<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u>			State of New Mexico Energy Minerals and Natural Resources						Form C-101 May 27, 2004		
1301 W. Grand Avenue, Artesia, NM 88210District III1000 Rio Brazos Road, Aztec, NM 87410District IV1220 S. St. Francis Dr., Santa Fe, NM 87505				Oil Conservation 1220 South St. F			S		vriate District Office		
		R PERMIT	<u>[TO D</u>	RILL, RE-	ENTER, D	EEPEN	, PLUGBA	CK, OR AD	D A ZONE		
		•						160825	r /		
								25- 37	5- 37709 Well No.		
³ Property Code 35442								we			
				<u> </u>	¹⁰ Proposed Pool 2						
	Jagicy, ii		<u>, (gus)</u>	⁷ Surface	Location				. / 8		
Section	Township	Range	Lot	Idn Feet fro	om the North		Feet from the	East/West line	County		
5	125							vvest	Lea		
Section	Township	Range					Feet from the	East/West line	County		
		12						1 15 7			
¹¹ Work Type Code N		¹² Well Type Code G			le/Rotary R	[4]	Lease Type Code S	¹³ Grou	¹⁵ Ground Level Elevation 4,194 '		
¹⁶ Multiple		¹⁷ Proposed Depth					¹⁹ Contractor		²⁰ Spud Date		
N Depth to Groundwater				· ·				4/1/06 m nearest surface water			
			using Size Casing weight/foot			Setting Depth			Estimated TOC		
<u> </u>									Surface Surface		
19	5	; ¹ / ₂ "	17# 8	k 20# N-80	12,500'		1000 "		8,000'		
he proposed									8,000		
blowout pr B.C. OPE emented In/ceme	evention prog RATING, IN I. Interme Inted, per 1: 0-400'	gram, if any. U NC. propose ediate casir forate/stim F	es additionates to drill ang will be sulate as W/Spud	al sheets if necess II/test the Mo e set at 4,400 needed for p	sary. prrow forma 0', cement c production.	tion. Ap _l cir. to sur	proximately face. If com <u>RAM</u> : A 5000	400' of surfac mercial, prod # BOPE will	new productive zone. ce casing will fuction casing be installed		
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	nd Avenue, zos Road, A rancis Dr., S JICATI B.C. OPE rty Code 424 5 Section 5 Section 7 ype Code N fultiple N undwater Synthetic ed-Loop Sys	nd Avenue, Artesia, NM zos Road, Aztec, NM 87 rancis Dr., Santa Fe, NM JICATION FOF B.C. OPERATING, IN Type Code Section Township 12S Section Township 13 Section Township 13 Section Township 13 Section Township 13 Section Township	nd Avenue, Artesia, NM 88210 zos Road, Aztec, NM 87410 rancis Dr., Santa Fe, NM 87505 JICATION FOR PERMIT ¹ Operator Nam B.C. OPERATING, INC., P.O. Bo erty Code <u>4</u> <u>4</u> <u>4</u> <u>5</u> <u>12</u> <u>8</u> <u>8</u> <u>8</u> <u>8</u> <u>8</u> <u>8</u> <u>8</u> <u>8</u>	End Avenue, Artesia, NM 88210 zos Road, Aztec, NM 87410 rancis Dr., Santa Fe, NM 87505 JCATION FOR PERMIT TO D 'Operator Name and Addre B.C. OPERATING, INC., P.O. Box 50820 'Operator Name and Addre Bagley; Morrow, East (gas) Section Township Range Lot 5 Section Township Range Lot Section Township Range Lot Section Township Range Lot Actor Actor Actor Actor Section Township Range Lot Section Township Range Lot Actor Actor Actor Actor Actor Actor Actor Actor Actor Section