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

May 27, 2

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Submit to appropriate District Of

☐ AMENDED REPC

Form C-

| APPLICATION FOR | PERMIT TO DRILL, | RE-ENTER, DEEPEN, |
|-----------------|------------------|-------------------|
| PLUCRACK OR AD | D A ZONE | |

| PLUGB A | ACK, O | R ADD | A ZONE | | | | | | | | | |
|--|------------------|---------------|--|--|-------------------|--|--------------------------------|--|--------------------------------------|--------------------------|--|--|
| Operator Name and Address | | | | | | | | * | ² OGRID Number | | | |
| · | | | | | | | | | 160825 | | | |
| BC Operating, Inc P O Box 50820 Midland, TX 79710 | | | | | | | | ³ API Number 30 -025-35236 | | | | |
| ³ Property Code 3695 Shydor | | | | | | | | | 30 023 331 | | Vell No. | |
| | 26846 | مه صد | ン ・ | | Snyde | | | | | ļ | 1 | |
| | | | Proposed Pool 1 | | | | | | 10 Prop | posed Pool 2 | | |
| 7 a c | т ,• | | d Permo Uppe | r Penn | 2 | | <u> </u> | | > | | | |
| UL or lot no. | Location | 1 Township | Danca | Lati | de Foot 6 | ham tha | North/South line Feet from the | | | I B W O | | |
| M | 36 | 15S | Range 35E | Lot Idn Feet fi | | 50' | | outh | Feet from the 660' | East/West line West | County Lea | |
| ⁸ Proposed | Bottom H | ole Locati | ion If Differen | t From S | urface | | 1 | | | İ | 1 | |
| UL or lot no | Section | Township | Range | Lot I | | rom the | North/S | South line | Feet from the | East/West line | County | |
| Additiona | al Well I | nformat | ion | <u> </u> | | | \ | | | | | |
| | Type Code | 7 | 12 Well Type Coo | le | 13 Cab | le/Rotary | | 14 | Lease Type Code | 15 Gr | ound Level Elevation | |
| | <u>E</u> ' | | O/G | | | R | | | S | · | 3933' | |
| | lultiple No | | ¹⁷ Proposed Dept 11,000' | ih i | | rmation end Rec | | | | 20 Spud Date ASAP | | |
| Depth to Grou | | 71' | 11,000 | Distance | from nearest from | | · | 1000' | | om nearest surface water | | |
| | Synthetic | | ils thick Clay | <u> </u> | olume: bb | | | rilling Met | hod | | | |
| | d-Loop Syst | | instince City (| | June00 | 15 | Fre | sh Water | Brine Dies | el/Oil-based | Gas/Air | |
| 21 Propos | ed Casin | og and C | ement Progr | ram | | | | | | | | |
| Hole S | | | ing Size | | weight/foot | | Setting D | epth | Sacks of Ce | ement | Estimated TOC | |
| 17 1/ | 2" | | 3/8" | | 48# | 1 | 450' | | 390 | | Surface | |
| 12 1/ | | | 5/8" | 40# | | | 4335' | | 1700 | | Surface | |
| 7 7/8 | 3" | 5 | 1/2" | | 17# | | 11,000' | | 500 | | 4000' | |
| | | | | | | | | | | | <u>, </u> | |
| 22 Describ | 41 | | IC41: | 1:4: | :- 4- DEC | DEM | DLUC | DACK | -: - 41 1-4- | | 1 .: | |
| Describ | | | | | | | | | give the data of Jse additional s | | productive zone | |
| Propos | ou non pi | | 20110. 20000110 | | mout proven | tron pro | , g. u, | | | | sury. | |
| | | | r this well usir | | | | | | recei | VEU | | |
| Nabors BO | P stack co | onsists of | 13 5/8" 5M# | blind & 1 | pipe rams and | d annula | ar. | | | | | |
| | | | | | | | | | JAN 302 | 2008 | | |
| A | | | | | | | | 9 0. | | | | |
| Permit Expires 2 years From Approval | | | | | | | | H(| OBBS | OCI | | |
| Date Unless Drilling is Underway Re-Entry | | | | | | | | | | | | |
| | | 1 <u>2-21</u> | 7k7 | | | | | | | | | |
| ²³ I hereby cer | tify that the | information | given above is t | rue and co | mplete to the | | - | | ONIGEDIAA | | | |
| best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines \square , a general permit \square , or | | | | | | OIL CONSERVATION DIVISION | | | | | | |
| an (attached) alternative QCD-approved plan . | | | | | | Approved by: | | | | | | |
| Signature: Dom Bothin | | | | | | | | Che. | 1/8/1 | | | |
| Printed name. Pam Botkin | | | | | | Title OC DISTRICT SUPERMISOR/GENERAL MANAGER | | | | | | |
| Title: Engineering Tech | | | | | | Approval Date: JAN 3 1 2008 Expiration Date: | | | | | | |
| E-mail Address: PBotkin@usaonlinc.net | | | | | | | | | | | | |
| Date: 01-28-08 Phone: 432-684-9696 x 216 | | | | | Condit | ions of A | pproval A | ttached | | | | |

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

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 October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

☐ AMENDED REPORT

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | , | WELL LC | CAHO | N AND ACK | EAGE DEDIC | ATION PLA | .1 | | |
|---|--------------------------------|-----------------------------|---------------|------------|---------------|---------------------------|---------------|--------------------------|------------------------|--|
| ¹ A | PI Number | nber ² Pool Code | | | | ³ Pool Name | | | | |
| 30 | -025-35236 | | | 59847 | ļ | Townsend Permo Upper Penn | | | | |
| 4 Property C | ode | ⁵ Property Name | | | | | | ⁶ Well Number | | |
| 26846 | | Snyder 36 | | | | | | 1 | | |
| ⁷ OGRID N | 0. | ⁸ Operator Name | | | | | | | ⁹ Elevation | |
| 160825 | | BC Operating, Inc 3933' | | | | | | 3933' | | |
| | ¹⁰ Surface Location | | | | | | | | | |
| UL or lot no. | Section | Township | Range Lot Idn | | Feet from the | rom the North/South line | Feet from the | East/West line | County | |
| М | 36 | 15S | 35E | | 660' | South | 660' | 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 | |
| | | 1 | | | | | | | | |
| 12 Dedicated Acres | 13 Joint or | r Infill 14 | Consolidation | Code 15 Or | der No. | | | | | |
| 40 | | [| | | | | | | | |

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.

| 16 | RECEIV | | 17 OPERATOR CERTIFICATION 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 unleased 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 voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. 128 08 Signature Date Date |
|----|-------------|----|--|
| | JAN 3 0 200 | 08 | Printed Name 18 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 |
| | | | Date of Survey Signature and Seal of Professional Surveyor Certificate Number |