3,318.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
400.0	0.00	0.00	400.0	-3,218.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
500.0	0.00	0.00	500.0	-3,118.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
600.0	0.00	0.00	600.0	-3,018.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
700.0	0.00	0.00	700.0	-2,918.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
800.0	0.00	0.00	800.0	-2,818.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
900.0	0.00	0.00	900.0	-2,718.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
970.0	0.00	0.00	970.0	-2,648.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
Rustler											
1,000.0	0.00	0.00	1,000.0	-2,618.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
1,075.0	0.00	0.00	1,075.0	-2,543.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
13 3/8"											
1,100.0	0.00	0.00	1,100.0	-2,518.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
1,120.0	0.00	0.00	1,120.0	-2,498.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
Top of Salt											
1,200.0	0.00	0.00	1,200.0	-2,418.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
1,300.0	0.00	0.00	1,300.0	-2,318.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
1,400.0	0.00	0.00	1,400.0	-2,218.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
1,500.0	0.00	0.00	1,500.0	-2,118.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
1,600.0	0.00	0.00	1,600.0	-2,018.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
1,700.0	0.00	0.00	1,700.0	-1,918.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
1,800.0	0.00	0.00	1,800.0	-1,818.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
1,900.0	0.00	0.00	1,900.0	-1,718.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
2,000.0	0.00	0.00	2,000.0	-1,618.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
2,100.0	0.00	0.00	2,100.0	-1,518.0	0.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90

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Wellbore:	Chilli Parlor 17 Federal #1H	Survey Calculation Method:	Minimum Curvature
Design:	140910 Chilli Parlor 17 Federal #1H	Database:	EDM 5000.1 Single User Db

Planned Survey											
MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)	
2,200.0	0.00	0.00	2,200.0	-1,418.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
2,300.0	0.00	0.00	2,300.0	-1,318.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
2,400.0	0.00	0.00	2,400.0	-1,218.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
2,500.0	0.00	0.00	2,500.0	-1,118.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
2,600.0	0.00	0.00	2,600.0	-1,018.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
2,700.0	0.00	0.00	2,700.0	-918.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
2,800.0	0.00	0.00	2,800.0	-818.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
2,900.0	0.00	0.00	2,900.0	-718.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
3,000.0	0.00	0.00	3,000.0	-618.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
3,100.0	0.00	0.00	3,100.0	-518.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
3,160.0	0.00	0.00	3,160.0	-458.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
Castile											
3,200.0	0.00	0.00	3,200.0	-418.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
3,300.0	0.00	0.00	3,300.0	-318.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
3,400.0	0.00	0.00	3,400.0	-218.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
3,500.0	0.00	0.00	3,500.0	-118.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
3,600.0	0.00	0.00	3,600.0	-18.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
3,700.0	0.00	0.00	3,700.0	82.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
3,800.0	0.00	0.00	3,800.0	182.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
3,900.0	0.00	0.00	3,900.0	282.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
4,000.0	0.00	0.00	4,000.0	382.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
4,100.0	0.00	0.00	4,100.0	482.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
4,200.0	0.00	0.00	4,200.0	582.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
4,300.0	0.00	0.00	4,300.0	682.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
4,400.0	0.00	0.00	4,400.0	782.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
4,500.0	0.00	0.00	4,500.0	882.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
4,600.0	0.00	0.00	4,600.0	982.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	

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Wellbore:	Chili Parlor 17 Federal #1H	Survey Calculation Method:	Minimum Curvature
Design:	140910 Chili Parlor 17 Federal #1H	Database:	EDM 5000.1 Single User Db

Planned Survey

MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)
4,700.0	0.00	0.00	4,700.0	1,082.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
4,800.0	0.00	0.00	4,800.0	1,182.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
4,875.0	0.00	0.00	4,875.0	1,257.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
Lamar										
4,900.0	0.00	0.00	4,900.0	1,282.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
9 5/8"										
4,950.0	0.00	0.00	4,950.0	1,332.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
Delaware										
5,000.0	0.00	0.00	5,000.0	1,382.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
5,100.0	0.00	0.00	5,100.0	1,482.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
5,200.0	0.00	0.00	5,200.0	1,582.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
5,300.0	0.00	0.00	5,300.0	1,682.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
5,400.0	0.00	0.00	5,400.0	1,782.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
5,500.0	0.00	0.00	5,500.0	1,882.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
5,600.0	0.00	0.00	5,600.0	1,982.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
5,700.0	0.00	0.00	5,700.0	2,082.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
5,800.0	0.00	0.00	5,800.0	2,182.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
5,900.0	0.00	0.00	5,900.0	2,282.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
6,000.0	0.00	0.00	6,000.0	2,382.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
6,100.0	0.00	0.00	6,100.0	2,482.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
6,200.0	0.00	0.00	6,200.0	2,582.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
6,300.0	0.00	0.00	6,300.0	2,682.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
6,400.0	0.00	0.00	6,400.0	2,782.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
6,500.0	0.00	0.00	6,500.0	2,882.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
6,600.0	0.00	0.00	6,600.0	2,982.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
6,700.0	0.00	0.00	6,700.0	3,082.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
6,800.0	0.00	0.00	6,800.0	3,182.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90