Township Range Lot Actor Actor Actor Code	Interference Avenue, Artesia, NM 88210 ind Avenue, Artesia, NM 88210 Oil Com isos Road, Aztec, NM 87410 1220 So rancis Dr., Santa Fe, NM 87505 Santa ILCATION FOR PERMIT TO DRILL, RE- 'Operator Name and Address B.C. OPERATING, INC., P.O. Box 50820, Midland, T. "Proposed Pool 1 Bagley; Morrow, East (gas) 'Surface Section Township Section Township Section Township Section Township Range Lot Idn Feet fr Additional We Section Township Range Lot Idn Feet fr Additional We Township Township Township Township Township	Interference Section Township Range Lot Idn Feet from the North Section Township Range Lot Idn Feet from the North Section Township Range Lot Idn Feet from the North Section Township Range Lot Idn Feet from the North Type Code 12 Well Type Code 13 Cable/Rotary North Type Code 12 Well Type Code 13 Cable/Rotary North Type Code 14 mills thick Clay Proposed Casing and Cement Synthetic 14 mills thick Pit Volume: 24000 bbls I Size Casing Size Casing weight/foot Setting I 13-3/8" 48# H-40 400 400	Barley Minerals and Natural Resound Ind Avenue, Artesia, NM 88210 Ind Avenue, Artesia, NM 88210 Ind Avenue, Artesia, NM 87410 Ind Avenue, Artesia, NM 87505 Section FOR PERMIT TO DRILL, RE-ENTER, DEEPEN 'Operator Name and Address B.C. OPERATING, INC., P.O. Box 50820, Midland, TX 79710 Proposed Pool 1 Bagley; Morrow, East (gas) 'Proposed Pool 1 Bagley; Morrow, East (gas) 'Proposed Pool 1 Section Township Range Lot Idn 'Proposed Bottom Hole Location If Different From S Section Township Range Lot Idn 'Proposed Depth Feet from the North/South line Additional Well Information Type Code '' Well Type Code '' Cable/Rotary N G R Multiple 1'' Proposed Depth '' Sorthardon N 12,500' Morrow	Energy Minerals and Natural Resources and Avenue, Artesia, NM 88210 zos Road, Aztec, NM 87410 action artesia, NM 87505 santa Fe, NM 87505 Section FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBA "Operator Name and Address B.C. OPERATING, INC., P.O. Box 50820, Midland, TX 79710 "Operator Name and Address B.C. OPERATING, INC., P.O. Box 50820, Midland, TX 79710 "Proposed Pool 1 "Proposed Pool 1 "Proposed Pool 1 Section Township Range Section Township Range Lot Idn Proposed Bottom Hole Location If Different	Bargey Minerals and Natural Resources ad Avenue, Artesia, NM 88210 Dil Conservation Division zos Road, Aztec, NM 87410 1220 South St. Francis Dr. rancis Dr., Santa Fe, NM 87505 ICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR AD 'Operator Name and Address 'Operator Name and Address Bc. OPERATING, INC., P.O. Box 50820, Midland, TX 79710 'operator Name and Address 'Proposed Pool 1 ''Proposed Pool 1 Bagley; Morrow, East (gas) ''Proposed Pool 2 ''Proposed Pool 1 ''Proposed Pool 1 ''Proposed Pool 2 ''Proposed Pool 1 ''Proposed Pool 1 ''Proposed Pool 2 ''Proposed Pool 1 ''Proposed Pool 2 ''Proposed Pool 3 ''Proposed Pool 4 ''Proposed Pool 5 ''Proposed Pool 6 ''Propose		

