| Form 3160-3 (March 2012) UNITED S DEPARTMENT OF BUREAU OF LANK APPLICATION FOR PERMIT | Field O | ffice | | FORM | APPROVED |
|---|---|---|---------------------------|---|--|
| (March 2012) UNITED S | TATES | - Of | SC OS | OMB N Expires O | o. 1004-0137 Ictober 31, 2014 |
| DEPARTMENT OF BUREAU OF LAN | THE INTERIOR D MANAGEMENT | Ra ^{CB} 20 | 20. | Lease Serial No. | |
| APPLICATION FOR PERMI | T TO DRILL OR | REENTER | ~0/> | 6. If Indian, Allotee | or Tribe Name |
| la. Type of work: DRILL | REENTER | ~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~ | S. | 7 If Unit or CA Agre | ement, Name'and No. |
| lb. Type of Well: 🔽 Oil Well 🔲 Gas Well 🛄 Oit | 1er Sir | igle Zone 🔲 Multij | ple Zone 🏒 | (8) Lease Name and VACA DRAW 9418 | Vel' No. 7777 |
| 2. Name of Operator BTA OIL PRODUCERS LLC (| 260297) | | $\langle \langle \rangle$ | 9. API'Well No. | - 43611 |
| a. Address 104 S. Pecos Midland TX 79701 | 3b. Phone No. (432)682-3 | (include area code) 753 🔨 🔨 | $\langle \rangle$ | 10. Field and Pool, or I RED HILLS UPPEI | |
| Location of Well (Report location clearly and in accordan At surface NWNE / 190 FNL / 2281 FEL / LAT 3 | 2.15181 / LONG -10 | 3.559029 | \square | 11. Sec. T. R. M. or B SEC 10 / T25S / R | · |
| At proposed prod. zone SWSE / 50 FSL / 2450 FEI 4. Distance in miles and direction from nearest town or post of 21 miles | | LONG -103:55956 | 8 | / 12. County or Parish LEA | 13. State NM |
| 5. Distance from proposed* location to nearest 190 feet property or lease line, ft. (Also to nearest drig. unit line, if any) | 16. No. of .m 640 | cres in lease | 17, Spacin 160 | g Unit dedicated to this v | vell |
| B. Distance from proposed location* to nearest well, drilling, completed, 30 feet applied for, on this lease, ft. | 9455 feet / | 1 Depthi 14257 feet | | BIA Bond No. on file MB000849 | |
| Elevations (Show whether DF, KDB, RT, GL, etc.) 3422 feet | 22 Approxir 12/19/201 24. Attac | | י וד ו * | 23. Estimated duratio 30 days | n |
| Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Fores SUPO must be filed with the appropriate Forest Service Official Surveyor) | t System Lands, the ffice). | Item 20 above). 5. Operator certific | cation | · | existing bond on file (see a may be required by the |
| 5. Signature (Electronic Submission) | | (Printed/Typed) McConnell / Ph: (| 432)682-3 | 753 | Date 09/22/2016 |
| tle Regulatory Analyst | | | | | L |
| pproved by (Signature) | 1 | (Printed/Typed) Layton / Ph; (575)2 | 234-5959 | | Date 02/10/2017 |
| le Supervisor Multiple Resources | Office HOBE | 35 | | | |
| pplication approval does not warrant or certify that the appli induct operations thereon. ¹ onditions of approval, if any, are attached. | icant holds legal or equit | able title to those righ | its in the sub | ject lease which would e | ntitle the applicant to |
| tle 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, material and false, fictitious or fraudulent statements or represent | ake it a crime for any pr tations as to any matter w | rson knowingly and v ithin its jurisdiction. | willfully to n | take to any department o | or agency of the United |
| (Continued on page 2) | PROVED WIT | H CONDIT | ONS | | ructions on page 2) |
| API | MUTU | REQUI | RØG FIR | ADMIMIS NGL - C | TRATIVE CANNOT NGL |
| | | PRODUC | e v | VITHOUT | NGL |

FAFMSS

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

APD ID: 10400005175

Operator Name: BTA OIL PRODUCERS LLC Well Name: VACA DRAW 9418 10 FEDERAL Well Type: OIL WELL

Submission Date: 09/22/2016HighlightFederal/Indian APD: FEDAll ChangesWell Number: 6HVell Work Type: Drill

APD Print Report

02/14/2017

Application

| Se | ction | 1 - | General |
|------------------|--------|-----|---------|
| - • • | 000011 | | Quintin |

| APD ID: 1040 | 00005175 | Tie to previous NOS? | 10400003585 | Submission Date: 09/22/2016 |
|--------------------|--------------------|----------------------------|--------------------|-----------------------------|
| BLM Office: HOB | BS | User: Kayla McConnell | Title: | Regulatory Analyst |
| Federal/Indian Al | PD: FED | Is the first lease penetra | ated for productio | n Federal or Indian? FED |
| Lease number: N | MNM97153 | Lease Acres: 640 | | |
| Surface access a | greement in place? | Allotted? | Reservation: | |
| Agreement in pla | ice? NO | Federal or Indian agree | ment: | |
| Agreement numt | Der: | | | |
| Agreement name | 2 | | | |
| Keep application | confidential? YES | | | |
| Permitting Agent | t? NO | APD Operator: BTA OIL | PRODUCERS LLC | |
| Operator letter of | f designation: | | | |
| | | | | |

Keep application confidential? YES

Operator Info

 Operator Organization Name: BTA OIL PRODUCERS LLC

 Operator Address: 104 S. Pecos
 Zip: 79701

 Operator PO Box:
 Operator City: Midland
 State: TX

 Operator Phone: (432)682-3753
 Operator Internet Address: pinskeep@btaoil.com

Section 2 - Well Information

| Well in Master Development Plan? NO | Mater Development Plan name: |
|-------------------------------------|------------------------------|
| Well in Master SUPO? NO | Master SUPO name: |
| Well in Master Drilling Plan? NO | Master Drilling Plan name: |