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Project:	Lea County	TVD Reference:	WELL @ 3618.0usft (Original Well Elev)
Site:	Chili Parlor 17 Federal #1H	MD Reference:	WELL @ 3618.0usft (Original Well Elev)
Well:	Chili Parlor 17 Federal #1H	North Reference:	Grid
Wellbore:	Chili Parlor 17 Federal #1H	Survey Calculation Method:	Minimum Curvature
Design:	140910 Chili Parlor 17 Federal #1H	Database:	EDM 5000.1 Single User Db

Planned Survey											
MD (usft)	Inc (°)	Azi (azimuth) (°)		TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)
6,900.0	0.00	0.00	0.00	6,900.0	3,282.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
7,000.0	0.00	0.00	0.00	7,000.0	3,382.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
7,100.0	0.00	0.00	0.00	7,100.0	3,482.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
7,200.0	0.00	0.00	0.00	7,200.0	3,582.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
7,300.0	0.00	0.00	0.00	7,300.0	3,682.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
7,400.0	0.00	0.00	0.00	7,400.0	3,782.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
7,500.0	0.00	0.00	0.00	7,500.0	3,882.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
7,600.0	0.00	0.00	0.00	7,600.0	3,982.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
7,700.0	0.00	0.00	0.00	7,700.0	4,082.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
7,800.0	0.00	0.00	0.00	7,800.0	4,182.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
7,900.0	0.00	0.00	0.00	7,900.0	4,282.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
8,000.0	0.00	0.00	0.00	8,000.0	4,382.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
8,100.0	0.00	0.00	0.00	8,100.0	4,482.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
8,200.0	0.00	0.00	0.00	8,200.0	4,582.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
8,300.0	0.00	0.00	0.00	8,300.0	4,682.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
8,400.0	0.00	0.00	0.00	8,400.0	4,782.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
8,500.0	0.00	0.00	0.00	8,500.0	4,882.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
8,600.0	0.00	0.00	0.00	8,600.0	4,982.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
8,700.0	0.00	0.00	0.00	8,700.0	5,082.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
8,705.0	0.00	0.00	0.00	8,705.0	5,087.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
Bone Spring											
8,800.0	0.00	0.00	0.00	8,800.0	5,182.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
8,900.0	0.00	0.00	0.00	8,900.0	5,282.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
9,000.0	0.00	0.00	0.00	9,000.0	5,382.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
9,100.0	0.00	0.00	0.00	9,100.0	5,482.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
9,200.0	0.00	0.00	0.00	9,200.0	5,582.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90
9,300.0	0.00	0.00	0.00	9,300.0	5,682.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90

Company:	B.C. Operating, Inc.	Local Co-ordinate Reference:	Well Chili Parlor 17 Federal #1H
Project:	Lea County	TVD Reference:	WELL @ 3618.0usft (Original Well Elev)
Site:	Chili Parlor 17 Federal #1H	MD Reference:	WELL @ 3618.0usft (Original Well Elev)
Well:	Chili Parlor 17 Federal #1H	North Reference:	Grid
Wellbore:	Chili Parlor 17 Federal #1H	Survey Calculation Method:	Minimum Curvature
Design:	140910 Chili Parlor 17 Federal #1H	Database:	EDM 5000.1 Single User Db

Planned Survey											
MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)	
9,400.0	0.00	0.00	9,400.0	5,782.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
9,500.0	0.00	0.00	9,500.0	5,882.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
9,600.0	0.00	0.00	9,600.0	5,982.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
9,700.0	0.00	0.00	9,700.0	6,082.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
9,800.0	0.00	0.00	9,800.0	6,182.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
9,900.0	0.00	0.00	9,900.0	6,282.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
9,915.0	0.00	0.00	9,915.0	6,297.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
1st Bone Spring Sand											
10,000.0	0.00	0.00	10,000.0	6,382.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
10,100.0	0.00	0.00	10,100.0	6,482.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
10,200.0	0.00	0.00	10,200.0	6,582.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
10,300.0	0.00	0.00	10,300.0	6,682.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
10,400.0	0.00	0.00	10,400.0	6,782.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
10,500.0	0.00	0.00	10,500.0	6,882.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
10,540.0	0.00	0.00	10,540.0	6,922.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
2nd Bone Spring Sand											
10,600.0	0.00	0.00	10,600.0	6,982.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
10,700.0	0.00	0.00	10,700.0	7,082.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
10,800.0	0.00	0.00	10,800.0	7,182.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
10,900.0	0.00	0.00	10,900.0	7,282.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
11,000.0	0.00	0.00	11,000.0	7,382.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
11,100.0	0.00	0.00	11,100.0	7,482.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
11,200.0	0.00	0.00	11,200.0	7,582.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
11,300.0	0.00	0.00	11,300.0	7,682.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
11,347.0	0.00	0.00	11,347.0	7,729.0	0.0	0.0	0.0	0.00	504,767.60	769,835.90	
KOP at 11,347.5ftMD											
11,347.5	0.00	0.00	11,347.5	7,729.5	0.0	0.0	0.0	0.00	504,767.60	769,835.90	

