

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**HOBBS OCD****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.FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 20185. Lease Serial No.
NMNM0160973

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM820458. Well Name and No.
MESA B 8115 FED COM 23H9. API Well No.
30-025-46408-00-X110. Field and Pool or Exploratory Area
SANDERS TANK-UPR WOLFCAMP11. County or Parish, State
LEA COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

RECEIVED

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

BTA OIL PRODUCERS LLC

Contact: SAMMY HAJAR

E-Mail: shajar@btaoil.com

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 7 T26S R33E NENE 430FNL 600FEL
32.064117 N Lat, 103.604782 W Lon

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Change to Original / PD |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> 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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

BTA OIL PRODUCERS LLC RESPECTFULLY REQUESTS THE FOLLOWING DRILLING PROGRAM CHANGES, BATCH DRILLING, VARIANCES, and FTP and LTP FOOTAGE CHANGES TO THE ORIGINAL APD AS APPROVED. PLEASE SEE ATTACHED DOCUMENTS FOR MORE DETAILS.

ORIGINAL FTP: 330' FNL, 990' FEL
ORIGINAL LTP: 330' FSL, 990' FEL

NEW FTP: 100' FNL, 990' FEL
NEW LTP: 100' FSL, 990' FEL

(SHL WILL NOT CHANGE, THERE WILL BE NO ADDITIONAL SURFACE DISTURBANCES)

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #500315 verified by the BLM Well Information System

For BTA OIL PRODUCERS LLC, sent to the Hobbs

Committed to AFMSS for processing by PRISCILLA PEREZ on 01/24/2020 (20PP1071SE)

Name (Printed/Typed) SAMMY HAJAR

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 01/22/2020

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By OLABODE AJIBOLA

Title PETROLEUM ENGINEER

Date 01/30/202

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 Hobbs

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED *****KZ*

Revisions to Operator-Submitted EC Data for Sundry Notice #500315

| | Operator Submitted | BLM Revised (AFMSS) |
|----------------|--|--|
| Sundry Type: | OTHER NOI | APDCH NOI |
| Lease: | NMNM0160973 | NMNM0160973 |
| Agreement: | NMNM82045 | NMNM82045 (NMNM82045) |
| 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 Ph: 432-682-3753 | SAMMY HAJAR REGULATORY ANALYST E-Mail: shajar@btaoil.com Ph: 432-682-3753 |
| Tech Contact: | SAMMY HAJAR REGULATORY ANALYST E-Mail: shajar@btaoil.com Ph: 432-682-3753 | SAMMY HAJAR REGULATORY ANALYST E-Mail: shajar@btaoil.com Ph: 432-682-3753 |
| Location: | | |
| State: | NM | NM |
| County: | LEA COUNTY | LEA |
| Field/Pool: | SANDERS TANK/UPPER WOLFCA | SANDERS TANK-UPR WOLFCAMP |
| Well/Facility: | MESA B 8115 FED COM 23H Sec 7 T26S R33E NENE 430FNL 600FEL 32.064116 N Lat, 103.604785 W Lon | MESA B 8115 FED COM 23H Sec 7 T26S R33E NENE 430FNL 600FEL 32.064117 N Lat, 103.604782 W Lon |

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

| | |
|------------------------------|-----------------------------|
| OPERATOR'S NAME: | BTA OIL PRODUCERS, LLC |
| LEASE NO.: | NMNM0160973 |
| WELL NAME & NO.: | 22H – MESA B 8115 FED COM |
| SURFACE HOLE FOOTAGE: | 430'/N & 600'/E |
| BOTTOM HOLE FOOTAGE: | 50'/S & 990'/E |
| LOCATION: | SECTION 7, T26S, R33E, NMPM |
| COUNTY: | LEA COUNTY, NEW MEXICO |

COA

| | | | |
|----------------------|---|--|---------------------------------------|
| H2S | <input type="radio"/> Yes | <input checked="" type="radio"/> No | |
| Potash | <input checked="" type="radio"/> None | <input type="radio"/> Secretary | <input type="radio"/> R-111-P |
| Cave/Karst Potential | <input type="radio"/> Low | <input checked="" type="radio"/> Medium | <input type="radio"/> High |
| Cave/Karst Potential | <input type="radio"/> Critical | | |
| Variance | <input type="radio"/> None | <input checked="" type="radio"/> Flex Hose | <input type="radio"/> Other |
| Wellhead | <input type="radio"/> Conventional | <input type="radio"/> Multibowl | <input checked="" type="radio"/> Both |
| Other | <input type="checkbox"/> 4 String Area | <input type="checkbox"/> Capitan Reef | <input type="checkbox"/> WIPP |
| Other | <input type="checkbox"/> Fluid Filled | <input type="checkbox"/> Cement Squeeze | <input type="checkbox"/> Pilot Hole |
| Special Requirements | <input type="checkbox"/> Water Disposal | <input checked="" type="checkbox"/> COM | <input type="checkbox"/> Unit |

All previous COAs still apply.

A. CASING

Primary Casing Design:

1. The 10-3/4 inch surface casing shall be set at approximately **890 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 **8 hours** 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.

2. The minimum required fill of cement behind the 7-5/8 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 -44%, 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.
Excess cement calculates to -6%, additional cement might be required.

- 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 Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.

3. The minimum required fill of cement behind the production casing is:

- Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

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.

Option 1:

- a. 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**.
- b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be **10,000 (10M) psi**. **Variance is approved to use a 5000 (5M) Annular which shall be tested to 5000 (5M) psi.**

Option 2:

1. 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 **10,000 (10M) psi**. **Variance is approved to use a 5000 (5M) Annular which shall be tested to 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. When the Communitization Agreement number is known, it shall also be on the sign.

BOP Break Testing Variance (Note: For 5M BOP or less)

- While in transfer between wells, the BOPE shall be secured by the hydraulic carrier or cradle.
- Any well control event while drilling require notification to the BLM Petroleum Engineer prior to the commencement of any BOP Break Testing operations.
- A full BOP test is required prior to drilling the first deep intermediate hole section. If any subsequent hole interval is deeper than the first, a full BOP test will be required.

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