Page 1 of 26

| Operator Nam | e: BTA OIL PRODUCERS LLC | | | |
|-----------------|-----------------------------------|---------|---|----------------------------|
| Well Name: VA | ACA DRAW 9418 10 FEDERAL | | Well Number: 6H | |
| | | | | |
| Well Name: VA | CA DRAW 9418 10 FEDERAL | | Well Number: 6H | Well API Number: |
| Field/Pool or E | xploratory? Field and Pool | | Field Name: RED HILLS UPPE | R Pool Name: BONE SPRING |
| Is the proposed | d well in an area containing othe | r mine | ral resources? USEABLE WAT | ER |
| Describe other | minerals: | | | |
| Is the proposed | d well in a Helium production are | a? N | Use Existing Well Pad? YES | New surface disturbance? Y |
| Type of Well Pa | ad: MULTIPLE WELL | | Multiple Well Pad Name: VAC | A Number: 1 |
| Well Class: HO | RIZONTAL | | DRAW 9418 10 FEDERAL Number of Legs: | |
| Well Work Type | e: Drill | | | |
| Well Type: OIL | WELL | | | |
| Describe Well | Туре: | | | |
| Well sub-Type: | EXPLORATORY (WILDCAT) | | | |
| Describe sub-t | ype: | | | |
| Distance to tov | vn: 21 Miles Distance | e to ne | arest well: 30 FT Dista | nce to lease line: 190 FT |
| Reservoir well | spacing assigned acres Measure | ement | : 160 Acres | |
| Well plat: V | aca Draw 9418 10 Federal 6H - C- | 102 pla | at _12-13-2016.pdf | |
| Well work start | Date: 12/19/2016 | | Duration: 30 DAYS | |
| Section | 3 - Well Location Table | ••• | | |
| Survey Type: R | ECTANGULAR | | | |
| Describe Surve | y Type: | | | |
| Datum: NAD83 | | | Vertical Datum: NGVD29 | |
| Survey number | . | | | |
| | STATE: NEW MEXICO | Mer | idian: NEW MEXICO PRINCIPA | L County: LEA |
| | Latitude: 32.15181 | Lon | gitude: -103.559029 | |
| SHL | Elevation: 3422 | MD: | 0 | TVD : 0 |
| Leg #: 1 | Lease Type: FEDERAL | Lea | se #: NMNM97153 | |
| | NS-Foot : 190 | NS | Indicator: FNL | |
| , | EW-Foot: 2281 | EW | Indicator: FEL | |
| | Twsp: 25S | Ran | ge: 33E | Section: 10 |
| | Aliquot: NWNE | Lot | : | Tract: |

,

Operator Name: BTA OIL PRODUCERS LLC Well Name: VACA DRAW 9418 10 FEDERAL

Well Number: 6H

| | STATE: NEW MEXICO | Meridian: NEW MEXICO PRIN | CIPAL County: LEA |
|------------------|----------------------|---------------------------|---------------------------|
| | Latitude: 32.15181 | Longitude: -103.559029 | |
| OP | Elevation: -5460 | MD: 8882 | TVD: 8882 |
| .eg # : 1 | Lease Type: FEDERAL | Lease #: NMNM97153 | |
| | NS-Foot: 190 | NS Indicator: FNL | |
| | EW-Foot: 2281 | EW Indicator: FEL | |
| | Twsp: 25S | Range: 33E | Section: 10 |
| | Aliquot: NWNE | Lot: | Tract: |
| | STATE: NEW MEXICO | Meridian: NEW MEXICO PRIN | CIPA L County: LEA |
| | Latitude: 32.150766 | Longitude: -103.55907 | |
| PP | Elevation: -6033 | MD : 9782 | TVD: 9455 |
| .eg # : 1 | Lease Type: FEDERAL | Lease #: NMNM97153 | |
| | NS-Foot: 570 | NS Indicator: FNL | |
| | EW-Foot: 2293 | EW Indicator: FEL | |
| | Twsp: 25S | Range: 33E | Section: 10 |
| | Aliquot: NWNE | Lot: | Tract: |
| | STATE: NEW MEXICO | Meridian: NEW MEXICO PRIN | CIPAL County: LEA |
| | Latitude: 32,13871 | Longitude: -103.559538 | |
| EXIT | Elevation: -6033 | MD: 13900 | TVD: 9455 |
| .eg #: 1 | Lease Type: FEDERAL | Lease #: NMNM97153 | |
| | NS-Foot : 330 | NS Indicator: FSL | |
| | EW-Foot: 2440 | EW Indicator: FEL | |
| | Twsp : 25S | Range: 33E | Section: 10 |
| | Aliquot: SWSE | Lot: | Tract: |
| | STATE: NEW MEXICO | Meridian: NEW MEXICO PRIN | CIPAL County: LEA |
| | Latitude: 32.137941 | Longitude: -103.559568 | |
| BHL | Elevation: -6033 | MD : 14257 | TVD : 9455 |
| .eg #: 1 | Lease Type: FEDERAL | Lease #: NMNM97153 | |
| | NS-Foot: 50 | NS Indicator: FSL | |
| | | | |

| | STA OIL PRODUCERS | LLC | |
|----------------------------|-------------------------|---------------------------------------|--------------------------|
| Well Name: VACA | DRAW 9418 10 FEDE | RAL Wel | I Number: 6H |
| <u> </u> | Twsp: 25S | Range: 33E | Section: 10 |
| | Aliquot: SWSE | Lot: | Tract: |
| | , | | |
| | 4 Constantia Estimation | Drilling Pl | |
| Section | 1 - Geologic Forr | nations | |
| D: Surface formation | n | Name: UNKNOWN | |
| .ithology(ies): | | | |
| ALLUVIUM | | | |
| | | | |
| levation: 3422 | | True Vertical Depth: 0 | Measured Depth: 0 |
| fineral Resource(| (s): | | |
| NONE | | | |
| s this a producing | g formation? N | | |
| D: Formation 1 | | Name: RUSTLER | |
| .ithology(ies): | | | |
| nnologj (leo). | | | |
| | | | |
| levation: 2222 | | True Vertical Depth: 1 | 200 Measured Depth: 1200 |
| Aineral Resource(| s): | | |
| NONE s this a producing | formation 2 M | | |
| | | | |
| D: Formation 2 | | Name: TOP OF SALT | |
| ithology(ies): | | | |
| | × | | |
| levation: 1687 | | True Vertical Depth: 1 | 735 Measured Depth: 1735 |
| lineral Resource(| | · · · · · · · · · · · · · · · · · · · | |
| NONE | - | | |
| | | | |

.

| Operator Name: BTA OIL PRODUCE | RS LLC | |
|---|---------------------------|----------------------|
| Well Name: VACA DRAW 9418 10 FE | EDERAL Well Number: 6 | δH |
| ID: Formation 3 | Name: BASE OF SALT | ····· |
| Lithology(ies): | · · · · · | |
| Elevation: -1428 Mineral Resource(s): NONE | True Vertical Depth: 4850 | Measured Depth: 4850 |
| Is this a producing formation? N | | |
| ID: Formation 4 | Name: DELAWARE | |
| Lithology(ies): | | |
| Elevation: -1678 Mineral Resource(s): NONE | True Vertical Depth: 5100 | Measured Depth: 5100 |
| Is this a producing formation? N ID: Formation 5 | Name: BRUSHY CANYON | |
| Lithology(ies): | | |
| Elevation: -4288 Mineral Resource(s): NONE | True Vertical Depth: 7710 | Measured Depth: 7710 |
| Is this a producing formation? N | | |
| ID: Formation 6 | Name: BONE SPRING | |
| Lithology(ies): | | |
| Elevation: -5823 Mineral Resource(s): NONE | True Vertical Depth: 9245 | Measured Depth: 9286 |
| Is this a producing formation? N | | |

Page 5 of 26

| (* | |
|--------------------------------------|-----------------|
| Operator Name: BTA OIL PRODUCERS LLC | |
| Well Name: VACA DRAW 9418 10 FEDERAL | Well Number: 6H |

ID: Formation 7

Name: AVALON

Lithology(ies):

Elevation: -6033

True Vertical Depth: 9455

Measured Depth: 9782

Mineral Resource(s):

NONE

Is this a producing formation? Y

Section 2 - Blowout Prevention

Pressure Rating (PSI): 3M

Rating Depth: 11000

Equipment: The blowout preventer equipment (BOP) shown in Exhibit A will consist of a (3M system) double ram type (3000 psi WP) preventer and a bag-type (Hydril) preventer (3000 psi WP). Both units will be hydraulically operated and the ram type preventer will be equipped with blind rams on top and 4-½" drill pipe rams on bottom. The BOP's will be installed on the 13 3/8" surface casing and utilized continuously until total depth is reached. All BOP's and associated equipment will be tested as per BLM drilling Operations Order No. 2. A 2" kill line and 3" choke line will be incorporated in the drilling spool below the ram-type BOP. Other accessory BOP equipment will include a Kelly cock, floor safety valve, choke lines, and choke manifold having a 3000 psi WP rating.

