Form 3160-5 (June 2015)       UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT         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 page 2         1. Type of Well         ☑ Oil Well       Gas Well         Other         2. Name of Operator BTA OIL PRODUCERS LLC       Contact:         3a. Address 104 S. PECOS MIDLAND, TX 79701       3b. Phone No. (include area code) Ph: 432-682-3753         4. Location of Well       (Footage, Sec., T., R., M., or Survey Description)         Sec 35 T22S R34E NENW 300FNL 1620FWL 32.354595 N Lat, 103.4444138 W Lon					FORM APPROVED         OMB NO. 1004-0137         Expires: January 31, 2018         5. Lease Serial No.         NMNM23768         6. If Indian, Allottee or Tribe Name         7. If Unit or CA/Agreement, Name and/or No.         8. Well Name and No.         NORTH RIDGE 8040 FEDERAL COM 1H         9. API Well No.         30-025-46957-00-X1         10. Field and Pool or Exploratory Area         ANTELOPE RIDGE-BONE SPRING NO         11. County or Parish, State         LEA COUNTY, NM		
12. CHECK THE AF	PPROPRIATE BOX(ES) T	O INDICATE NA	TURE O	F NOTICE,	REPORT, OR OT	HER D	ATA
TYPE OF SUBMISSION			TYPE OF	FACTION			
<ul> <li>Notice of Intent</li> <li>Subsequent Report</li> <li>Final Abandonment Notice</li> <li>13. Describe Proposed or Completed Op If the proposal is to deepen directiona Attach the Bond under which the wor following completion of the involved testing has been completed. Final At determined that the site is ready for ff</li> <li>BTA OIL PRODUCERS LLC F APPROVED. PLEASE SEE A</li> </ul>	ally or recomplete horizontally, gi rk will be performed or provide th l operations. If the operation resul bandonment Notices must be filed inal inspection. RESPECTFULLY REQUES	ve subsurface location e Bond No. on file wit ts in a multiple compl only after all requiren TS THE FOLLOW	ruction bandon nated startin, s and measu h BLM/BIA etion or reco nents, includ	Reclam Recomp Tempor Water I g date of any p red and true ve Required sub mpletion in a p ling reclamatio	blete carily Abandon Disposal roposed work and appro- pritical depths of all perti- bsequent reports must be new interval, a Form 316 n, have been completed	Divinate of nent mar e filed wi 60-4 mus and the of	kers and zones. ithin 30 days st be filed once operator has
14. I hereby certify that the foregoing is	Electronic Submission #51	0145 verified by the PRODUCERS LLC,	e BLM Wel	II Information	n System		
Con Name(Printed/Typed) SAMMY H	mitted to AFMSS for proces		PEREZ or		. ,		
					-		
Signature (Electronic S	Submission) THIS SPACE FOF	Date R FEDERAL OR	04/08/20		SE		
Approved By_OLABODE_AJIBOL/ Conditions of approval, if any, are attache certify that the applicant holds legal or equ which would entitle the applicant to condu	d. Approval of this notice does no uitable title to those rights in the su act operations thereon.	ot warrant or ubject lease Office	e Hobbs	Willfully to ma		r agency	Date 04/17/2020
States any false, fictitious or fraudulent				winnung to inte	and to any department 0.	agency	or the Onited

(Instructions on page 2)	
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\*\* BLM REVISED \*\*

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# Revisions to Operator-Submitted EC Data for Sundry Notice #510145

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	OTHER NOI	APDCH NOI
Lease:	NMNM23768	NMNM23768
Agreement:		
Operator:	BTA OIL PRODUCERS, LLC 104 S. PECOS MIDLAND, TX 79701 Ph: 432-682-3753	BTA OIL PRODUCERS LLC 104 S. PECOS MIDLAND, TX 79701 Ph: 4326823753
Admin Contact:	SAMMY HAJAR REGULATORY ANALYST E-Mail: shajar@btaoil.com	SAMMY HAJAR REGULATORY ANALYST E-Mail: shajar@btaoil.com
	Ph: 432-682-3753	Ph: 432-682-3753
Tech Contact:	SAMMY HAJAR REGULATORY ANALYST E-Mail: shajar@btaoil.com	SAMMY HAJAR REGULATORY ANALYST E-Mail: shajar@btaoil.com
	Ph: 432-682-3753	Ph: 432-682-3753
Location: State: County:	NM LEA COUNTY	NM LEA
Field/Pool:	ANTELOPE RIDGE/BONE SP	ANTELOPE RIDGE-BONE SPRING NOR
Well/Facility:	NORTH RIDGE 8040 FEDERAL COM 1H Sec 35 T22S R34E NENW 300FNL 1620FWL 32.354597 N Lat, 103.444139 W Lon	NORTH RIDGE 8040 FEDERAL COM 1H Sec 35 T22S R34E NENW 300FNL 1620FWL 32.354595 N Lat, 103.444138 W Lon

