Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO 1004-0135
Expires. July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5 Lease Serial No.
NMNM15091

6 If Indian, Allottee or Tribe Name

7 If Unit or CA/Agreement, Name and/or No

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8 Well Name and No
ROJO, 7811 JV-P 1

2 Name of Operator
BTA OIL PRODUCERS
Contact: PAM INSKEEP
E-Mail: pinskeep@btaoil.com

9. API Well No.
30-025-26188

3a Address
104 S. PECOS
MIDLAND, TX 79701

3b Phone No. (include area code)
Ph: 432-682-3753 Ext: 139
Fx: 432-683-0325

10 Field and Pool, or Exploratory
RED HILLS, DEVONIAN (GAS)

4 Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 27 T25S R33E NWNW 660FNL 660FWL

11 County or Parish, and State
LEA COUNTY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☒ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

See attachment

RECEIVED
JUN 27 2008
HOBBS OCD

APPROVED
JUN 21 2008
JAMES A. AMOS
SUPERVISOR-EPS

14 I hereby certify that the foregoing is true and correct.
Electronic Submission #60932 verified by the BLM Well Information System
For BTA OIL PRODUCERS, sent to the Hobbs

Name *(Printed/Typed)* BOB STUCKLEY — Title IT MANAGER

Signature (Electronic Submission) — Date 06/17/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By — Title — Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. — Office

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.

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

Attachment to 3160-5
06/17/2008

BTA Oil Producers
7811 JV-P Rojo # 1
30-025-26188
Procedure to Plug Back and Test Additional Potential in Well
Red Hills (Devonian) Field
Lea County, New Mexico

Well Data: TD 17525'
BP 17522'

Elevations: 3369' KB
3339' GL
30' Diff

Casing: 20" 94# H-40 CSA 909' w/ 1650 Sx (Cmt Circ)
13-3/8" 68 & 73# K-55,N-80 & S-80 CSA 4941' w/ 3400 Sx (Cmt Circ)
9-5/8" 47 & 53.5# SOO-95 CSA 12992' w/ 2 Stages; 1st Stg 1900 Sx, 2nd Stg 400 Sx; DV Tool @ 7193' (TOC @ 4890' By Temp Survey)

Liner: 7-3/4" 46.1# P-110 Liner from 12594' to 16960' w/ 450 Sx
5" 23.2# C-75 Liner from 16547' to 17524' w/ 200 Sx

Packer: 5" Baker Model DB @ 17,320' w/ EOT @ 17,408'

Tubing: 1 jt – 3-1/2" f12.95# C-75 Ph6 (31.65'); 1 – double pin sub (0.49'); 384 jts – 3-1/2" 10.3# C-75 CS Hydril (12803.14'); XO sub 3-1/2" to 2-7/8" (.9); 137 jts – 2-7/8" L-80 CS Hydril (4515.56'); Baker Seal Assembly (Size40-26) 10.78'

Perfs: Devonian – 17,420'; 17,428'; 17,452'; 17,454'; 17,458'; 17,460'; 17,462'; 17,466'; 17,469'; 17,471'; 17,475'; 17,477'; 17,481'; 17,483'; 17,485'; 17,489'; 17,491'; 17,496'; 17,498'; 17,502'; 17,506'; 17513'

Procedure:

1) Clean location and set anchors. Move in and rig up tanks. Move in and rig up hydrogen sulfide safety company monitors and breathing masks. Move in and rig up pulling unit.
2) ND WH. NU BOP. Pick up on tubing to check weight.
3) RU Wireline truck. Run in hole with gauge ring for 2-7/8" tubing. Run to packer at 17,320' if possible.
4) Run free point tool to determine where tubing is free.
5) Depending on depth of free point follow steps below:
   a) Attempt to pullout of packer with seal assembly. If can pull out of packer, POH with tubing and run CIBP 5" 23.2# casing to 17,300', set and cap with 40' of cement.

b) If free point is above packer and below 16,000', set CIBP in 2-7/8" tubing below 16,000', cut tubing and pull out of hole.
c) If free point is above 16,000', back off tubing above free point and pull out of hole. Wash over tubing to get top of fish below 16,000'.

6) Rig up wireline truck. Run in hole with CIBP for 7-3/4" 46.1# casing to +/- 16,000', set and cap with 40' cement.

7) Run in hole with tubing and scraper for 7-3/4" 46.1# casing. Load hole with 10# brine water.

8) Pull out of hole with tubing. Lay down tubing and send to yard.

9) Rig up Wireline truck and run casing inspection log from PBTD to surface. Depending on log evaluation additional program will follow.

10) Pick up Arrowset 1 fullbore packer for 7-3/4" 46.1# casing with wireline entry sub on bottom, pick up 2 7/8" 6.5# AB Mod tubing and run in hole to 15,856'.

11) Spot 400 gallons 7-1/2% Morrow Sand acid weighted to 10# per gallon.

