

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

OCD Hobbs
HOBBS OCD

MAR 09 2017

RECEIVED

ATS-15 824

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

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No.
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. (317517) Dogie Draw 23 Federal #1H
2. Name of Operator BC Operating, Inc. (160825)		9. API Well No. 30-025-43669
3a. Address P.O. Box 50820 Midland, Texas 79710	3b. Phone No. (include area code) 432-684-9696	10. Field and Pool, or Exploratory (96340) Fairview Mills; Bone Spring
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 240' FNL & 660' FWL of Unit Letter 'D', Section 26, T-25S, R-34E At proposed prod. zone 240' FNL & 660' FWL of Unit Letter 'D', Section 23, T-25S, R-34E		11. Sec., T. R. M. or Blk. and Survey or Area Section 26, T-25S, R-34E Section 23, T-25S, R-34E
14. Distance in miles and direction from nearest town or post office* 14.72 miles West of Jal		12. County or Parish Lea
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 240'		13. State NM
16. No. of acres in lease 640	17. Spacing Unit dedicated to this well 160	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 0'	19. Proposed Depth 17,282' MD / 12,250' TVD	20. BLM/BIA Bond No. on file NM2572
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3332' GL	22. Approximate date work will start* 08/01/2016	23. Estimated duration 45 days

UNORTHODOX LOCATION

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature <i>Pam Stevens</i>	Name (Printed/Typed) Pam Stevens	Date 04/15/2015
Title Regulatory Analyst		
Approved by (Signature) <i>/s/Cody Layton</i>	Name (Printed/Typed)	Date MAR 7 - 2017
Title FIELD MANAGER		Office CARLSBAD FIELD OFFICE

Application approval 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.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

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.

(Continued on page 2)

Carlsbad Controlled Water Basin

KS
03/10/17
*(Instructions on page 2)

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

COPY

**Approval Subject to General Requirements
& Special Stipulations Attached**