

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

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
June 16, 2008

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

Submit to appropriate District Office

AUG 11 2008

☐ AMENDED REPORT

HOBBS OCD

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

Operator Name and Address BC Operating, Inc., Box 50820, Midland, TX 79710		OGRID Number 160825 ✓
Property Code 37357		Property Name Jalmat
Proposed Pool 1		Proposed Pool 2

7 Surface Location

UL or lot no	Section	Township	Range	Lot 1dn	Feet from the	North/South hue	Feet from die	East/West line	County
N	16	23-S	36-E		660	South	2310	West	Lea

8 Proposed Bottom Hole Location If Different From Surface

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

Additional Well Information

Work Type Code N	Well Type Code O	Cable/R tary R	Lease Type Code State ✓	Ground Level Elevation 3454'
16Multiple No	Proposed Depth 4000'	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
12 1/4"	8 5/8"	32#	400' 14-30%	400 sx	surface
7 7/8"	5 1/2"	15.5#	4000'	500 sx	surface

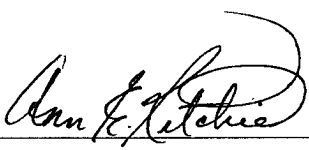

Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.
Describe the blowout prevention program, if any. Use additional sheets if necessary.

Mud Program: 0 to 450'
F/W Spud Mud
8.6 to 9.0 ppg

14-30
450' to 4000'
Gel/Starch
10 to 10.4 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 24 2008	
Date: 8-4-08	Phone 432-684-6381/214-762-0830	Conditions of Approval Attached <input checked="" type="checkbox"/>	

MUST SET SURFACE CASING 25'
BELOW TOP OF PLUGGER

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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	² Pool Code	³ Pool Name
⁴ Property Code 37357	⁵ Property Name JALMAT	⁶ Well Number 1
⁷ OGRID No. 160825	⁸ Operator Name BC OPERATING, INC.	⁹ Elevation 3454'

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	16	23 SOUTH	36 EAST, N.M.P.M.		660'	SOUTH	2310'	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	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><p>NAD 27 NM E ZONE X = 828325 Y = 474107 LAT.: N 32.2989640 LONG.: W 103.2707659</p><p>2310'</p><p>660'</p></div>	<p>OPERATOR CERTIFICATION</p> <p><i>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.</i></p> <p> Signature Date 7-8-08</p> <p>Ann E. Ritchie Printed Name</p> <p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p> Date of Survey Signature and Seal of Professional Surveyor</p> <p> Michael Blake Brown R.P.S. #18329 JOB # 135667 / 24 NE / J.A.F.</p>
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