

District I
1625 N French Dr, Hobbs, NM 88240
District II
13 01 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

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 37359		API Number 30-025-39244	
Property Name Shoebar		Well No 1	
Proposed Pool 1 Townsend Morrow <86400>		Proposed Pool 2	

7 Surface Location

UL or lot no	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
N	27	16-S	35-E		660	South	1980	West	Lea

8 Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

Work Type Code N	Well Type Code G	Cable/R tary R	Lease Type Code State	Ground Level Elevation 3982'
Multiple No	Proposed Depth 13,000'	Formation	Contractor TBA	Spud Date 8-20-08

21 Proposed Casing and Cement Program

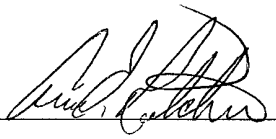
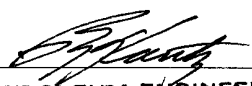
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	54#	450'	500 sx	surface
11"	8 5/8"	32#	4900'	1000 sx	surface
7 7/8"	5 1/2"	17#	13,000'	1000 sx	surface

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 4900' 4900' to 13000'
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

Bope Program: A 5000# bope will be installed on the 8-5/8" casing and tested daily.

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"/>	

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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 30-025-39244	² Pool Code 86400	³ Pool Name Townsend Undesignated; Morrow
⁴ Property Code 37359	⁵ Property Name SHOEBAR	
⁷ OGRID No. 160825	⁸ Operator Name BC OPERATING, INC.	
		⁶ Well Number 1
		⁹ Elevation 3982'

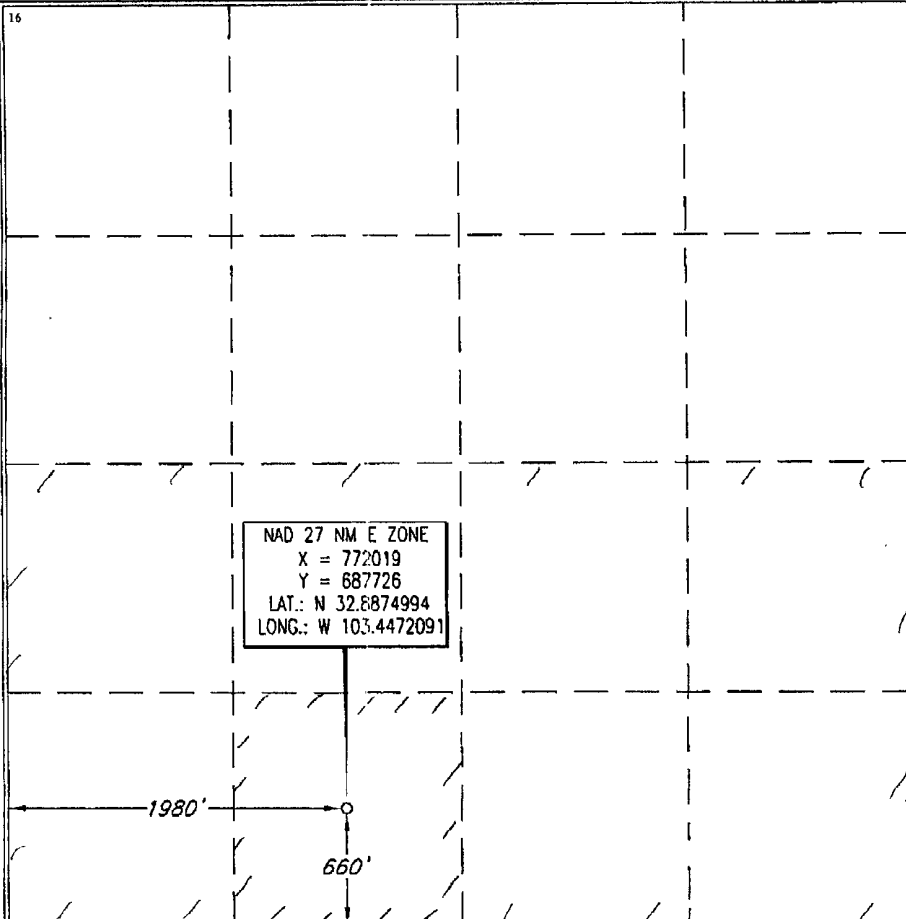
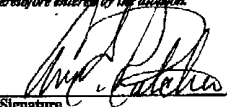
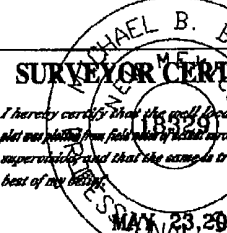
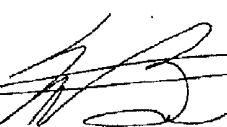
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	27	16 SOUTH	35 EAST, N.M.P.M.		660'	SOUTH	1980'	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
40320									
¹²				¹³		¹⁴ 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></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> 7-9-08 Signature Date Ann E. Ritchie Printed Name</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of a duly sworn and licensed surveyor under my supervision and that the same are true and correct to the best of my belief.</p> <p> Date of Survey Signature and Seal of Professional Surveyor  Michael Blake Brown R.P.S. #18329 JOB # 136047 / 98 NE / Y.P.O.</p>

