

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

RECEIVED

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87405

Submit to appropriate District Office

☐ AMENDED REPORT

HOBBS OCD

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

Operator Name and Address BC Operating, Inc P.O. Box 50820 Midland, TX 79710		OGRID Number 160825-
Property Code 371245	Property Name State of New Mexico	Well No 1
Proposed Pool 1 Grassland Miss NE (Gag)		Proposed Pool 2

Surface Location

UL or lot no D	Section 14	Township 15S	Range 34E	Lot Idn	Feet from the 660	North/South line North	Feet from the 660	East/West line West	County Lea
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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
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Additional Well Information

Work Type Code E	Well Type Code G	Cable/Rotary Rotary	Lease Type Code S	Ground Level Elevation 4077'
Multiple NO	Proposed Depth 14,865'	Formation Mississippian	Contractor Nabors	Spud Date 6-1-08
Depth to Groundwater 78'		Distance from nearest fresh water well		Distance from nearest surface water
Pit Liner: Synthetic <input checked="" type="checkbox"/> 10 mils thick Clay <input type="checkbox"/>		Pit Volume 10000 bbls		Drilling Method
Closed-Loop System <input type="checkbox"/> 12 mils minimum		Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>		

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17	13 3/8	56	363	350	surf
12 1/4	9 5/8	32 + 36	4659	1800	325'
7 7/8	5 1/2	17	13,500	500	9490'

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.

BC plans to re-enter this well to test the Mississippian at ~13,300'.
All pressure control equipment will be tested at 5000#.

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 ☐.

Signature

Pam Botkin

Printed name

Pam Botkin

Title

Engineering Tech

E-mail Address

pbotkin@usaonline.net

Date

3/6/08

Phone

432-684-9696

OIL CONSERVATION DIVISION

Approved by

Chris Williams

Title

OC DISTRICT SUPERVISOR/GENERAL MANAGER

Approval Date

APR 04 2008

Expiration Date

Conditions of Approval Attached ☐

Permit Expires 2 Years From Approval

Date Unless Drilling Underway

Re-Entry

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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
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-01880	² Pool Code 97337	³ Pool Name Grassland Miss NE (645)
⁴ Property Code 37045	⁵ Property Name State of New Mexico	⁶ Well Number 1
⁷ OGRID No. 160825	⁸ Operator Name BC Operating	⁹ Elevation 4077

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	14	15S	34E		660'	North	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

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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 -660'-0-660'-				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 Signature <u>Pam Botkin</u> Date <u>3/6/08</u> Printed Name <u>Pam Botkin</u>
				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

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State of New Mexico
Energy Minerals and Natural Resources

Form C-144
June 1, 2004

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

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: BC Operating, Inc Telephone: 432-684-9696 e-mail address: jsimon@usaonline.net
Address: P.O. Box 50820 Midland, TX, 79710
Facility or well name: State of New Mexico #1 U/L or Qtr/Qtr D Sec 14 T 15S R 34E
County: Lea Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐
Surface Owner: Federal ☐ State ☐ Private ☒ Indian ☐

Pit	Below-grade tank
Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>10</u> mil Clay <input type="checkbox"/> Pit Volume <u>9000</u> bbl	Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not.
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points)
Ranking Score (Total Points) <u>10</u>	

If this is a pit closure: (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

After drilling operations are complete, BC Operating will follow NMOCD guidelines for pit closure, including any updated forms.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date 3/6/08

Printed Name/Title

Pam Botkin

Signature

Pam Botkin

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations

Approval:

Printed Name/Title

CHRIS WILLIAMS / DIST. SWAL

Signature

Chris Williams

Date

4/4/08

New Mexico Office of the State Engineer
POD Reports and Downloads

Township: 15S Range: 34E Sections: 14

NAD27 X: Y: Zone: Search Radius:

County: Basin: Number: Suffix:

Owner Name: (First) (Last) ☐ Non-Domestic ☐ Domestic
☒ All

POD / Surface Data Report

Avg Depth to Water Report

Water Column Report

Clear Form

iWATERS Menu

Help

AVERAGE DEPTH OF WATER REPORT 03/06/2008

Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	(Depth Water in Feet)		
								Min	Max	Avg
L	15S	34E	14				4	65	90	78

Record Count: 4