Company:	B.C. Operating, Inc.	Local Co-ordinate Reference:	Well Chili Parlor, 17 Federal #1H
Project:	Lea County	TVD Reference:	WELL @ 3618.0usft (Original Well Elev)
Site:	Chili Parlor, 17 Federal #1H	MD Reference:	WELL @ 3618.0usft (Original Well Elev)
Well:	Chili Parlor, 17 Federal #1H	North Reference:	Grid
Wellbore:	Chili Parlor, 17 Federal #1H	Survey Calculation Method:	Minimum Curvature
Design:	140910 Chili Parlor 17 Federal #1H	Database:	EDM, 5000.1: Single-User Db

Planned Survey										
MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)
11,350.0	0.30	0.00	11,350.0	7,732.0	0.0	0.0	0.0	12.00	504,767.61	769,835.90
11,375.0	3.30	0.00	11,375.0	7,757.0	0.8	0.0	0.8	12.00	504,768.39	769,835.90
11,400.0	6.30	0.00	11,399.9	7,781.9	2.9	0.0	2.9	12.00	504,770.48	769,835.90
11,425.0	9.30	0.00	11,424.7	7,806.7	6.3	0.0	6.3	12.00	504,773.88	769,835.90
11,450.0	12.30	0.00	11,449.2	7,831.2	11.0	0.0	11.0	12.00	504,778.56	769,835.90
11,475.0	15.30	0.00	11,473.5	7,855.5	16.9	0.0	16.9	12.00	504,784.52	769,835.90
11,500.0	18.30	0.00	11,497.4	7,879.4	24.1	0.0	24.1	12.00	504,791.75	769,835.90
11,525.0	21.30	0.00	11,520.9	7,902.9	32.6	0.0	32.6	12.00	504,800.22	769,835.90
11,550.0	24.30	0.00	11,544.0	7,926.0	42.3	0.0	42.3	12.00	504,809.90	769,835.90
11,575.0	27.30	0.00	11,566.5	7,948.5	53.2	0.0	53.2	12.00	504,820.78	769,835.90
11,600.0	30.30	0.00	11,588.4	7,970.4	65.2	0.0	65.2	12.00	504,832.82	769,835.90
11,625.0	33.30	0.00	11,609.6	7,991.6	78.4	0.0	78.4	12.00	504,846.00	769,835.90
11,650.0	36.30	0.00	11,630.2	8,012.2	92.7	0.0	92.7	12.00	504,860.26	769,835.90
11,675.0	39.30	0.00	11,649.9	8,031.9	108.0	0.0	108.0	12.00	504,875.58	769,835.90
11,700.0	42.30	0.00	11,668.8	8,050.8	124.3	0.0	124.3	12.00	504,891.92	769,835.90
11,725.0	45.30	0.00	11,686.9	8,068.9	141.6	0.0	141.6	12.00	504,909.22	769,835.90
11,750.0	48.30	0.00	11,704.0	8,086.0	159.8	0.0	159.8	12.00	504,927.44	769,835.90
11,775.0	51.30	0.00	11,720.1	8,102.1	178.9	0.0	178.9	12.00	504,946.53	769,835.90
11,800.0	54.30	0.00	11,735.2	8,117.2	198.8	0.0	198.8	12.00	504,966.44	769,835.90
11,825.0	57.30	0.00	11,749.3	8,131.3	219.5	0.0	219.5	12.00	504,987.12	769,835.90
11,850.0	60.30	0.00	11,762.2	8,144.2	240.9	0.0	240.9	12.00	505,008.50	769,835.90
11,875.0	63.30	0.00	11,774.1	8,156.1	262.9	0.0	262.9	12.00	505,030.53	769,835.90
11,900.0	66.30	0.00	11,784.7	8,166.7	285.5	0.0	285.5	12.00	505,053.15	769,835.90
11,925.0	69.30	0.00	11,794.1	8,176.1	308.7	0.0	308.7	12.00	505,076.29	769,835.90
11,950.0	72.30	0.00	11,802.4	8,184.4	332.3	0.0	332.3	12.00	505,099.90	769,835.90
11,975.0	75.30	0.00	11,809.3	8,191.3	356.3	0.0	356.3	12.00	505,123.90	769,835.90
12,000.0	78.30	0.00	11,815.0	8,197.0	380.6	0.0	380.6	12.00	505,148.24	769,835.90