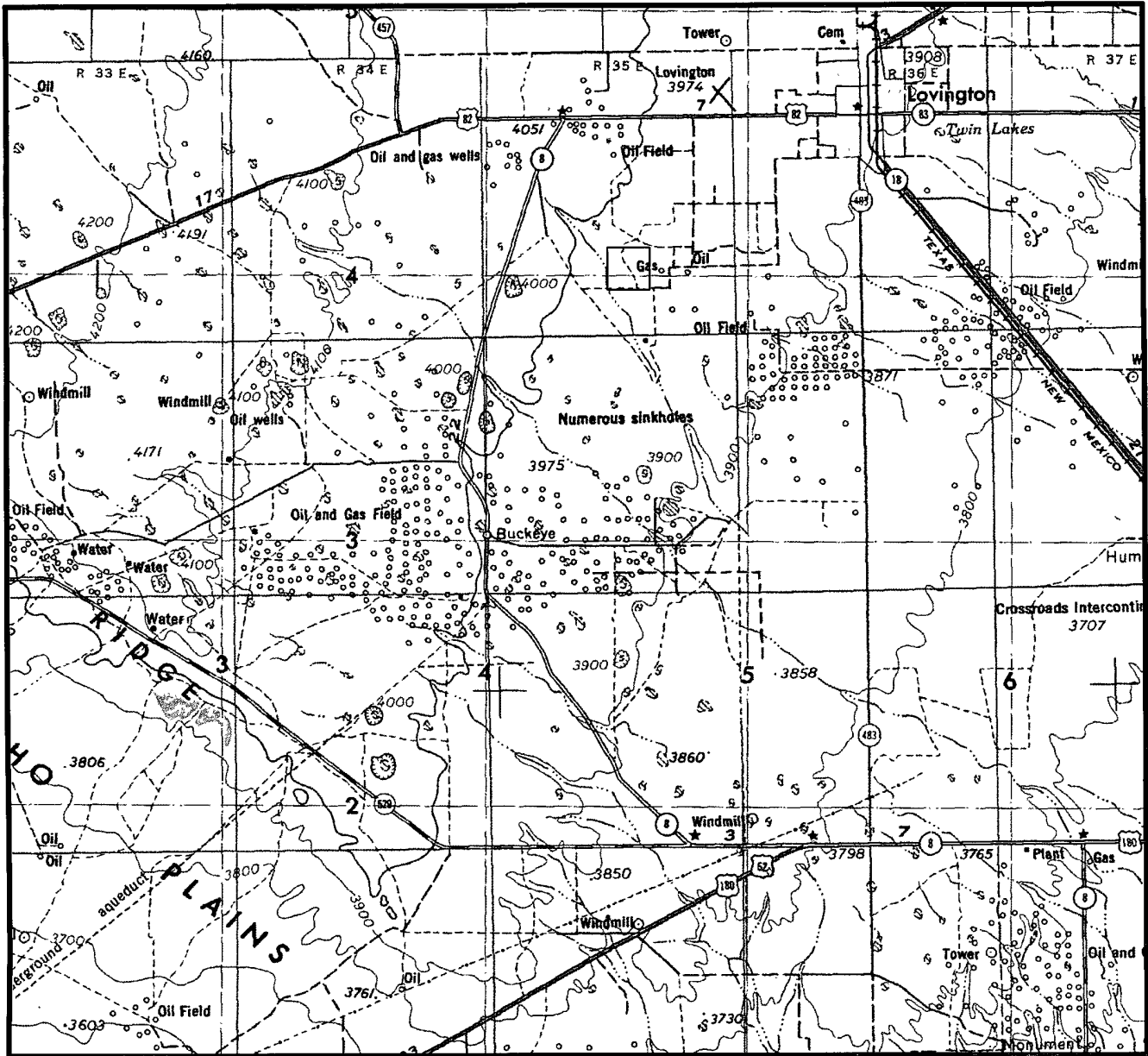
CONTOUR INTERVAL 5'