Requesting Variance? YES

Variance request: A Choke Hose variance is requested. See attached test chart and spec.

Testing Procedure: Pipe rams will be operated and checked each 24-hour period and each time the drill pipe is out of the hole. These functional tests will be documented on the daily driller's log.

Choke Diagram Attachment:

BLM 3k Choke_09-07-2016.pdf

Choke Hose - Test Chart and Specs_09-22-2016.pdf

BOP Diagram Attachment:

BLM 3k BOP_09-07-2016.pdf

Section 3 - Casing

| (| | |
|------------------------------------|--------------------|--|
| Operator Name: BTA OIL PRODUCER | S LLC | |
| Well Name: VACA DRAW 9418 10 FED | DERAL | Well Number: 6H |
| String Type: SURFACE | Other String Type: | |
| Hole Size: 17.5 | | |
| Top setting depth MD: 0 | | Top setting depth TVD: 0 |
| Top setting depth MSL: 3422 | | |
| Bottom setting depth MD: 1225 | | Bottom setting depth TVD: 1225 |
| Bottom setting depth MSL: 2197 | | |
| Calculated casing length MD: 1225 | | |
| Casing Size: 13.375 | Other Size | |
| Grade: J-55 | Other Grade: | |
| Weight: 54.5 | | |
| Joint Type: STC | Other Joint Type: | |
| Condition: NEW | | |
| Inspection Document: | | |
| Standard: API | | |
| Spec Document: | | |
| Tapered String?: N | | |
| Tapered String Spec: | | |
| Safety Factors | | |
| Collapse Design Safety Factor: 3.3 | | Burst Design Safety Factor: 9.6 |
| Joint Tensile Design Safety Factor | type: DRY | Joint Tensile Design Safety Factor: 14 |
| Body Tensile Design Safety Factor | type: DRY | Body Tensile Design Safety Factor: 23 |

BLM APD Vaca Draw 6H Casing Assumptions Worksheet_09-07-2016.pdf

Casing Design Assumptions and Worksheet(s):

| Operator Name: BTA OIL PRODUCERS LLC Well Name: VACA DRAW 9418 10 FEDERAL | | Well Number: 6H |
|--|-------------------|---|
| Weil Name, VACA DRAW 5410 101 | | |
| String Type: INTERMEDIATE | Other String Type | Ð: |
| Hole Size: 12.25 | | |
| Top setting depth MD: 0 | | Top setting depth TVD: 0 |
| Top setting depth MSL: 3422 | | |
| Bottom setting depth MD: 5100 | | Bottom setting depth TVD: 5100 |
| Bottom setting depth MSL: -1678 | | |
| Calculated casing length MD: 5100 | | |
| Casing Size: 9.625 | Other Size | |
| Grade: J-55 | Other Grade: | |
| Weight: 40 | | |
| Joint Type: LTC | Other Joint Type | : |
| Condition: NEW | | |
| Inspection Document: | | |
| Standard: API | | |
| Spec Document: | | |
| Tapered String?: N | | |
| Tapered String Spec: | | |
| Safety Factors | · · | |
| Collapse Design Safety Factor: | 1.6 | Burst Design Safety Factor: 2.4 |
| Joint Tensile Design Safety Fac | tor type: DRY | Joint Tensile Design Safety Factor: 2.6 |
| Body Tensile Design Safety Fac | tor type: DRY | Body Tensile Design Safety Factor: 3.1 |
| Casing Design Assumptions an | d Worksheet(s): | |

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BLM APD Vaca Draw 6H Casing Assumptions Worksheet_09-07-2016.pdf

| ··· | · =· = | |
|--------------------------------------|--------------------|---|
| Operator Name: BTA OIL PRODUCER | RS LLC | |
| Well Name: VACA DRAW 9418 10 FEDERAL | | Well Number: 6H |
| | | |
| String Type: PRODUCTION | Other String Type: | |
| Hole Size: 8.75 | | |
| Top setting depth MD: 0 | | Top setting depth TVD: 0 |
| Top setting depth MSL: 3422 | | |
| Bottom setting depth MD: 14257 | | Bottom setting depth TVD: 9455 |
| Bottom setting depth MSL: -6033 | | |
| Calculated casing length MD: 14257 | | |
| Casing Size: 5.5 | Other Size | |
| Grade: P-110 | Other Grade: | |
| Weight: 17 | | |
| Joint Type: OTHER | Other Joint Type: | BTC |
| Condition: NEW | | |
| Inspection Document: | | |
| Standard: API | | |
| Spec Document: | | |
| Tapered String?: N | | |
| Tapered String Spec: | | |
| Safety Factors | | |
| Collapse Design Safety Factor: 3.1 | | Burst Design Safety Factor: 4.3 |
| Joint Tensile Design Safety Factor | type: DRY | Joint Tensile Design Safety Factor: 2.8 |
| Body Tensile Design Safety Factor | type: DRY | Body Tensile Design Safety Factor: 3.4 |

BLM APD Vaca Draw 6H Casing Assumptions Worksheet_09-07-2016.pdf

Section 4 - Cement

_

Casing Design Assumptions and Worksheet(s):

Casing String Type: SURFACE

•

Operator Name: BTA OIL PRODUCERS LLC

Well Name: VACA DRAW 9418 10 FEDERAL

Well Number: 6H

Stage Tool Depth:

| I | ead |
|---|-----|
| | |

| <u>Lead</u> | | |
|------------------------------------|--------------------------|-------------------------|
| Top MD of Segment: 0 | Bottom MD Segment: 840 | Cement Type: Class C |
| Additives: 4% Gel | Quantity (sks): 665 | Yield (cu.ff./sk): 1.75 |
| Density: 13.5 | Volume (cu.ft.): 1163 | Percent Excess: 68 |
| <u>Tail</u> | | |
| Top MD of Segment: 840 | Bottom MD Segment: 1225 | Cement Type: Class C |
| Additives: 2% CaCl2 | Quantity (sks): 200 | Yield (cu.ff./sk): 1.34 |
| Density: 14.8 | Volume (cu.ft.): 268 | Percent Excess: 68 |
| Casing String Type: INTERMEDIATE | | |
| Stage Tool Depth: | | |
| Lead | | |
| Top MD of Segment: 0 | Bottom MD Segment: 4260 | Cement Type: Class C |
| Additives: 6% Gel | Quantity (sks): 802 | Yield (cu.ff./sk): 2.08 |
| Density: 12.9 | Volume (cu.ft.): 1668 | Percent Excess: 25 |
| <u>Tail</u> | | |
| Top MD of Segment: 4260 | Bottom MD Segment: 5100 | Cement Type: Class C |
| Additives: 0.004 GPS cf-41L | Quantity (sks): 250 | Yield (cu.ff./sk): 1.33 |
| Density: 14.8 | Volume (cu.ft.): 332 | Percent Excess: 25 |
| Casing String Type: PRODUCTION | | |
| Stage Tool Depth: | | |
| <u>Lead</u> | | |
| Top MD of Segment: 4500 | Bottom MD Segment: 9200 | Cement Type: 50:50 H |
| Additives: 1/4 #/sk Cello Flake | Quantity (sks): 310 | Yield (cu.ff./sk): 4.41 |
| Density: 10.5 | Volume (cu.ft.): 1367 | Percent Excess: 15 |
| <u>Tail</u> | | |
| Top MD of Segment: 9200 | Bottom MD Segment: 14257 | Cement Type: 50:50 H |
| Additives: 50:50 Class H POZ 0.004 | Quantity (sks): 1200 | Yield (cu.ff./sk): 1.22 |
| gps cf-41L Density: 14.4 | Volume (cu.ft.): 1464 | Percent Excess: 15 |