Company:	B.C Operating, Inc.	Local Co-ordinate Reference:	Well Chili Parlor 17 Federal #1H
Project:	Lea County	TVD Reference:	WELL @ 3618.0usft (Original Well Elev)
Site:	Chili Parlor 17 Federal #1H	MD Reference:	WELL @ 3618.0usft (Original Well Elev)
Well:	Chili Parlor 17 Federal #1H	North Reference:	Grid
Wellbore:	Chili Parlor 17 Federal #1H	Survey Calculation Method:	Minimum Curvature
Design:	140910 Chili Parlor 17 Federal #1H	Database:	EDM 5000.1 Single User Db

Planned Survey											
MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)	
12,025.0	81.30	0.00	11,819.5	8,201.5	405.2	0.0	405.2	12.00	505,172.84	769,835.90	
12,050.0	84.30	0.00	11,822.6	8,204.6	430.0	0.0	430.0	12.00	505,197.64	769,835.90	
12,075.0	87.30	0.00	11,824.4	8,206.4	455.0	0.0	455.0	12.00	505,222.57	769,835.90	
12,097.0	89.94	0.00	11,825.0	8,207.0	477.0	0.0	476.9	12.00	505,244.56	769,835.90	
Landing Point at 12097.5ftMD/11825ft TVD											
12,097.5	90.00	0.00	11,825.0	8,207.0	477.5	0.0	477.4	12.00	505,245.06	769,835.90	
12,100.0	90.00	360.00	11,825.0	8,207.0	480.0	0.0	479.9	0.05	505,247.56	769,835.90	
12,200.0	90.00	359.95	11,825.0	8,207.0	580.0	0.0	579.9	0.05	505,347.56	769,835.85	
12,300.0	90.00	359.89	11,825.0	8,207.0	680.0	-0.2	679.9	0.05	505,447.56	769,835.71	
12,400.0	90.00	359.84	11,825.0	8,207.0	780.0	-0.4	779.9	0.05	505,547.56	769,835.48	
12,500.0	90.00	359.79	11,825.0	8,207.0	880.0	-0.7	879.9	0.05	505,647.56	769,835.16	
12,600.0	90.00	359.74	11,825.0	8,207.0	980.0	-1.2	979.9	0.05	505,747.56	769,834.74	
12,700.0	90.00	359.68	11,825.0	8,207.0	1,080.0	-1.7	1,079.9	0.05	505,847.56	769,834.24	
12,800.0	90.00	359.63	11,825.0	8,207.0	1,180.0	-2.3	1,179.9	0.05	505,947.56	769,833.64	
12,900.0	90.00	359.58	11,825.0	8,207.0	1,280.0	-3.0	1,279.9	0.05	506,047.56	769,832.95	
13,000.0	90.00	359.53	11,825.0	8,207.0	1,380.0	-3.7	1,379.9	0.05	506,147.55	769,832.17	
13,100.0	90.00	359.47	11,825.0	8,207.0	1,480.0	-4.6	1,479.9	0.05	506,247.55	769,831.30	
13,200.0	90.00	359.42	11,825.0	8,207.0	1,579.9	-5.6	1,579.9	0.05	506,347.55	769,830.33	
13,308.8	90.00	359.36	11,825.0	8,207.0	1,688.7	-6.7	1,688.7	0.05	506,456.32	769,829.18	
13,400.0	90.00	359.36	11,825.0	8,207.0	1,779.9	-7.7	1,779.9	0.00	506,547.53	769,828.17	
13,500.0	90.00	359.36	11,825.0	8,207.0	1,879.9	-8.8	1,879.9	0.00	506,647.53	769,827.06	
13,600.0	90.00	359.36	11,825.0	8,207.0	1,979.9	-10.0	1,979.9	0.00	506,747.52	769,825.95	
13,700.0	90.00	359.36	11,825.0	8,207.0	2,079.9	-11.1	2,079.9	0.00	506,847.52	769,824.84	
13,800.0	90.00	359.36	11,825.0	8,207.0	2,179.9	-12.2	2,179.9	0.00	506,947.51	769,823.73	
13,900.0	90.00	359.36	11,825.0	8,207.0	2,279.9	-13.3	2,279.9	0.00	507,047.50	769,822.62	
14,000.0	90.00	359.36	11,825.0	8,207.0	2,379.9	-14.4	2,379.9	0.00	507,147.50	769,821.51	
14,100.0	90.00	359.36	11,825.0	8,207.0	2,479.9	-15.5	2,479.9	0.00	507,247.49	769,820.40	

