

District I
1625 N French Dr, Hobbs, NM 88240
District II
13 01 W Grand Avenue, Artesia, NM 88210
District III
1 000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr, Santa Fe, NM 87505

RECEIVED

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
June 16, 2008

AUG 11 2008 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

Operator Name and Address B C Operating, Inc., Box 50820, Midland, TX 79710		OGRID Number 160825
Property Code 37360	Property Name Tres Papalotes	API Number 30-025-39243
Proposed Pool 1 Wildcat		Proposed Pool 2 Atoka - Morrow

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
F	32	14-S	34-E		1980	North	1980	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

Work Type Code N	Well Type Code D G	Cable/R tary R	Lease Type Code State	Ground Level Elevation 4140
16 Multiple No	Proposed Depth 10,800'	Formation	Contractor TBA	Spud Date 8-20-08


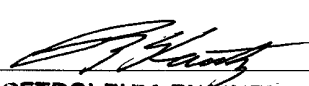
21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	500'	430 sx	surface
11"	8 5/8"	32#	4600'	800 sx	surface
7 7/8"	5 1/2"	17#	10,800'	800 sx	surface

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.

Mud Program: 0 to 430' 430' to 4600' 4600' to 10800' Bope Program: A 5000# bope will be installed on the 8-5/8" casing and tested daily.
FW/Spud Mud Cut Brine Gel/Starch
8.6 to 9.0 ppg 9.9 to 10.3 ppg 8.6 to 8.8 ppg

Permit Expires 2 Years From Approval Date Unless Drilling Underway

I hereby certify that the information given above is true and complete to the best of my knowledge and belief		OIL CONSERVATION DIVISION	
Signature 		Approved by~ 	
Printed name: Ann E. Ritchie		Title- PETROLEUM ENGINEER	
Title Regulatory Agent		Approval Date:	Expiration Date.
E-mail Address: ann.ritchie@wtor.net		NOV 07 2008	
Date: 8-4-08	Phone 432-684-6381/214-762-0830	Conditions of Approval Attached <input type="checkbox"/>	

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

State of New Mexico

Energy, Minerals, and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, New Mexico 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 30-025-39243	² Pool Code ✓	³ Pool Name Wildcat the designated; Atoka/morrow
⁴ Property Code 37360	⁵ Property Name TRES PAPALOTES	
⁷ OGRID No. 160825	⁸ Operator Name BC OPERATING, INC.	
	⁶ Well Number 1	⁹ Elevation 4140'

¹⁰ Surface Location

UL or lot no. F	Section 32	Township 14 SOUTH	Range 34 EAST, N.M.P.M.	Lot Idn	Feet from the 1980'	North/South line NORTH	Feet from the 1980'	East/West line WEST	County LEA
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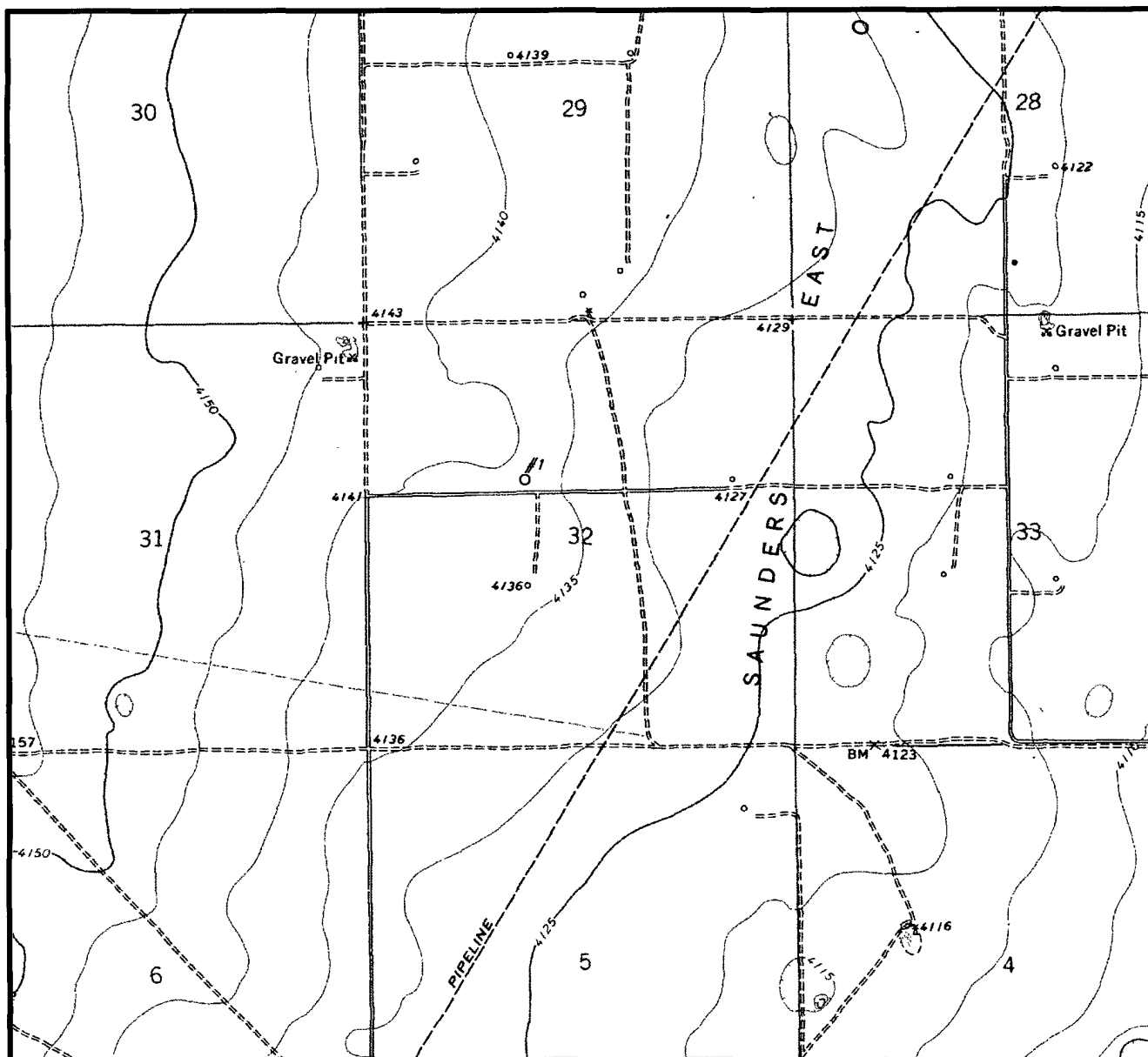
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
40									
¹²			¹³ Consolidation Code	¹⁵ Order No.					