LONG. LONG.: W 103.4472091



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

VICINITY MAP



SECTION 27
48 TWP 16-S RGE 32-E
 SURVEY NEW MEXICO PRINCIPAL MERIDIAN
 COUNTY LEA STATE NM
 DESCRIPTION 660' FSL & 1980' FWL

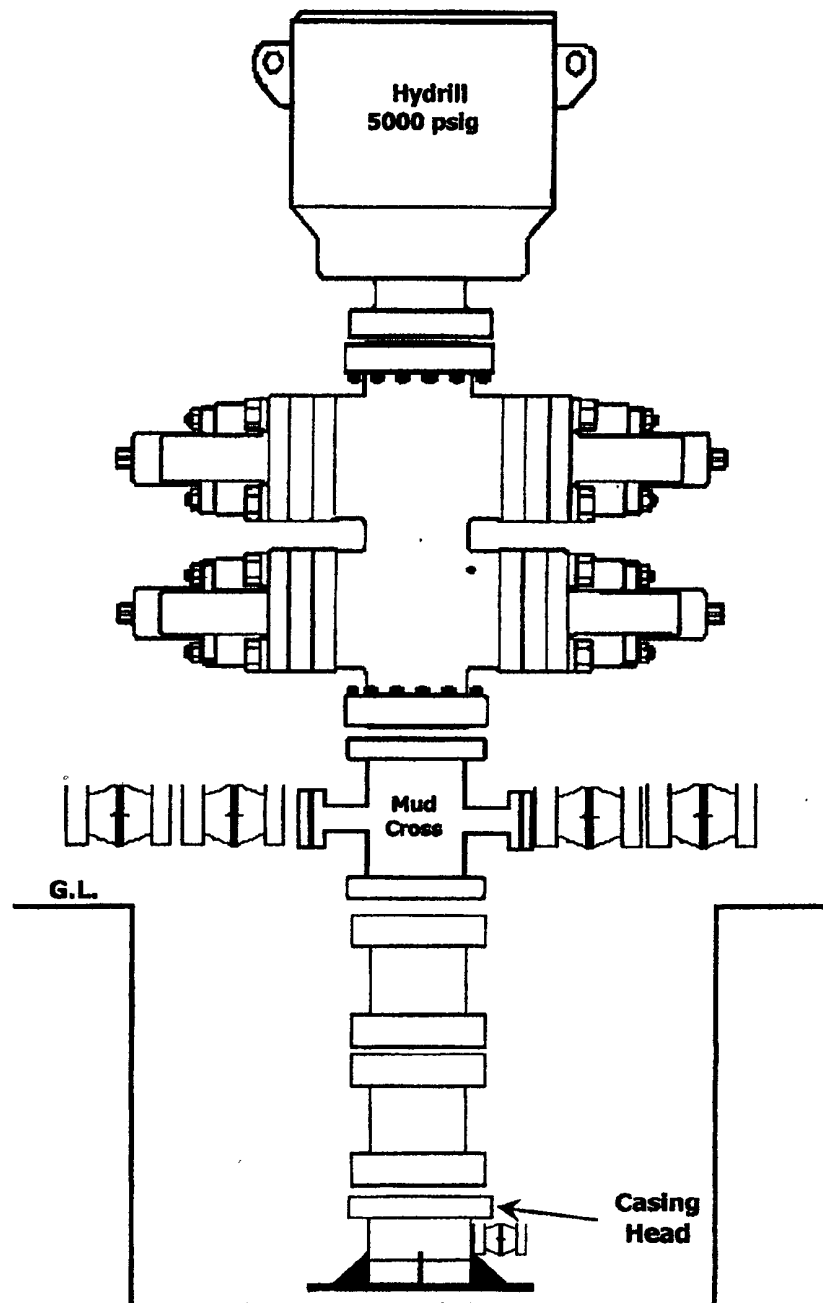
OPERATOR BC OPERATING, INC
 LEASE SHOEBAR #1
 DISTANCE & DIRECTION FROM JUNCTION OF HWY. 82 &
GILL ROAD GO SOUTH ± 3.5 MILES ON GILL ROAD THENCE
WEST ±0.6 MILES ON LEASE ROAD THENCE SOUTH ± 0.5
MILES THENCE WEST ±0.4 MILES THENCE SOUTH ± 1.1
MILES THENCE WEST ±0.6 MILES THENCE NORTH ± 1.1
MILES TO A POINT ± 900' SOUTH OF LOCATION