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

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DISTRICT II P.O. Drawer DD, Artesia, NM 88211-0719

P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III

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1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

□ AMENDED REPORT

		WE	ELL LOC	ATION	AND ACRE	AGE DEDICATIO	N PLAT				
API Number Q Pool Code						Δ .	Pool Name				
30-025-37709 (424 Bag)PUILDECON Cast (Cas)											
Property (Property N RANE		Well Num	ber			
3544											
OGRID No.				Operator M BC OPERATIN	Elevation 4194'						
ND 925 BC OPERATING, INC. 4194' Surface Location 4194'											
							Prod. 4	The sta Allin sta Marca	Gaugeten		
UL or lot No.	Section 5	Township 12 S	Range 34 E	Lot Idr	Feet from th 1900	e North/South line SOUTH	Feet from the 660	East/West line WEST	County LEA		
L	5	12 3	J4 E		1900	30011	000	WL31			
			Bottom	Hole	Location If Di	fferent From Sur	face				
UL or lot No.	Section	Township	Range	Lot Idr	Feet from th	e North/South line	Feet from the	East/West line	County		
Dedicated Acres	s Joint o	r Infill Co	onsolidation	Code	Order No.						
320	,										
NO ALLOWA	BLE WILL	BE ASSI	GNED TO	THIS (COMPLETION U	NTIL ALL INTERES	TS HAVE BEEN	CONSOLIDATE	D OR A		
		NOI	N-STANDA	RD UN	IT HAS BEEN	APPROVED BY THE	E DIVISION				
						<u> </u>		OR CERTIFICAT			
								ny certify the the inj in is true and comple			
							best of my know	wledge and belief.			
							11 11	111			
								1/1			
							Signature				
							Kevin	Widner			
							Printed Nam	Printed Name Operations Mgr.			
							Operat	Tons Mg1	<u>, </u>		
							Title Z - 8 - 06				
								Date			
							SURVEY	OR CERTIFICAT	TION		
							I hereby certif	y that the well locat	ion shown		
								as plotted from field made by me or	-		
4195.6'	4193.6'						. I ∎{	nd that the same is	-		
660'		Plane Coord	dinate				orrect to th	he best of my belie	f.		
4195.9		X = 742,6 Y = 839,6	531.1				Jan	uary 19, 2006			
		1 - 009,0				1	Date Survey	ed and the second s	LVA		
							Froiessional	Wui vesur			
,0061								San D	11		
Ī				NOTE:		· ·	Macon	1 pm Ching	and a		
						wn hereon are Transvers form to the "New Mexic	0	¥.0. Num. 2006–0027			
				Coor	rdinate System", Ne	w Mexico East Zone, Nor Distances shown hereon a	th Certificate N	IO. MACONSMCDIONAL	D 12185		
					n horizontal surface		Phil	FESSIONAL	.		
			()					******			

LOCATION VERIFICATION MAP



VICINITY MAP



SEC. <u>5</u> TWP. <u>12-S</u> RGE. <u>34-E</u>

- SURVEY N.M.P.M.
- COUNTY LEA

DESCRIPTION 1900' FSL & 660' FWL

ELEVATION 4194'

OPERATOR BC OPERATING

LEASE RANDY

MORH CALL

WEST

COMPANY MIDLAND TEXAS, 79701 MIDLAND TEXAS, 79701 687-0865 - (432) 687-0868 FAX

Randy #1

B.C. OPERATING, INC.

The reserve pit will be to the North. The Southeast corner of the pit will be approximately 60' North of the well bore. The pit will be 150' x 150' and 6' deep with a capacity of 24,000 bbls.

Standard reserve pit. All reserve pits that are horse shoe size vary with the depth of the well.





P.O. Box 10152 Midland, Texas 79702 432-682-4002 432-684-4741 Fax

February 8, 2006

NMOCD District 1 1625 N. French Drive Hobbs, NM 88240

RE: C-101 for **Randy #1 WELL** B.C. OPERATING INC. S/2 SECTION 5, T12S, R34E, N.M.P.M. LEA COUNTY, NEW MEXICO

Gentlemen:

To complete the requirements for the subject-drilling permit, we submit the following:

- □ <u>Agreements</u>: We agree to function test the BOP's daily.
- □ *Location*: The well is located in a rural area.
- □ <u>Attachments</u>: Attached is a detailed map of the area and a signed C-102.

Please process our application and contact us if there is anything else you may need.

Very truly yours

Kenneth C. Dickeson Consulting Landman

Enclosures

tlnmocd

