

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address B.C. OPERATING, INC., P.O. Box 50820, Midland, TX 79710		² OGRID Number 160825
		³ API Number 30 - 025-37709
⁴ Property Code 35442	⁵ Property Name Randy	⁶ Well No. 1
⁹ Proposed Pool 1 Bagley; Morrow, East (gas)		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	5	12S	34E		1900	South	660	West	Lea

⁸ Proposed 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

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4,194'
¹⁶ Multiple N	¹⁷ Proposed Depth 12,500'	¹⁸ Formation Morrow	¹⁹ Contractor Adobe	²⁰ Spud Date 4/1/06
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 14 mils thick Clay <input type="checkbox"/> Pit Volume: 24000 bbls Drilling Method:				
Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17"	13-3/8"	48# H-40	400'	400 "C"	Surface
12 1/4"	8-5/8"	32# J-55	4,400'	700 "C"	Surface
7-7/8"	5 1/2"	17# & 20# N-80	12,500'	1000 "C"	8,000'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

B.C. OPERATING, INC. proposes to drill/test the Morrow formation. Approximately 400' of surface casing will be set/cemented. Intermediate casing will be set at 4,400', cement cir. to surface. If commercial, production casing will be run/cemented, perforate/stimulate as needed for production.

MUD PROGRAM: 0-400'

400-1930'

1930-4400'

4400-7650'

7650-11,600'

11,600-TD

FW/Spud mud

FW

Red Bed Mud/Oil

Cut Brine

S Gel/Oil/Starch

S Gel/Starch/4% KCL.

BOPE PROGRAM: A 5000# BOPE will be installed on the 8-5/8" casing and tested daily.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

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 the drilling pit will be constructed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐

Printed name: **Kevin Widner**

Title: **Operations Manager**

E-mail Address: **kwidner@usaonline.net**

Date: **2/8/06**

Phone: **(432) 683-2950**

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: **FEB 15 2006**

Expiration Date:

Conditions of Approval Attached ☐

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

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

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

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

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-37709	Pool Code 97424	Pool Name Bailey Morrow East (Coas)
Property Code 35442	Property Name RANDY	Well Number 1
OGRID No. 160825	Operator Name BC OPERATING, INC.	Elevation 4194'

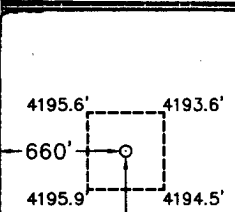

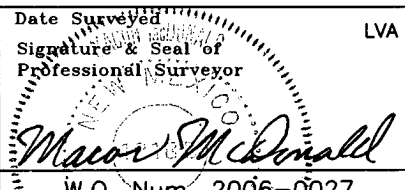
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	5	12 S	34 E		1900	SOUTH	660	WEST	LEA

Bottom Hole Location If Different From Surface

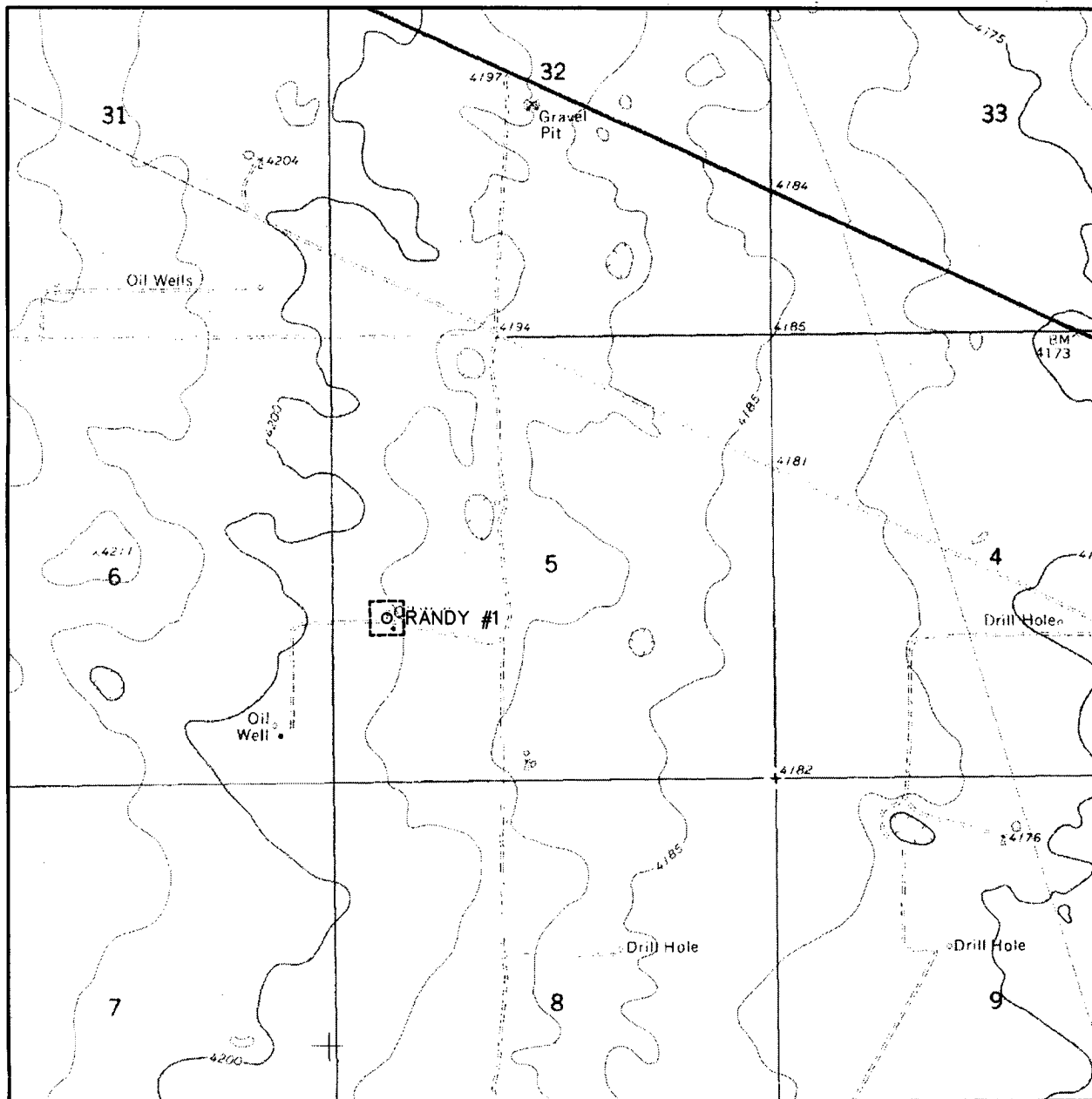
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