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div><p>16</p><p>NAD 27 NM E ZONE X = 744631 Y = 751278 LAT.: N 33.0627660 LONG.: W 103.5348518</p></div>	<div><p>OPERATOR CERTIFICATION</p><p>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 undivided 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.</p><p> Signature Date 7-9-08</p><p>Ann E. Ritchie Printed Name</p></div> <div><p>SURVEYOR CERTIFICATION</p><p>I hereby certify that the well location shown on this plat was placed on file with the State Engineer's Office under my supervision and that the same is true and correct to the best of my belief.</p><p> Date of Survey Signature and Seal of Professional Surveyor</p><p>Michael Blake Brown R.P.S. #18329 JOB # 135668 / 122SE / Y.O.P.</p></div>
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LOCATION & ELEVATION VERIFICATION MAP



SCALE : 1" = 2000'

CONTOUR INTERVAL 5'

SECTION 32 TWP 14-S RGE 34-E

SURVEY NEW MEXICO PRINCIPAL MERIDIAN

COUNTY LEA STATE NM

DESCRIPTION 1980' FNL & 1980' FWL

ELEVATION 4140'

OPERATOR BC OPERATING, INC.

LEASE #1 TRES PAPALOTES

U.S.G.S. TOPOGRAPHIC MAP

FORT RANCH QUADRANGLE, NEW MEXICO LEA CO.