Company: B.C. Operating, Inc.		Local Co-ordinate Reference:					Well Chilli Parlor 17 Federal #1H				
Project: Lea County		TVD Reference:					WELL @ 3618.0usft (Original Well Elev)				
Site: Chilli Parlor 17 Federal #1H		MD Reference:					WELL @ 3618.0usft (Original Well Elev)				
Well: Chilli Parlor 17 Federal #1H		North Reference:					Grid				
Wellbore: Chilli Parlor 17 Federal #1H		Survey Calculation Method:					Minimum Curvature				
Design: 140910 Chilli Parlor 17 Federal #1H		Database:					EDM 5000.1 Single User Db				

Planned Survey											
MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	TVDSS (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Northing (usft)	Easting (usft)	
14,200.0	90.00	359.36	11,825.0	8,207.0	2,579.9	-16.6	2,579.9	0.00	507,347.49	769,819.29	
14,300.0	90.00	359.36	11,825.0	8,207.0	2,679.9	-17.7	2,679.9	0.00	507,447.48	769,818.18	
14,400.0	90.00	359.36	11,825.0	8,207.0	2,779.9	-18.8	2,779.9	0.00	507,547.47	769,817.07	
14,500.0	90.00	359.36	11,825.0	8,207.0	2,879.9	-19.9	2,879.9	0.00	507,647.47	769,815.96	
14,600.0	90.00	359.36	11,825.0	8,207.0	2,979.9	-21.1	2,979.9	0.00	507,747.46	769,814.85	
14,700.0	90.00	359.36	11,825.0	8,207.0	3,079.9	-22.2	3,079.9	0.00	507,847.45	769,813.74	
14,800.0	90.00	359.36	11,825.0	8,207.0	3,179.8	-23.3	3,179.9	0.00	507,947.45	769,812.63	
14,900.0	90.00	359.36	11,825.0	8,207.0	3,279.8	-24.4	3,279.9	0.00	508,047.44	769,811.52	
15,000.0	90.00	359.36	11,825.0	8,207.0	3,379.8	-25.5	3,379.9	0.00	508,147.44	769,810.41	
15,100.0	90.00	359.36	11,825.0	8,207.0	3,479.8	-26.6	3,479.9	0.00	508,247.43	769,809.30	
15,200.0	90.00	359.36	11,825.0	8,207.0	3,579.8	-27.7	3,579.9	0.00	508,347.42	769,808.19	
15,300.0	90.00	359.36	11,825.0	8,207.0	3,679.8	-28.8	3,679.9	0.00	508,447.42	769,807.08	
15,400.0	90.00	359.36	11,825.0	8,207.0	3,779.8	-29.9	3,779.9	0.00	508,547.41	769,805.97	
15,500.0	90.00	359.36	11,825.0	8,207.0	3,879.8	-31.0	3,879.9	0.00	508,647.40	769,804.86	
15,600.0	90.00	359.36	11,825.0	8,207.0	3,979.8	-32.2	3,979.9	0.00	508,747.40	769,803.75	
15,700.0	90.00	359.36	11,825.0	8,207.0	4,079.8	-33.3	4,079.9	0.00	508,847.39	769,802.64	
15,800.0	90.00	359.36	11,825.0	8,207.0	4,179.8	-34.4	4,179.9	0.00	508,947.39	769,801.53	
15,900.0	90.00	359.36	11,825.0	8,207.0	4,279.8	-35.5	4,279.9	0.00	509,047.38	769,800.42	
16,000.0	90.00	359.36	11,825.0	8,207.0	4,379.8	-36.6	4,379.9	0.00	509,147.37	769,799.31	
16,100.0	90.00	359.36	11,825.0	8,207.0	4,479.8	-37.7	4,479.9	0.00	509,247.37	769,798.20	
16,200.0	90.00	359.36	11,825.0	8,207.0	4,579.8	-38.8	4,579.9	0.00	509,347.36	769,797.09	
16,236.2	90.00	359.36	11,825.0	8,207.0	4,616.0	-39.2	4,616.1	0.00	509,383.56	769,796.69	
16,244.0	90.00	359.36	11,825.0	8,207.0	4,623.8	-39.3	4,624.0	0.05	509,391.40	769,796.60	
16,300.0	90.00	359.36	11,825.0	8,207.0	4,679.8	-39.9	4,679.9	0.00	509,447.36	769,795.97	
16,334.0	90.00	359.36	11,825.0	8,207.0	4,713.8	-40.3	4,713.9	0.00	509,481.35	769,795.60	