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>Plane Coordinate X = 742,631.1 Y = 839,609.2</p>					OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature Kevin Widner Printed Name Operations Mgr. Title 2-8-06 Date
					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 supervision and that the same is true and correct to the best of my belief. January 19, 2006 Date Surveyed Signature & Seal of Professional Surveyor  W.O. Num. 2006-0027 Certificate No. MACON McDONALD 12185

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.

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
DALLAS STORE - 5'

SEC. 5 TWP. 12-S RGE. 34-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1900' FSL & 660' FWL

ELEVATION 4194'

OPERATOR BC OPERATING

LEASE RANDY

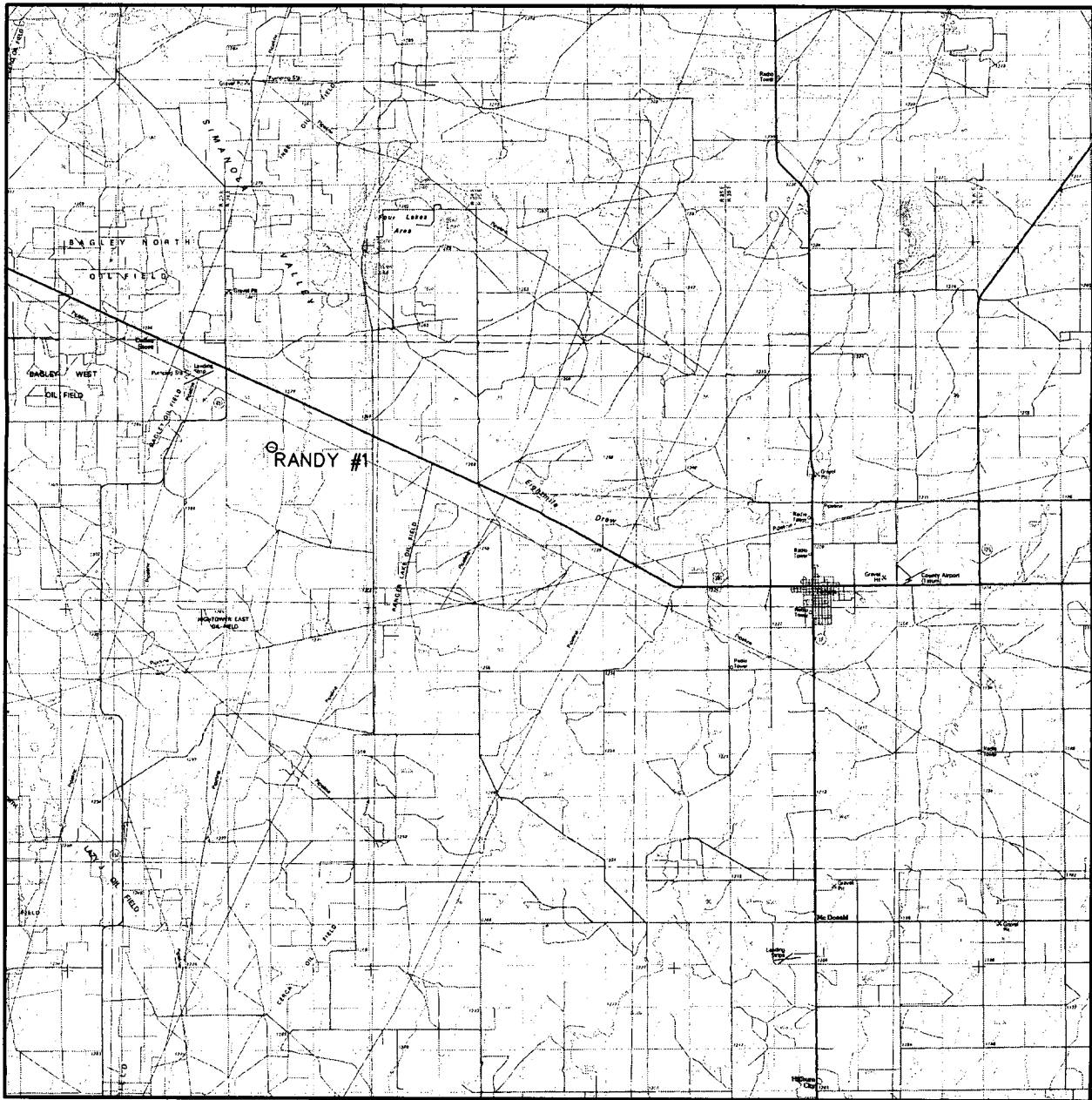
U.S.G.S. TOPOGRAPHIC MAP
DALLAS STORE



**WEST
COMPANY**
