

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Division Director
Oil Conservation Division



Notice of C-104 Denial and Request for Information

OCD denies your C-104 – *Request for Allowable and Authorization to Transport* because it is incomplete or conflicts with other information provided to OCD.

The sale or transport of product without a C-104 approved by OCD violates the Oil and Gas Act and the implementing rules, including 19.15.7.15 and 19.15.16.19 NMAC.

To avoid an enforcement action, you must submit the indicated information no later than 30 days after receipt of this notice.

Test Allowable, New Well and Recompleted Well Amend C-104

- ☒ C-103 (or BLM equivalent) for all casing strings
 - ☐ Spud Notice
 - ☐ Surface Casing
 - ☐ Intermediate Casing (if applicable)
 - ☐ Additional Intermediate Casing (if applicable)
 - ☐ Production Casing or Liner
 - ☒ *frac sundry (completion)*
- ☐ Applicable Order (NSL, NSP, Other _____)
- ☐ Deviation Survey for Vertical Wells
- ☐ Directional Survey
 - ☐ C-102 (As-Drilled Plat for Horizontal Well)

New Well and Recompleted Well Only

- ☒ C-103 Completion Sundry (or BLM equivalent) *Approved Copy*
- ☒ C-105 Completion Report (or BLM equivalent) *Approved/Accepted Copy*
- ☐ All Logs Run on Well

If you have any questions please contact the local OCD District Office

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

NM OIL CONSERVATION

ARTESIA DISTRICT

Form C-104
Revised August 1, 2011

OCT 18 2019

Submit one copy to appropriate District Office

RECEIVED ☐ AMENDED REPORT

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

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address BTA OIL PRODUCERS, LLC		² OGRID Number 260297
		³ Reason for Filing Code/ Effective Date NEW WELL
⁴ API Number 30 - 015-44339	⁵ Pool Name PURPLE SAGE (WOLFCAMP) GAS	⁶ Pool Code 98220
⁷ Property Code 320813	⁸ Property Name OGDEN 20509 32-29 FEDERAL COM	⁹ Well Number 5H

II. 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
F	32	23S	28E		2472	NORTH	1357	WEST	EDDY

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	29	23S	28E		38.9	NORTH	1963.6	WEST	EDDY
¹² Lse Code	¹³ Producing Method Code FLOWING	¹⁴ Gas Connection Date 7/24/2019	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
372713	GIBSON ENERGY MARKETING, LLC	O
327139	SENDERO CARLSBAD MIDSTREAM, LLC 1000 LOUISIANA AVE., SUITE 6900 HOUSTON, TX. 77002	G

IV. Well Completion Data

²¹ Spud Date 02/26/2019 ✓	²² Ready Date 07/23/2019 ✓	²³ TD 17165' 17155'	²⁴ PBDT	²⁵ Perforations 9,700' - 16,980' 16,984'	²⁶ DHIC, MC
²⁷ Hole Size	²⁸ Casing & Tubing Size	²⁹ Depth Set	³⁰ Sacks Cement		
17 1/2"	13 3/8"	360'	400		
12 1/4"	9 5/8"	2,522'	810		
8 3/4"	7"	9,585'	1,135		
6 1/8"	4 1/2"	8,912' - 17,155'	545		

V. Well Test Data

³¹ Date New Oil 07/23/2019	³² Gas Delivery Date 07/24/2019	³³ Test Date 08/01/2019	³⁴ Test Length 24	³⁵ Tbg. Pressure 1,550	³⁶ Csg. Pressure 1,450
³⁷ Choke Size 38/64	³⁸ Oil 1080	³⁹ Water 4,167	⁴⁰ Gas 1,879	1,550	⁴¹ Test Method FLOWING

⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Katy Reddell*

Printed name:
KATY REDDELL

Title:
REGULATORY ANALYST

E-mail Address:
kreddell@btaoil.com

Date:
08/27/2019

Phone:
432-682-3753

OIL CONSERVATION DIVISION

DENIED

See Attached Cover Sheet

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
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1000 Rio Brazos Road, Aztec, NM 87410
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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, NM 87505