TD @ 16334.0MD(90R Passed HB) - 5 1/2"

LAST TAKE POINT 16244' MD 11825' TVD 4623' VS

Company:	B.C. Operating, Inc.	Local Co-ordinate Reference:	Well: Chili Parlor, 17 Federal #1H
Project:	Lea County	TVD Reference:	WELL @ 3618.0usft (Original Well Elev.)
Site:	Chili Parlor 17 Federal #1H	MD Reference:	WELL @ 3618.0usft (Original Well Elev.)
Well:	Chili Parlor 17 Federal #1H	North Reference:	Grid
Wellbore:	Chili Parlor 17 Federal #1H	Survey Calculation Method:	Minimum Curvature
Design:	140910 Chili Parlor 17 Federal #1H	Database:	EDM:5000.1 Single User Db

Casing Points					
Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (")	Hole Diameter (")	
16,334.0	11,825.0	5 1/2"	5-1/2	8-1/2	
1,075.0	1,075.0	13 3/8"	13-3/8	16	
4,900.0	4,900.0	9 5/8"	9-5/8	12-1/4	

Formations				
Measured Depth (usft)	Vertical Depth (usft)	Name	Dip (°)	
4,875.0	4,875.0	Lamar	0.00	
9,915.0	9,915.0	1st Bone Spring Sand	0.00	
4,950.0	4,950.0	Delaware	0.00	
3,160.0	3,160.0	Castile	0.00	
10,540.0	10,540.0	2nd Bone Spring Sand	0.00	
1,120.0	1,120.0	Top of Salt	0.00	
8,705.0	8,705.0	Bone Spring	0.00	
970.0	970.0	Rustler	0.00	

Plan Annotations					
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment	
		+N/-S (usft)	+E/-W (usft)		
11,347.0	11,347.0	0.0	0.0	KOP at 11,347.5ftMD	
12,097.0	11,825.0	477.0	0.0	Landing Point at 12097.5ftMD/11825ft TVD	
16,334.0	11,825.0	4,713.8	-40.3	TD @ 16334ftMD(90ft Passed HB)	LAST TAKE POINT 16244' MD