SCALED LAT. LAT.: N 33.0627660

LONG. LONG.: W 103.5348518

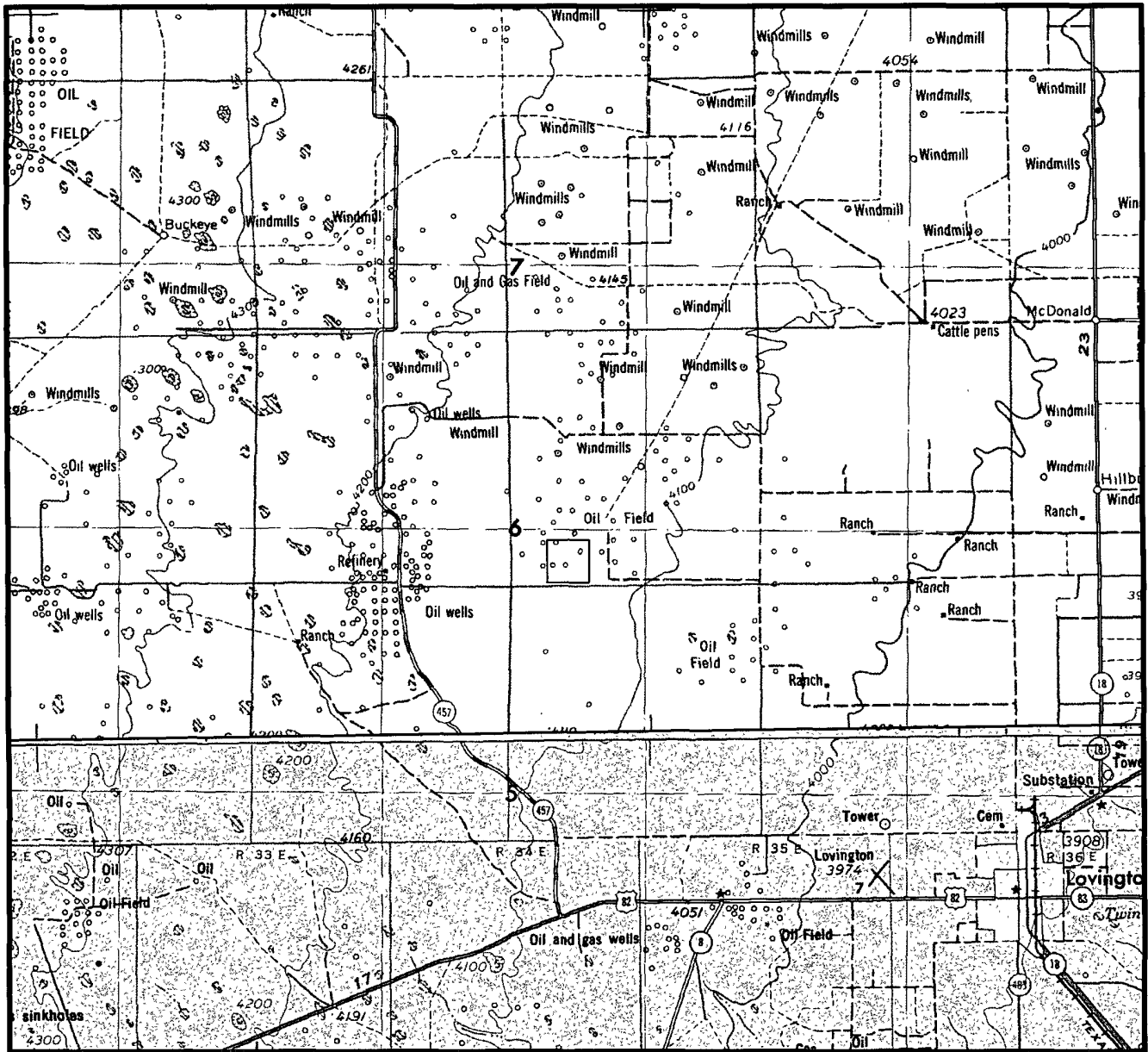


TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

2903 N. BIG SPRING
MIDLAND, TX. 79705
(800) 767-1653

VICINITY MAP



SECTION 32 TWP 14-S RGE 34-E

SURVEY NEW MEXICO PRINCIPAL MERIDIAN

COUNTY LEA STATE NM

DESCRIPTION 1980' FNL & 1980' FWL

OPERATOR BC OPERATING, INC

LEASE #1 TRES PAPALOTES