Well Name: VACA DRAW 9418 10 FEDERAL

Well Number: 6H

Section 5 - Circulating Medium

Mud System Type: Closed

. .

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring

____ .

Circulating Medium Table

| Top Depth: 0 | Bottom Depth: 1225 |
|--|--|
| Mud Type: SPUD MUD | |
| Min Weight (Ibs./gal.): 8.3 | Max Weight (Ibs./gal.): 8.4 |
| Density (Ibs/cu.ft.): | Gel Strength (lbs/100 sq.ft.): |
| PH: | Viscosity (CP): |
| Filtration (cc): | Salinity (ppm): |
| Additional Characteristics: | |
| | |
| Top Depth: 1225 | Bottom Depth: 5100 |
| Top Depth: 1225 Mud Type: SALT SATURATED | Bottom Depth: 5100 |
| | Bottom Depth: 5100 Max Weight (Ibs./gal.): 10 |
| Mud Type: SALT SATURATED | |
| Mud Type: SALT SATURATED Min Weight (Ibs./gal.): 9.8 | Max Weight (Ibs./gal.): 10 |
| Mud Type: SALT SATURATED Min Weight (Ibs./gal.): 9.8 Density (Ibs/cu.ft.): | Max Weight (Ibs./gal.): 10 Gel Strength (Ibs/100 sq.ft.): |

Operator Name: BTA OIL PRODUCERS LLCWell Name: VACA DRAW 9418 10 FEDERALWell Number: 6HTop Depth: 5100Bottom Depth: 9455Mud Type: WATER-BASED MUDMax Weight (Ibs./gal.): 8.6Min Weight (Ibs./gal.): 8.6Max Weight (Ibs./gal.): 8.9Density (Ibs/cu.ft.):Gel Strength (Ibs/100 sq.ft.):PH:Viscosity (CP):Filtration (cc):Salinity (ppm):Additional Characteristics:

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Drill Stem Tests will be based on geological sample shows

List of open and cased hole logs run in the well:

CBL,GR,MUDLOG

Coring operation description for the well: None Planned

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 4375

Anticipated Surface Pressure: 2294.9

Anticipated Bottom Hole Temperature(F): 120

Anticipated abnormal proessures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? NO Hydrogen sulfide drilling operations plan:

Well Name: VACA DRAW 9418 10 FEDERAL

Well Number: 6H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Vaca Draw 9418 10 Fed 6H Directional Plan_09-07-2016.pdf

Vaca Draw 9418 10 Fed 6H Wall Plot_09-07-2016.pdf

Other proposed operations facets description:

A variance is requested for a Multi Bowl Wellhead. See the attached schematic and running procedure.

Note: The unknown surface formation is Quaternary. Other proposed operations facets attachment:

Vaca Draw 9418 10 6H - H2S Plan_01-12-2017.pdf

Vaca Draw 9418 10 6H - H2S Equipment Schematic _01-12-2017.pdf

Other Variance attachment:

Casing head running procedure_09-22-2016.pdf Multi Bowl Wellhead Schematic_09-22-2016.pdf

SUPO

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

Vaca Draw 9418 10 Federal 6H topographical access rd_10-18-2016.pdf

Existing Road Purpose: ACCESS, FLUID TRANSPORT

Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? NO

Existing Road Improvement Description:

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? NO

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

Vaca Draw 9418 10 6H 1 Mile Radius Map and Well List_10-18-2016.pdf

Existing Wells description:

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? SUBMIT

Estimated Production Facilities description:

Production Facilities description: If well is productive, the production will be processed at the Central Tank Battery located on the Vaca Draw 9418 JV-P #4H well pad. A flow line to transport production from the proposed well to the existing facility will be installed. We plan to install a 3 inch steel flow line from the proposed well to the offsite production facility. The proposed length of the pipeline will be approximately 1003 feet and will follow the existing road to the existing production facility. The working pressure of the flow line will be about 200 psi. See the attached flow line plat. We plan to the into the existing electric line as depicted on the well site - 600's plat. If any plans change regarding the production facility or other infrastructure, we will submit a sundry notice or right of way (if applicable) prior to installation or construction. **Production Facilities map:**

Vaca Draw Central Tank Battery_09-09-2016.pdf Vaca Draw 9418 10 Federal Proposed Flowline_01-26-2017.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

 Water source use type: DUST CONTROL,
 N

 INTERMEDIATE/PRODUCTION CASING, STIMULATION, SURFACE

 CASING

 Describe type:

Water source type: OTHER

Source longitude:

Source latitude:

Source datum:

Water source permit type:

Source land ownership:

| Operator Name: BTA OIL PRODUCER | SILC | |
|--|-----------------|-------------------------------------|
| Well Name: VACA DRAW 9418 10 FED | | /ell Number: 6H |
| | | |
| Water source transport method: | | |
| Source transportation land ownersh | nip: | |
| Water source volume (barrels): 1000 | 000 | Source volume (acre-feet): 12.88931 |
| Source volume (gal): 4200000 | | |
| Water source use type: DUST CONT INTERMEDIATE/PRODUCTION CAS Describe type: Commercial | | Water source type: OTHER IG |
| Source latitude: 31,999126 | | Source longitude: -103.71602 |
| Source datum: NAD83 | | |
| Water source permit type: PRIVATE | CONTRACT | |
| Source land ownership: COMMERC | IAL | |
| Water source transport method: PIF | PELINE | |
| Source transportation land owners | hip: COMMERCIAL | |
| Water source volume (barrels): 100 | 000 | Source volume (acre-feet): 12.88931 |
| Source volume (gal): 4200000 | | |
| Water source and transportation map: | | |
| | | 100 00 00 2016 odf |
| Vaca Draw 9418 10 Fed 6H Water Source | | ιαμ_03-03-2010.μαί |
| Water source comments: | | |
| New water well? NO | | |
| New Water Well In | fo | |
| Well latitude: | Well Longitude: | Well datum: |
| Well target aquifer: | | |
| Est. depth to top of aquifer(ft): | Est thicl | kness of aquifer: |
| Aquifer comments: | | |
| Aquifer documentation: | | |
| Well depth (ft): | Well casin | g type: |
| Well casing outside diameter (in.): | Well casin | g inside diameter (in.): |
| New water well casing? | Used casi | ng source: |
| Drilling method: | Drill mater | ial: |
| Grout material: | Grout dep | |
| Casing length (ft.): | • | o depth (ft.): |
| Well Production type: | Completio | • • • |
| Water well additional information: | | |

1

Well Name: VACA DRAW 9418 10 FEDERAL

Well Number: 6H

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: Caliche used for construction of the drilling pad and access road will be obtained from the closest existing caliche pit as approved by the BLM or from prevailing deposits found under the location. If there is not sufficient material available, caliche will be purchased from the nearest caliche pit located in Section 1 T25S R33E Lea County, NM. Alternative location if original location closes will be located in Sec 34 T24S R33E Lea County, NM. **Construction Materials source location attachment:**

Section 7 - Methods for Handling Waste

Waste type: SEWAGE

Waste content description: Human waste and grey water.