Checked By: _____

Approved By: _____

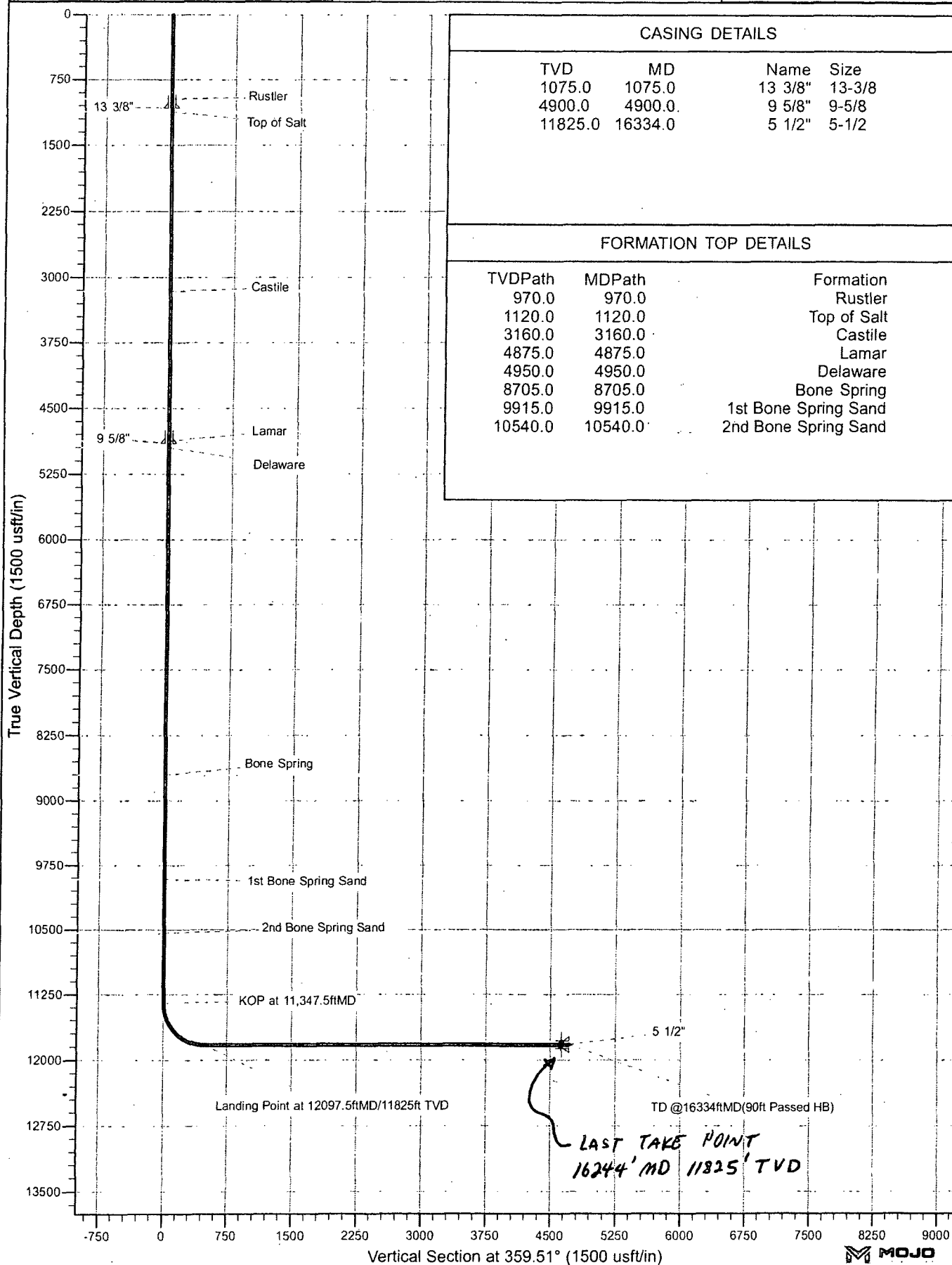
Date: _____

10 SEP 14

Project: Lea County
 Site: Chili Parlor 17 Federal #1H
 Well: Chili Parlor 17 Federal #1H
 Wellbore: Chili Parlor 17 Federal #1H
 Design: Chili Parlor 17 Federal #1H



Azimuths to Grid North
 True North: -0.40°
 Magnetic North: 6.82°
 Magnetic Field
 Strength: 48393.4snT
 Dip Angle: 60.25°
 Date: 13/08/2014
 Model: IGRF2010



CASING DETAILS

TVD	MD	Name	Size
1075.0	1075.0	13 3/8"	13-3/8
4900.0	4900.0	9 5/8"	9-5/8
11825.0	16334.0	5 1/2"	5-1/2

FORMATION TOP DETAILS

TVDPath	MDPath	Formation
970.0	970.0	Rustler
1120.0	1120.0	Top of Salt
3160.0	3160.0	Castile
4875.0	4875.0	Lamar
4950.0	4950.0	Delaware
8705.0	8705.0	Bone Spring
9915.0	9915.0	1st Bone Spring Sand
10540.0	10540.0	2nd Bone Spring Sand