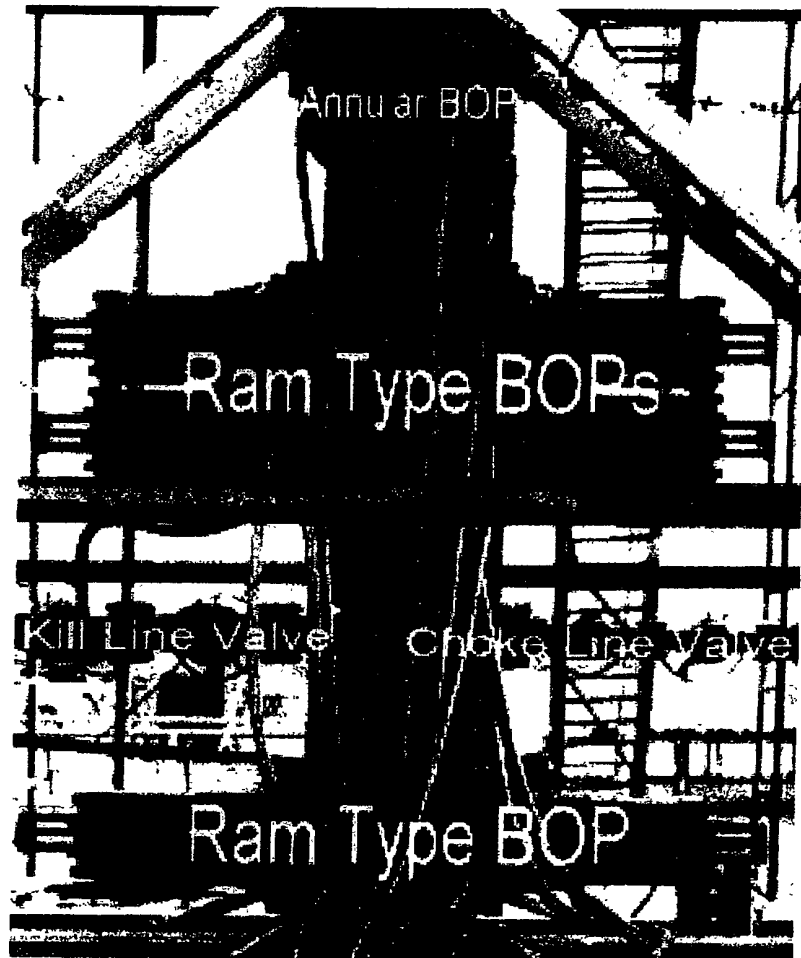
TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

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



3 1/2" Choke Manifold