Amount of waste: 1000 gallons

Waste disposal frequency : One Time Only

Safe containment description: Waste material will be stored safely and disposed of properly.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: COMMERCIAL FACILITY **Disposal type description:**

Disposal location description: Trucked to an approved disposal facility.

Waste type: GARBAGE

Waste content description: Trash

Amount of waste: 500 pounds

Waste disposal frequency : One Time Only

Safe containment description: Trash produced during drilling and completion operations will be collected in a trash container and disposed of properly. Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL **Disposal location ownership: COMMERCIAL** FACILITY **Disposal type description:**

Disposal location description: Trucked to an approved disposal facility.

Waste type: DRILLING

Waste content description: Drilling fluids and cuttings.

Amount of waste: 3990 barrels

Waste disposal frequency : One Time Only

Safe containment description: All drilling fluids will be stored safely and disposed of properly.

Well Name: VACA DRAW 9418 10 FEDERAL

Well Number: 6H

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: COMMERCIAL FACILITY

Disposal type description:

Disposal location description: Trucked to an approved disposal facility.

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.) Reserve pit width (ft.)

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? NO

Description of cuttings location

Cuttings area length (ft.)

Cuttings area depth (ft.)

Cuttings area width (ft.) Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO Ancillary Facilities attachment:

Comments: It is possible that a mobile home will be used at the well site during drilling operations.

Well Name: VACA DRAW 9418 10 FEDERAL

Well Number: 6H

Section 9 - Well Site Layout

Well Site Layout Diagram:

Vaca Draw 9418 10 Fed 6H - Well Site - 600s plat_09-09-2016.pdf

Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: PAD EXPANSION

Recontouring attachment:

Vaca Draw 9418 10 6H - Reclaimed Area_09-22-2016.pdf

Drainage/Erosion control construction: During construction proper erosion control methods will be used to control erosion, runoff, and siltation of the surrounding area.

Drainage/Erosion control reclamation: Proper erosion control methods will be used on the area to control erosion, runoff, and siltation of the surrounding area.

Wellpad short term disturbance (acres): 2.77

Other short term disturbance (acres): 0 Total short term disturbance: 2.8971286

Access road short term disturbance (acres): 0.012

Pipeline short term disturbance (acres): 0.11512856

Wellpad long term disturbance (acres): 2.31

Access road long term disturbance (acres): 0.012 Pipeline long term disturbance (acres): 0.11512856 Other long term disturbance (acres): 0

Total long term disturbance: 2.4371285

Reconstruction method: The areas planned for interim reclamation will then be recontoured to the original contour if feasible, or if not feasible, to an interim contour that blends with the surrounding topography as much as possible. Where applicable, the fill material of the well pad will be backfilled into the cut to bring the area back to the original contour. The interim cut and fill slopes prior to re-seeding will not be steeper than a 3:1 ratio, unless the adjacent native topography is steeper. Note: Constructed slopes may be much steeper during drilling, but will be recontoured to the above ratios during interim reclamation.

Topsoil redistribution: Topsoil will be evenly respread and aggressively revegetated over the entire disturbed area not needed for all-weather operations.

Soil treatment: To seed the area, the proper BLM seed mixture, free of noxious weeds, will be used. Final seedbed preparation will consist of contour cultivating to a depth of 4 to 6 inches within 24 hours prior to seeding, dozer tracking, or other imprinting in order to break the soil crust and create seed germination micro-sites.

Existing Vegetation at the well pad: The historic climax plant community is a grassland dominated by black grama, dropseeds, and blue stems with sand sage and shinnery oak distributed evenly throughout. Current landscape displays mesquite, shinnery oak, yucca, desert sage, fourwing saltbush, snakeweed, and bunch grasses. **Existing Vegetation at the well pad attachment**:

Existing Vegetation Community at the road: Refer to "Existing Vegetation at the well pad"

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: Refer to "Existing Vegetation at the well pad"

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: Refer to "Existing Vegetation at the well pad"

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Well Name: VACA DRAW 9418 10 FEDERAL

Well Number: 6H

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed TableSeed type:Seed source:Seed name:Source address:Source name:Source address:Source phone:Seed cultivar:Seed cultivar:Seed use location:PLS pounds per acre:Proposed seeding season:

| | նиттагу | Total pounds/Acre: |
|-----------|------------------|--------------------|
| · | tar sama "a sama | |
| Seed Type | Pounds/Acre | |

Seed reclamation attachment:

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Operator Contact/Responsible Official Contact Info

First Name:

Last Name: Email:

Seedbed prep:

Seed BMP:

Phone:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: No invasive species present. Standard regular maintenance to maintain a clear location and road.

Weed treatment plan attachment:

Well Name: VACA DRAW 9418 10 FEDERAL

Well Number: 6H

Monitoring plan description: Identify areas supporting weeds prior to construction; prevent the introduction and spread of weeds from construction equipment during construction; and contain weed seeds and propagules by preventing segregated topsoil from being spread to adjacent areas. No invasive species present. Standard regular maintenance to maintain a clear location and road.

Monitoring plan attachment:

Success standards: To maintain all disturbed areas as per Gold Book standards.

Pit closure description: N/A

Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Disturbance type: EXISTING ACCESS ROAD Describe: Surface Owner: BUREAU OF LAND MANAGEMENT Other surface owner description: BIA Local Office: BOR Local Office: COE Local Office:

Well Name: VACA DRAW 9418 10 FEDERAL

Well Number: 6H

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

Disturbance type: PIPELINE

USFS Ranger District:

Describe: Surface Owner: BUREAU OF LAND MANAGEMENT Other surface owner description: BIA Local Office: BOR Local Office: COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

Right of Way needed? YES

USFS Ranger District:

· · · ·

Use APD as ROW? YES

ROW Type(s): 289001 ROW- O&G Well Pad

Section 12 - Other Information

Page 21 of 26

Well Name: VACA DRAW 9418 10 FEDERAL

Well Number: 6H

ROW Applications

SUPO Additional Information:

Use a previously conducted onsite? YES

Previous Onsite information: Onsite was conducted Friday, August 26, 2016 by Jeffery Robertson.