DISTANCE & DIRECTION FROM JCT. OF HIGHWAY 82 &
HIGHWAY 457 GO NORTHWEST ± 9.0 MILES ON HIGHWAY

457 THENCE WEST ±3.5 ON LEASE ROAD THENCE NORTH

±0.06 MILES THENCE EAST ±0.4 MILES TO A POINT

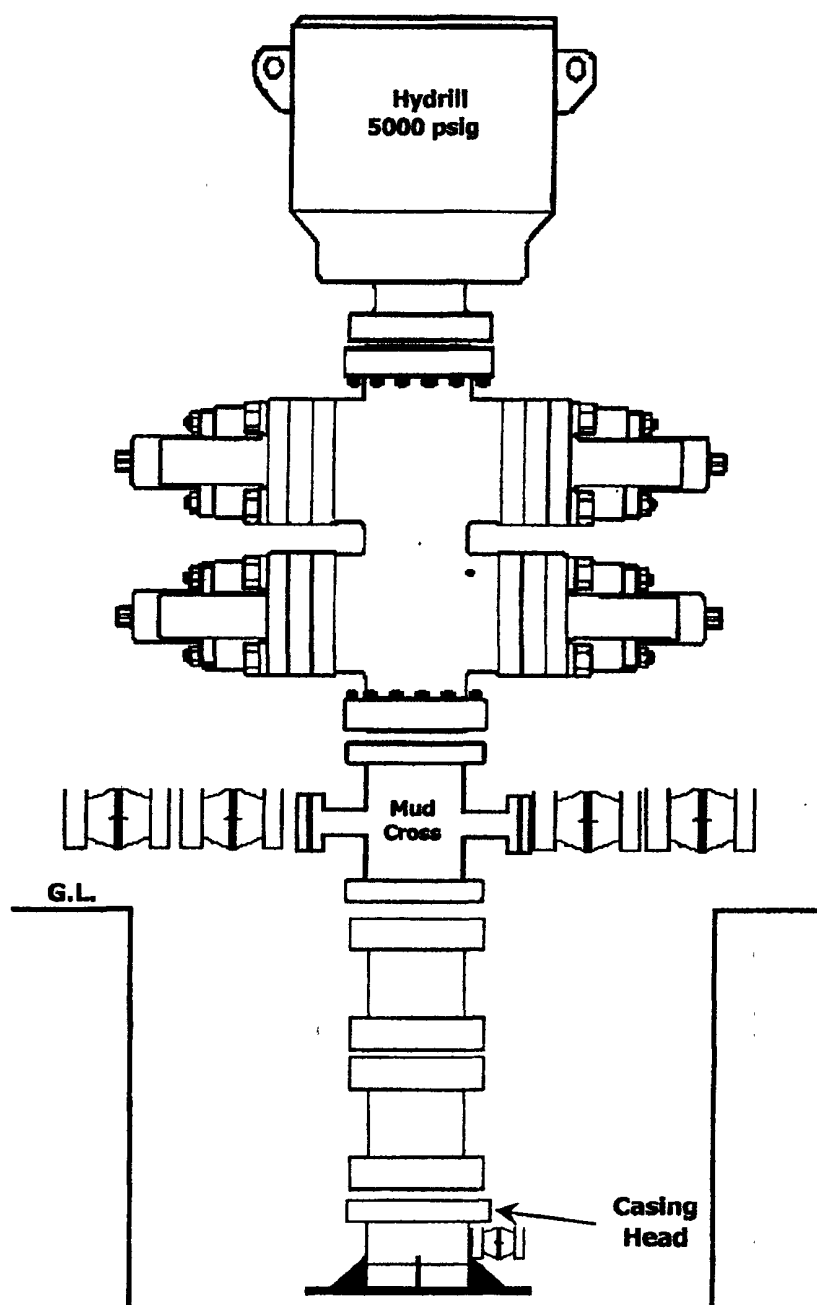
±200' SOUTH OF LOCATION



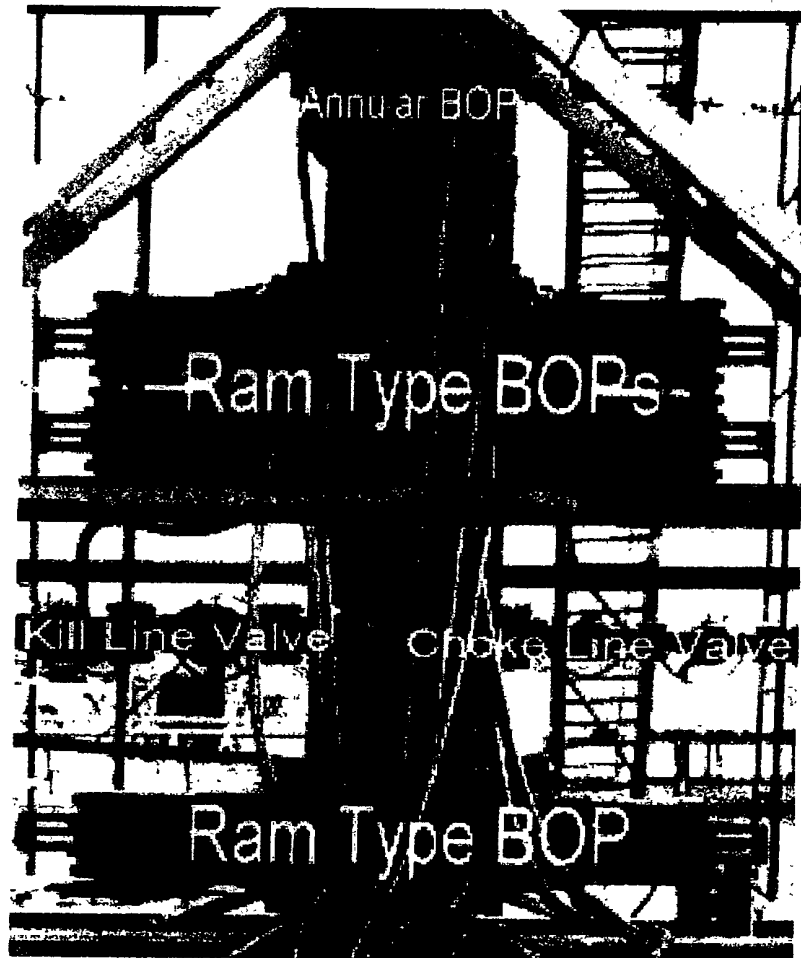
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**Example of Blowout Preventer
Tested to 5,000#**



3 1/2" Choke Manifold