SEP 05 2019

Submit Original
to Appropriate
District Office

RECEIVED

GAS CAPTURE PLAN

Date: 8/27/2019

X ☐ Original Operator & OGRID No.: 260297
☐ Amended - Reason for Amendment: _____

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomple to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
OGDEN 20509 32.29 6H	30-015- 44340	SEC.32;T23S;R28E	2472FNL;1327FWL	2,500	1500	

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to Gas Transporter and will be connected to Gas Transporter low/high pressure gathering system located in EDDY County, New Mexico. It will require 2800' of pipeline to connect the facility to low/high pressure gathering system. Operator provides (periodically) to Gas Transporter a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Operator and Gas Transporter have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at Gas Transporter Processing Plant located in Sec. 31, Twn. 23S, Rng. 28E, EDDY County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on Gas Transporter system at that time. Based on current information, it is Operator's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

By A. Bustamante at 10:53 am, Oct 16, 2019

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other			5. Lease Serial No. NMNM100335		
b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____			6. If Indian, Allottee or Tribe Name		
2. Name of Operator BTA OIL PRODUCERS, LLC			8. Lease Name and Well No. OGDEN 20509 32-29 5H		
3. Address 104 S. PECOS MIDLAND, TX 79701			9. API Well No. 30-015-44339		
4. Location of Well (Report location clearly and in accordance with Federal requirements)* Sec 32 T23S R28E Mer At surface Lot F 2472FNL 1357FWL 32.261967 N Lat, 104.113770 W Lon Sec 32 T23S R28E Mer At top prod interval reported below Lot F 2472FNL 1357FWL 32.261967 N Lat, 104.113770 W Lon Sec 29 T23S R28E Mer At total depth Lot C 200FNL 1980FWL 32.282763 N Lat, 104.111717 W Lon			10. Field and Pool, or Exploratory PURPLE SAGE WOLFCAMP(GAS)		
14. Date Spudded 02/26/2019 ✓			15. Date T.D. Reached 04/06/2019 ✓		
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 07/23/2019 ✓			17. Elevations (DF, KB, RT, GL)* 3107 GL		
18. Total Depth: MD 17165 17155 TVD 9442 9510			19. Plug Back T.D.: MD TVD		
20. Depth Bridge Plug Set: MD TVD			21. Type Electric & Other Mechanical Logs Run (Submit copy of each) MWD GAMMA RAY		
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit analysis)					

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17.500	13.375 J-55	54.5		360		400		0	
12.250	9.625 J-55	36.0		2522		810		0	
8.750	7.000 P-110	29.0		9585		1135		907	
6.125	4.500 P-110	13.5	8912	17155		545		0	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WOLFCAMP	9383		9700 TO 16980			FRAC
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
9700 TO 16980	385,609 BBLs FLUID; 18,330,693 #S 100MESH AND 40/70 SAND.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
07/23/2019	08/01/2019	24	→	1080.0	1879.0	4167.0	41.6		FLows FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
38/64	1550 SI	1450.0	→	1080	1879	4167		PGW	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #481337 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

PENDING BLM APPROVALS WILL
SUBSEQUENTLY BE REVIEWED
AND SCANNED

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WOLFCAMP	9383			RUSTLER	289
				TOP SALT	950
				BASE SALT	2234
				DELAWARE	2530
				BELL CANYON	2557
				CHERRY CANYON	3335
				BRUSHY CANYON	4497
				BONE SPRING LIME	6120

32. Additional remarks (include plugging procedure):

FIRST BONE SPRING 7055
SECOND BONE SPRING 7826
THIRD BONE SPRING CARB 8803
THIRD BONE SPRING 9040
WOLFCAMP 9383

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7 Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #481337 Verified by the BLM Well Information System.
For BTA OIL PRODUCERS, LLC, sent to the Carlsbad

Name (please print) KATY REDDELL

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 08/30/2019

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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