Other SUPO Attachment

PWD

Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Produced Water Disposal (PWD) Location:

Would you like to utilize Lined Pit PWD options? NO

PWD surface owner:

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Decribe precipitated solids disposal:

PWD disturbance (acres):

Well Name: VACA DRAW 9418 10 FEDERAL

Well Number: 6H

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

PWD disturbance (acres):

Well Name: VACA DRAW 9418 10 FEDERAL

Well Number: 6H

PWD disturbance (acres):

Injection well name:

Injection well API number:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Produced Water Disposal (PWD) Location:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

PWD surface owner: Injection PWD discharge volume (bbl/day): Injection well mineral owner: Injection well type: Injection well number: Assigned injection well API number?

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

 Produced Water Disposal (PWD) Location:

 PWD surface owner:
 PWD disturbance (acres):

 Surface discharge PWD discharge volume (bbl/day):
 Surface Discharge NPDES Permit?

 Surface Discharge NPDES Permit attachment:
 Surface Discharge NPDES Permit attachment:

Page 24 of 26

Well Name: VACA DRAW 9418 10 FEDERAL

Well Number: 6H

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

PWD disturbance (acres):

Bond Info

Bond Information Federal/Indian APD: FED BLM Bond number: NMB000849 BIA Bond number: Do you have a reclamation bond? NO Is the reclamation bond a rider under the BLM bond? Is the reclamation bond a rider under the BLM bond? Is the reclamation bond BLM or Forest Service? BLM reclamation bond number: Forest Service reclamation bond number: Forest Service reclamation bond attachment: Reclamation bond number: Reclamation bond amount: Reclamation bond rider amount: Additional reclamation bond information attachment:

Operator Certification

Well Name: VACA DRAW 9418 10 FEDERAL

Well Number: 6H

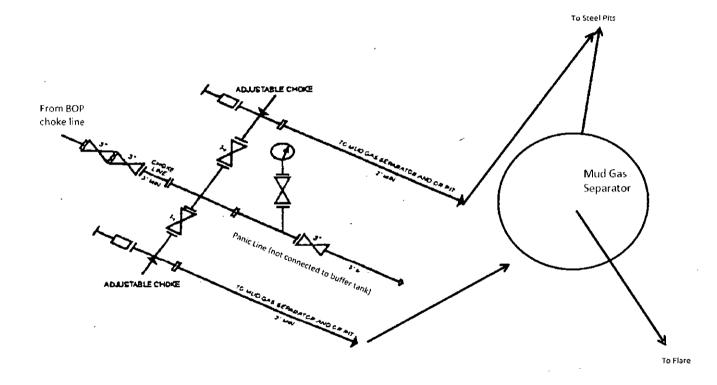
Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

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| NAME: Kayla McConnell | | Signed on: 09/22/2016 |
|-------------------------------|-----------|---------------------------------------|
| Title: Regulatory Analyst | | |
| Street Address: 104 S. Pecos | | · · · · · · · · · · · · · · · · · · · |
| City: Midland | State: TX | Zip: 79701 |
| Phone: (432)682-3753 | | |
| Email address: kmcconnell@bta | oil.com | |
| Field Representativ | e | |
| Representative Name: Nick E | aton | |
| Street Address: 104 South Pe | COS | |
| City: Midland | State: NM | Zip : 79701 |
| Рһопе: (432)682-3753 | | |
| Email address: neaton@btaoi | l.com | |
| | | Payment Info |
| Payment | | |

APD Fee Payment Method: BLM DIRECT CBS Receipt number: 3650637



3M choke manifold design

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|---|--|--|--|---|--|--|
| Rig 94 QUAL INSPECTION | ETY CONT | | 75 m | CERT. Nº: | 2445 1592 | <u>.</u> |
| PURCHASER: | | Dil & Marine C | | P.O. N*; | 450046175 | 53 |
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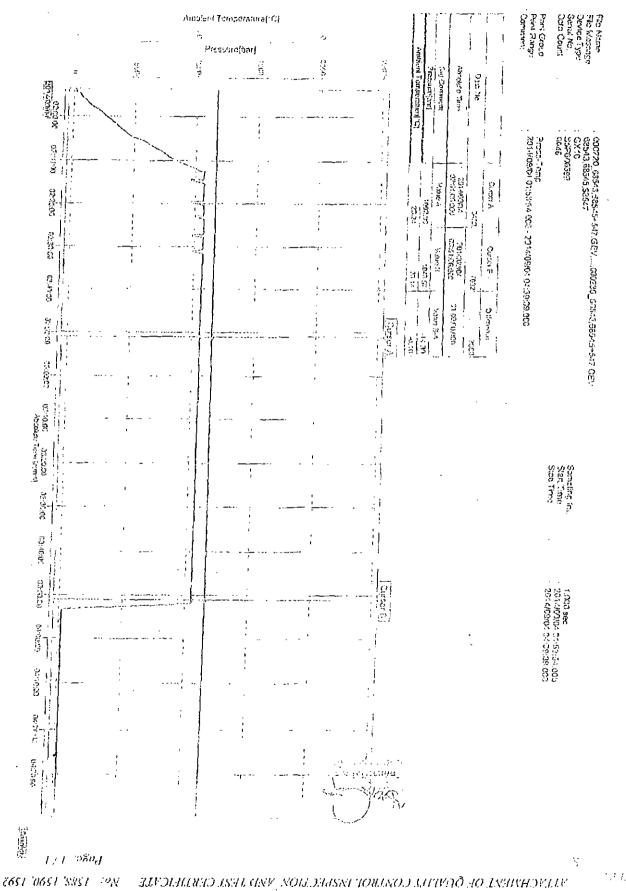
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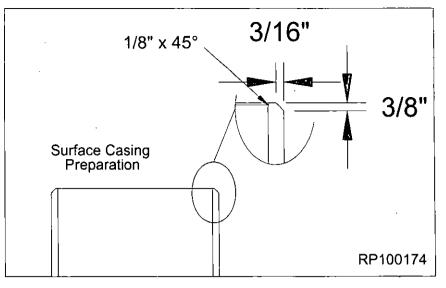
Install the Casing Head

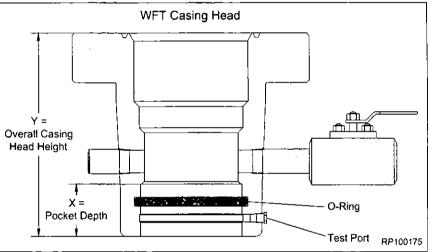
- 1. Examine the *WFT Casing Head*. Verify the following:
 - bore is clean and free of debris
 - seal areas, threads and ring grooves are clean and undamaged
 - o-ring is properly installed, clean and undamaged
 - all peripheral equipment is intact and undamaged
- 2. Measure the pocket depth of the Casing Head and record this dimension.
- 3. Run the surface casing and cement as required.
- 4. Determine the required elevation of the Casing Head as required by the Drilling Supervisor.
- 5. Use the following calulation to determine the correct final cut location of the surface casing.
- X = Pocket Depth

Y = Overall Casing Head Height

Y - X = Distance from correct elevation point to surface casing cutoff height.

- 6. Lift the riser assembly high enough to rough cut the surface casing a minimum of 12" above the anticipated final cut location, if applicable.
- 7. Remove the spent portion of surface casing and the riser assembly and set aside.
- 8. Determine the correct elevation for the wellhead assembly.
- Rough cut the surface casing a minimum of 12" above the final cut location.
- 10. Cut the conductor pipe a comfortable level below the final cut location of the surface casing.