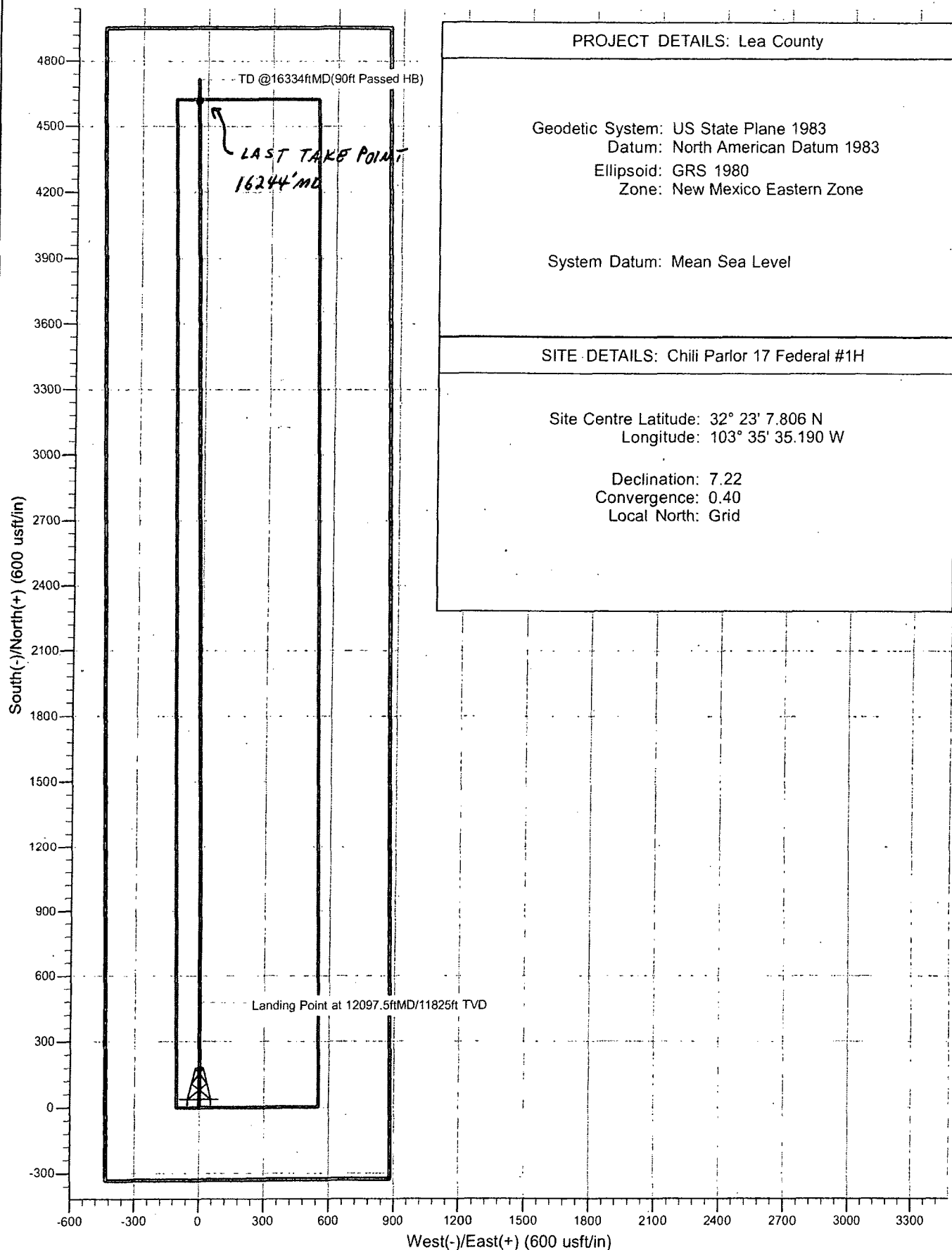
Project: Lea County
Site: Chili Parlor 17 Federal #1H
Well: Chili Parlor 17 Federal #1H
Wellbore: Chili Parlor 17 Federal #1H
Design: Chili Parlor 17 Federal #1H

BC OPERATING, INC.



Azimuths to Grid North
True North: -0.40°
Magnetic North: 6.82°

Magnetic Field
Strength: 48393.4snT
Dip Angle: 60.25°
Date: 13/08/2014
Model: IGRF2010



Conditions of Approval

BC Operating
Chili Parlor 17 Fed – 01H
API 3002541540, T22S-R33E, Sec 17
September 10, 2014

1. The APD approved 11/26/2013 for Manzano, LLC will be accepted by BLM and BC Operating, Inc. The conditions of approval attached to that APD will be observed.
2. The Notice of Intent dated 06/17/2014 for change of plans notification submitted by BC Operating is also subject to the aforesaid APD conditions of approval as well as these additional COAs.
3. Subject to like approval by the New Mexico Oil Conservation Division.
4. The hole size for the 5 ½" production string and pilot hole is to be 8 ¾". The need for additional cement than proposed on the NOI is anticipated for the top of cement to reach surface.
5. The 5 ½" casing to be 17.0 ppf P-110 with Tejas Tubular TTRS1 couplings.
6. Notify BLM 575-393-3612 Lea Co as work begins. The Pilot Hole plug back procedures are to be witnessed. If there is no response leave a voice mail with the API#, workover purpose, and a call back phone number.
7. Pilot Hole Plug(s): A cement plug is required to be set from TD and tagged. The Wolfcamp plug is to be set a minimum of 50ft below the top of the log pick for the Wolfcamp and tagged. These two plugs may be combined. **These cement plugs are subject to the stipulations of the next three paragraphs of this COA.**
8. Set cement plugs to cover a minimum of 100ft plus 10ft for every 1,000ft from the bottom of the plug, rounding the number of necessary sacks up to the nearest 5 sacks. Never use less than 25sx. Examples: A cement plug set at 8000 in 7" casing would require a min of 35sx. A 25sx plug in 5 ½" casing should cover 250ft, which may exceed 100ft plus 10ft per 1000ft.
9. Class H > 7500ft & C < 7500ft) cement plugs(s) will be necessary. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) & 8 hours(H) is recommended. Formation isolation plugs of Class "C" to be mixed 14.8#/gal, 1.32 ft³/sx, 6.3gal/sx water and "H" to be mixed 16.4#/gal, 1.06ft³/sx, 4.3gal/sx water.
10. Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.
11. The last 90+ft of 5 ½" casing is not to be drilled out to MTD of the wellbore. This will maintain the active bottom hole depth 330ft from the lease line.

09/10/2014 prs

Access information for use of Form 3160-5 "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.