BTA OIL PRODUCERS LLC RESPECTFULLY REQUEST THE FOLLOWING CHANGES TO THE ORIGINAL PERMIT AS APPROVED.

# Cement:

Original:

-Intermediate Cement

Lead:

1485 sx 100% Class C 12.8 ppg, 2.46 ft3/sx

Tail:

200 sx 100% Class C 14.8 ppg, 1.34 ft3/sx

Proposed Change:

DV Tool @ 4171' MD (4155' TVD)

-Intermediate Cement

Stg 1 Lead:	315 sx 35:65 Class C 12.8 ppg, 1.87 ft3/sx
Stg 1 Tail:	250 sx 100% Class C 14.8 ppg, 1.33 ft3/sx
Stg 2 Lead:	1075 sx 35:65 Class C 10.5 ppg, 1.87 ft3/sx
Stg 2 Tail:	250 sx 100% Class H 14.8 ppg, 1.33 ft3/sx

# PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

<b>OPERATOR'S NAME:</b>	BTA Oil Producers LLC
LEASE NO.:	NMNM023768
WELL NAME & NO.:	North Ridge 8040 Federal Com 1H
SURFACE HOLE FOOTAGE:	300'/N & 1620'/W
<b>BOTTOM HOLE FOOTAGE</b>	2600'/N & 700'/W
LOCATION:	Section 35, T.22 S., R.34 E., NMPM
COUNTY:	Lea County, New Mexico

# COA

H2S	O Yes	🖲 No	
Potash	None	Secretary	© R-111-P
Cave/Karst Potential	• Low	O Medium	O High
Cave/Karst Potential	Critical		
Variance	O None	Flex Hose	O Other
Wellhead	Conventional	Multibowl	O Both
Other	□4 String Area	Capitan Reef	WIPP
Other	Fluid Filled	Cement Squeeze	Pilot Hole
Special Requirements	🗌 Water Disposal	COM	🗆 Unit

### All Previous COAs Still Apply

### A. CASING

### Casing Design:

- 1. The **13-3/8** inch surface casing shall be set at approximately **1775** feet (a minimum of **25 feet (Lea County)** into the Rustler Anhydrite and above the salt) and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
  - b. Wait on cement (WOC) time for a primary cement job will be a minimum of  $\underline{8}$ <u>hours</u> or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
  - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours

after bringing cement to surface or 500 pounds compressive strength, whichever is greater.

d. If cement falls back, remedial cementing will be done prior to drilling out that string.

# Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.

2. The **9-5/8** inch intermediate casing shall be set at approximately **5595** feet. The minimum required fill of cement behind the **9-5/8** inch intermediate casing is:

### **Option 1 (Single Stage):**

• Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash. Excess cement calculates to -50%, additional cement might be required.

## **Option 2:**

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
  - Cement to surface. If cement does not circulate, contact the appropriate BLM office.
     Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
- In <u>Capitan Reef Areas</u> if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- Special Capitan Reef requirements. If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following:
   (Use this for 3 string wells in the Capitan Reef, if 4 string well ensure FW based mud used across the capitan interval)

- Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.
- Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports. The daily drilling report should show mud volume per shift/tour. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.
- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
  - Cement should tie-back at least 50 feet on top of Capitan Reef top. If cement does not circulate see B.1.a, c-d above.
     Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

# **B. PRESSURE CONTROL**

- 1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
- 2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000** (**5M**) psi.
  - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
  - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
  - c. Manufacturer representative shall install the test plug for the initial BOP test.
  - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
  - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

# C. SPECIAL REQUIREMENT (S)

## Communitization Agreement

- The operator will submit a Communitization Agreement to the Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. <u>When the Communitization Agreement number is known, it shall also be on the sign.</u>

## OTA04172020