11. Final cut the surface casing at the correct elevation.

NOTE: Ensure the cut on the surface casing is level as this will determine the orientation of the remainder of the wellhead equipment.

- 12. Bevel the surface casing with a 3/16" x 3/8" bevel and remove any sharp edges from the OD of the casing.
- 13. Break a 1/8" x 45° bevel on the ID of the surface casing.

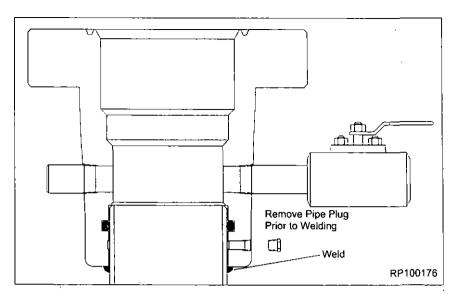
| ♥ | WFT Casing Head (Slip on Weld with O-Ring) | Approved By: | Reviewed By: | RP-001 |
|---------------------|---|-----------------------|-----------------------|--------------------------------------|
| Weatherford | Running Procedure | <u>R</u> | Buch Roy | Rev _F 0 _{inning} |
| 5-2-GL-GL-WES-00052 | | Date: Oct 21, 2010 | Date: Oct 21, 2010 | Page 1 |

Install the Casing Head

14. Wipe the ID of the o-ring of the Casing Head with a light coat of oil or grease.

NOTE: Excessive oil or grease will prevent a positive seal from forming.

- 15. Lower the Casing Head over the surface casing stub to a positive stop.
- 16. Remove the fitting from the test port and set aside.
- 17. Orient the Casing Head as per the Drilling Superintendents instructions ensuring the face of the Casing Head is level and two holed to the drilling rig substructure.
- Weld and test the surface casing to the Casing Head as per the REC-OMMENDED FIELD WELDING PROCEDURE located in the back of this manual.
- Once all welding and testing is completed, replace the fitting into the open port and close the valve on the Casing Head.



| RP-001 | Reviewed By: | Approved By: | 은 아이 WFT Casing Head | * |
|--------|-----------------------|-----------------------|----------------------------|---------------------|
| Rev 0 | Baue T. Ros | R.C. | (Slip on Weld with O-Ring) | Weatherford |
| Page 2 | Date: Oct 21, 2010 | Date: Oct 21, 2010 | · | 5-2-GL-GL-WES-00052 |

Weatherford[®]

WFT Casing Head (Slip on Weld with O-Ring) Running Procedure

Publication RP-001 October 21, 2010

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| ** | WFT Casing Head (Slip on Weld with O-Ring) | Approved By: | Reviewed By: | RP-001 |
|---------------------|---|-----------------------|--------------|--------|
| Weatherford | Running Procedure | R | Buch | Rev 0 |
| 5-2-GL-GL-WES-00052 | | Date: Oct 21, 2010 | Date | |

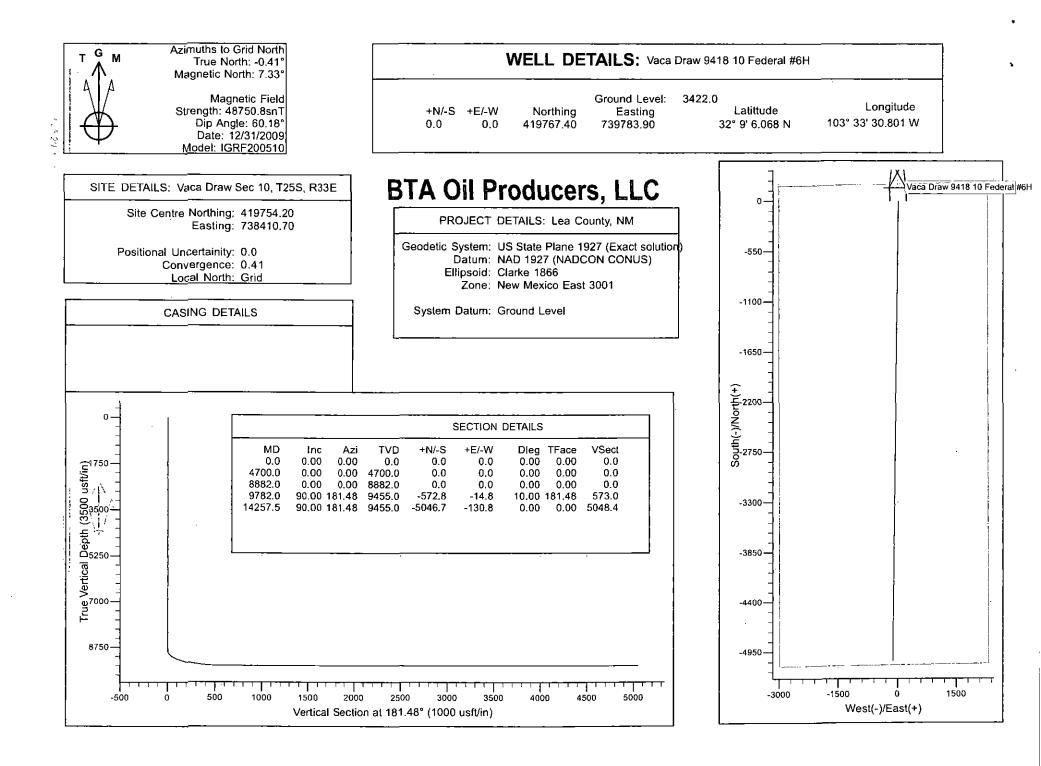


| | jucers, LC | | | 19 <u>1</u> | · · · · · | Casing Assu | mption | | <u>.</u> | • . | | Well. Vaca | | | <u> </u> |
|-----------|------------|-----------|---------|-------------|-----------|-------------------|-----------------|-------|----------|----------|-------|-----------------|------------------|-----------------|------------------------|
| Hole Size | Csg.Size | From (MD) | To (MD) | From (TVD) | To (TVD) | Tapered String | Weight (lbs) | Grade | Conn. | Collapse | Burst | Body Tension | Joint Tension | Dry/ Buoyant | Mud Weight (ppg) |
| 17.500 | 13.375 | 0 | 1225 | 0 | 1225 | No | 54.5 | J-55 | STC | 3.30 | 9.60 | 23.00 | 14.00 | Dry | 8.40 |
| 12.250 | 9.625 | 0 | 5100 | 0 | 5100 | No | 40.0 | J-55 | LTC | 1.60 | 2.40 | 3.10 | 2.60 | Dry | 10.00 |
| 8.750 | 5.500 | 0 | 14257 | 0 | 9455 | No | 17.0 | P-110 | BTC | 3.10 | 4.30 | 3.40 | 2.80 | Dry | 8.90 |

BTA Oil Producers, LLC

Well: Vaca Draw 9418 10 Fed #6H

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Recommended Procedure for Field Welding Pipe to Wellhead Parts for Pressure Seal

1. Introduction and Scope. The following recommended procedure has been prepared with particular regard to attaining pressure-tight weld when attaching casing heads, flanges, etc., to casing. Although most of the high strength casing used (such as N-80) is not normally considered field weldable, some success may be obtained by using the following or similar procedures.