of Midland, Inc.

110 W. LOUISIANA, STE. 110
MIDLAND TEXAS, 79701
(432) 687-0865 - (432) 687-0868 FAX

VICINITY MAP



SCALE: 1" = 4 MILES

SEC. 5 TWP. 12-S RGE. 34-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1900' FSL & 660' FWL

ELEVATION 4194'

OPERATOR BC OPERATING

LEASE RANDY



**WEST
COMPANY**
of Midland, Inc.

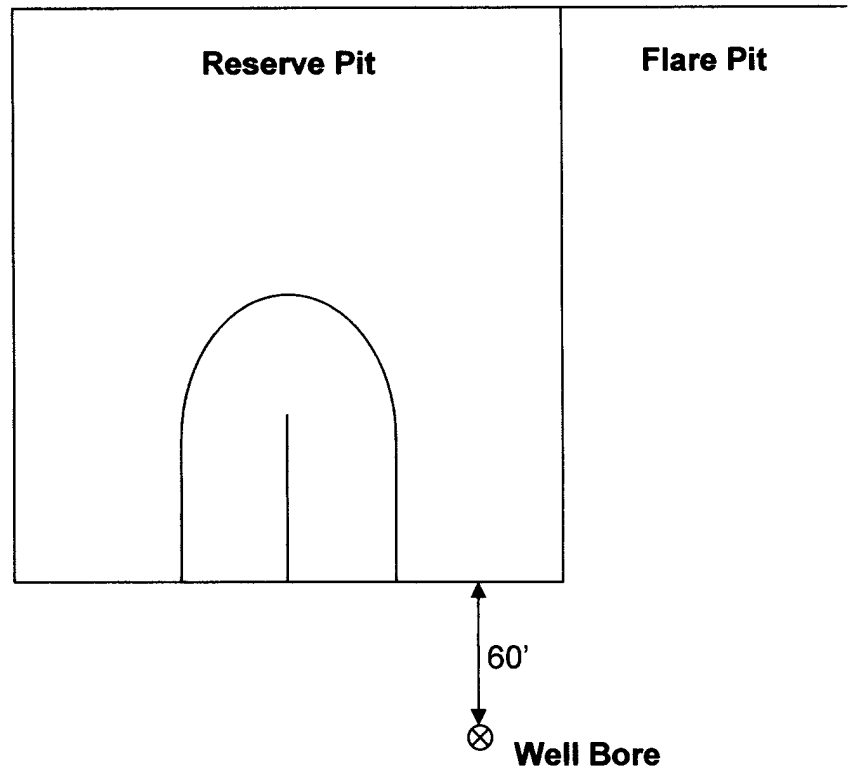
110 W. LOUISIANA, STE. 110
MIDLAND TEXAS, 79701
(432) 687-0865 - (432) 687-0868 FAX

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.



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

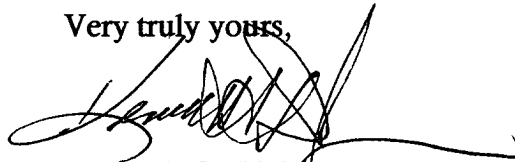
Gentlemen:

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

- ☐ Agreements: We agree to function test the BOP's daily.
- ☐ Location: The well is located in a rural area.
- ☐ Attachments: 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

tlmocc

