

New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Brett F. Woods, Ph.D.
Acting Cabinet Secretary

Daniel Sanchez
Acting Division Director
Oil Conservation Division



February 28, 2011

BC Operating Inc.
ATT: Regulatory Dept
PO Box 50820
Midland, TX 79710

RECEIVED

MAR 02 2011

HOBBSOCD

RE: CANCELLATION OF INTENT TO DRILL

See Attached List

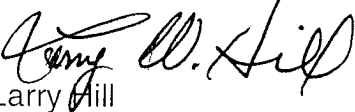
Gentlemen:

Twenty-four months or more have elapsed since Division Form C-101, Notice of Intent to Drill the Subject well was approved. To date no progress reports, form C-103, have not been received. Therefore, approval of your permit to drill this well has now expired and no drilling operations are to be initiated without further notice to and approval by the Oil Conservation Division. Pending such approval, this location will be considered as an abandoned location.

If drilling has been done, please file subsequent reports of this work immediately to bring this file into current status.

Truly yours,

OIL CONSERVATION DIVISION



Larry Hill
District I Supervisor

Cancel

30-025-39256

cc: OCD /Santa Fe
OCD/Hobbs
BLM
State Land Office

Oil Conservation Division * 1625 N. French Dr.*

* Hobbs, New Mexico 88240

* Phone: (575) 393-6161 * Fax (575) 392-0720* <http://www.emnrd.state.nm.us>



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BC Operating Inc.

Shoebar #1-N, 27-16s-35e, 30-025-39244

Rattletrap #2-H, 18-16s-32e, 30-025-39245

Rattletrap #3-G, 18-16s-32e, 30-025-39256 ✓

Jalmat #1-N, 16-23s-36e, 30-025-39271