Caution: In some wellheads, the seal weld is also a structural weld and can be subjected to high tensile stresses. Consideration must therefore be given by competent authority to the mechanical properties of the weld and its heat affected zone.

a. The steels used in wellhead parts and in casing are high strength steels that are susceptible to cracking when welded. It is imperative that the finished weld and adjacent metal be free from cracks. The heat from welding also affects the mechanical properties. This is especially serious if the weld is subjected to service tension stresses.

b. This procedure is offered only as a recommendation. The responsibility for welding lies with the user and results are largely governed by the welder's skill. Weldability of the several makes and grades of casing varies widely, thus placing added responsibility on the welder. Transporting a qualified welder to the job, rather than using a less-skilled man who may be at hand, will, in most cases, prove economical. The responsible operating representative should ascertain the welder's qualifications and, if necessary, assure himself by instruction or demonstration, that the welder is able to perform the work satisfactorily.

- 2. Welding Conditions. Unfavorable welding conditions must be avoided or minimized in every way possible, as even the most skilled welder cannot successfully weld steels that are susceptible to cracking under adverse working conditions, or when the work is rushed. Work above the welder on the drilling floor should be avoided> The weld should be protected from dripping mud, water, and oil and from wind, rain, or other adverse weather conditions. The drilling mud, water, or other fluids must be lowered in the casing and kept at a low level until the weld has properly cooled. It is the responsibility of the user to provide supervision that will assure favorable working conditions, adequate time, and the necessary cooperation of the rig personnel.
- **3.** Welding. The welding should be done by the shielded metal-arc or other approved process.

- 4. Filler Metal. Filler Metals. For root pass, it's recommended to use E6010, E6011 (AC), E6019 or equivalent electrodes. The E7018 or E7018-A1 electrodes may also be used for root pass operations but has the tendency to trap slag in tight grooves. The E6010, E6011 and E6019 offer good penetration and weld deposit ductility with relatively high intrinsic hydrogen content. Since the E7018 and E7018-A1 are less susceptible to hydrogen induced cracking, it is recommended for use as the filler metal for completion of the weld groove after the root pass is completed. The E6010, E6011 (AC), E6019, E7018 and E7018-A1 are classified under one of the following codes AWS A5.1 (latest edition): Mild Steel covered electrodes or the AWS A5.5 (latest edition): Low Alloy Steel Covered Arc-Welding Electrodes. The low hydrogen electrodes, E7018 and E7018-A1, should not be exposed to the atmosphere until ready for use. It's recommended that hydrogen electrodes remain in their sealed containers. When a job arises, the container shall be opened and all unused remaining electrodes to be stored in heat electrode storage ovens. Low hydrogen electrodes exposed to the atmosphere, except water, for more than two hours should be dried 1 to 2 hours at 600°F to 700 °F (316°C to 371 °C) just before use. It's recommended for any low hydrogen electrode containing water on the surface should be scrapped.
- 5. Preparation of Base Metal. The area to be welded should be dry and free of any paint, grease/oil and dirt. All rust and heat-treat surface scale shall be ground to bright metal before welding.
- Preheating, Prior to any heating, the wellhead member 6. shall be inspected for the presence of any o-rings or other polymeric seals. If any o-rings or seals are identified then preheating requires close monitoring as noted in paragraph 6a. Before applying preheat, the fluid should be bailed out of the casing to a point several inches (>6" or 150 mm) below the weld joint/location. Preheat both the casing and wellhead member for a minimum distance of three (3) inches on each side of the weld joint using a suitable preheating torch in accordance with the temperatures shown below in a and b. The preheat temperature should be checked by the use of heat sensitive crayons. Special attention must be given to preheating the thick sections of wellhead parts to be welded, to insure uniform heating and expansion with respect to the relatively thin casing,

a. Wellhead members containing o-rings and other polymeric seals have tight limits on the preheat and interpass temperatures. Those temperatures must be controlled at 200°F to 325°F or 93 °C to 160°C and closely monitored to prevent damage to the o-ring or seals.

b. Wellhead members not containing o-rings and other polymeric seals should be maintained at a preheat and interpass temperature of 400°F to 600°F or 200°C to 300°C.

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Recommended Procedure for Field Welding Pipe to Wellhead Parts for Pressure Seal (continued)

Welding Technique. Use a 1/8 or 5/32-inch (3.2 or 4.0 7. mm) E6010 or E7018 electrode and step weld the first bead (root pass); that, weld approximately 2 to 4 inches (50 to 100 mm) and then move diametrically opposite this point and weld 2 to 4 inches (50 to 100 mm) halfway between the first two welds, move diametrically opposite this weld, and so on until the first pass is completed. This second pass should be made with a 5/32-inch (4.0 mm) low hydrogen electrode of the proper strength and may be continuous. The balance of the welding groove may then be filled with continuous passes without back stepping or lacing, using a 3/16-inch (4.8 mm) low hydrogen electrode. All beads should be stringer beads with good penetration. There should be no undercutting and weld shall be workmanlike in appearance.

a. Test ports should be open when welding is performed to prevent pressure buildup within the test cavity.

b. During welding the temperature of the base metal on either side of the weld should be maintained at 200 to 300°F (93 to 149°C).

c. Care should be taken to insure that the welding cable is properly grounded to the casing, but ground wire should not be welded to the casing or the wellhead. Ground wire should be firmly clamped to the casing, the wellhead, or fixed in position between pipe slips. Bad contact may cause sparking, with resultant hard spots beneath which incipient cracks may develop. The welding cable should not be grounded to the steel derrick, nor to the rotary-table base.

- Cleaning. All slag or flux remaining on any welding bead should be removed before laying the next bead. This also applies to the completed weld.
- Defects. Any cracks or blow holes that appear on any bead should be removed to sound metal by chipping or grinding before depositing the next bead.
- 10. Postheating. Post-heating should be performed at the temperatures shown below and held at that temperature for no less than one hour followed by a slow cooling. The post-heating temperature should be in accordance with the following paragraphs.

a. Wellhead members containing o-rings and other polymeric seals have tight limits on the post-heating temperatures. Those temperatures must be controlled at 250°F to 300°F or 120 °C to 150°C and closely monitored to prevent damage to the o-ring or seals.

b. Wellhead members not containing o-rings and other polymeric seals should be post-heated at a temperature of 400°F to 600°F or 200°C to 300°C.

- 11. Cooling. Rapid cooling must be avoided. To assure slow cooling, welds should be protected from extreme weather conditions (cold, rain, high winds, etc.) by the use of suitable insulating material. (Specially designed insulating blankets are available at many welding supply stores.) Particular attention should be given to maintaining uniform cooling of the thick sections of the wellhead parts and the relatively thin casing, as the relatively thin casing will pull away from the head or hanger if allowed to cool more rapidly. The welds should cool in air to less than 200°F (93°C) (measured with a heat sensitive crayon) prior to permitting the mud to rise in the casing.
- 12. Test the Weld. After cooling, test the weld. The weld must be cool otherwise the test media will crack the weld. The test pressure should be no more than 80% of the casing collapse pressure.

| Test Media | | | |
|---|--|--|--|
| Acceptable Medias | Unacceptable Medias | | |
| Water Water Soluable Oil Inert Gas •Nitrogen •Argon Gas | Oxygen Acetylene Hydraulic Oil Motor Oil Brake Fluid | | |

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