12) Raise packer to 15,600'. Pump 2 bbls down casing. Set packer at 15,600'.
13) ND BOP. NU WH.
14) Move in and rig up test equipment. Pressure test wellhead and flow line to 8000 psi.
15) Rig up wireline truck with 10,000 psi lubricator. RIH w/ 2-1/8" decentralized hollow carrier Gamma Gun with premium charges with 2 JSPF. Correlate to Schlumberger Compensated Neutron Formation Density log dated 5/18/09. Perforate Morrow "B" zone at 15,692 – 694' and Morrow "C" zone at 15,853 – 856'. Could be 3536 psi under-balanced after perfing.
16) RD wireline truck and lubricator.
17) If no pressure is noted, rig up pump truck and break down perfs and displace acid. If well shows pressure after perfing prepare to flow back.
18) Flow test, report rates pressures to Midland Office. Catch fluid and gas samples before shutting well in.
19) If Morrow B & C zones are none productive go to Step 20.
20) Load tubing with 10# brine.
21) ND WH. NU BOP.
22) Release packer and pull out of hole.
23) Rig up Wireline truck. Run in hole with CIBP for 7-3/4" 46.1# casing. Set CIBP at +/- 15650'. Cap with 40' cement.
24) Run in hole with Arrowset 1 fullbore packer for 7-3/4" 46.1# casing with wireline entry sub on bottom, on 2 7/8" 6.5# AB Mod tubing to 15,285'.
25) Spot 200 gallons 7-1/2% Morrow Sand acid weighted to 10# per gallon.
26) Raise packer to 15,000'. Pump 2 bbls down casing. Set packer at 15,000'.
27) ND BOP. NU WH.
28) Pressure test wellhead and flow line to 8000 psi.
29) Rig up wireline truck with 10,000 psi lubricator. RIH w/ 2-1/8" decentralized hollow carrier Gamma Gun with premium charges with 2 JSPF. Correlate to Schlumberger Compensated Neutron Formation Density log dated 5/18/09. Perforate Morrow "EO" zone at 15,280 – 285'. Could be 3400 psi under-balanced after perfing.
30) RD wireline truck and lubricator.
31) If no pressure is noted, rig up pump truck and break down perfs and displace acid. If well shows pressure after perfing prepare to flow back.
32) Flow test, report rates pressures to Midland Office. Catch fluid and gas samples before shutting well in.
33) If Morrow EO zone is none productive go to Step 34.
34) Load tubing with 10# brine.
35) ND WH. NU BOP.
36) Release packer and pull out of hole.
37) Rig up Wireline truck. Run in hole with CIBP for 7-3/4" 46.1# casing. Set CIBP at +/- 15240'. Cap with 40' cement.
38) Run in hole with Arrowset 1 fullbore packer for 7-3/4" 46.1# casing with wireline entry sub on bottom, on 2 7/8" 6.5# AB Mod tubing to 15,050'.
39) Spot 200 gallons 7-1/2% Morrow Sand acid weighted to 10# per gallon.
40) Raise packer to 14,800'. Pump 2 bbls down casing. Set packer at 14,800'.
41) ND BOP. NU WH.
42) Pressure test wellhead and flow line to 8000 psi.
43) Rig up wireline truck with 10,000 psi lubricator. RIH w/ 2-1/8" decentralized hollow carrier Gamma Gun with premium charges with 2 JSPF. Correlate to Schlumberger Compensated Neutron Formation Density log dated 5/18/09.

balanced after perfing.

44) RD wireline truck and lubricator.

45) If no pressure is noted, rig up pump truck and break down perfs and displace acid. If well shows pressure after perfing prepare to flow back.

46) Flow test, report rates pressures to Midland Office. Catch fluid and gas samples before shutting well in.

47) If Morrow "Clastic" zone is none productive go to Step 48.

48) Load tubing with 10# brine.

49) ND WH. NU BOP.

50) Release packer and pull out of hole.

51) Rig up Wireline truck. Run in hole with CIBP for 7-3/4" 46.1# casing. Set CIBP at +/- 15000'. Cap with 40' cement.

52) Run in hole with Arrowset 1 fullbore packer for 7-3/4" 46.1# casing with wireline entry sub on bottom, on 2 7/8" 6.5# AB Mod tubing to 14,355'.
53) Spot 200 gallons 7-1/2% Morrow Sand acid weighted to 10# per gallon.
54) Raise packer to 14,100'. Pump 2 bbls down casing. Set packer at 14,100'.
55) ND BOP. NU WH.
56) Pressure test wellhead and flow line to 8000 psi.
57) Rig up wireline truck with 10,000 psi lubricator. RIH w/ 2-1/8" decentralized hollow carrier Gamma Gun with premium charges with 2 JSPF. Correlate to Schlumberger Compensated Neutron Formation Density log dated 5/18/09. Perforate Atoka Sand zone at 14,346 – 355'. Could be 3200 psi under-balanced after perfing.
58) RD wireline truck and lubricator.
59) If no pressure is noted, rig up pump truck and break down perfs and displace acid. If well shows pressure after perfing prepare to flow back.
60) Flow test, report rates pressures to Midland Office. Catch fluid and gas samples before shutting well in.

Estimated Cost: $ 993,500

Payout: If oil and gas rates 50 BOPD and 2500 MCFD are obtained payout will be 1.8 months with $85.02/BO and $7.74/MCF gas.

5/27/08

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