District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505

Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Energy, Minerals and Natural Resources

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

Form C-101 August 1, 2011

Permit 139044

APPLICATION FOR PERMIT TO DRILL RE-ENTER DEEPEN PLUGRACK OR ADD A ZONE

1. Operator	Name and Address	2. OGRID Number	
BTA OIL P	260297 3. API Number		
104 S. Pecos Midland. TX 79701			
IVIIOIII	5, 11 / / / / /	30-025-40316	
4. Property Code	5. Property Name	6. Well No.	
305261	GEM 8705 JV-P	011H	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
Н	2	20S	33E	H	1980	N	660	E	LEA

8. Pool Information

TEAS;BONE SPRING	58960

Additional Well Information

16. Formation	17. Contractor	18. Spud Date	
Bone Spring		11/25/2011	
	Bone Spring		

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1400	1500	0
Int1	12.25	9.625	40	3300	850	0
Prod	8.75	7	29	10600	1050	1800
Prod	6	4.5	11.6	15000	0	

Casing/Cement Program: Additional Comments

0-1400' FW Gel, 1400-3300' Brine, 3300-15000 Cut Brine w/polymer sweeps - swell packers

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
Annular	5000	3000	

of my knowledge and belief.	on given above is true and complete to the best ng pit will be constructed according to	OIL CONSERVATION DIVISION			
	eral permit , or an (attached) alternative	Approved By: Paul Kautz			
Printed Name: Electronical	lly filed by Pam Inskeep	Title: Geologist			
Title: Regulatory Adminis	trator	Approved Date: 10/26/2011	Expiration Date: 10/26/2013		
Email Address: pinskeep@	btaoil.com				
Date: 10/21/2011	Phone: 432-682-3753	Conditions of Approval Attached			

DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240 DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210 DISTRICT III

1000 RIO BRAZOS RD., AZTEC, NM 87410 DISTRICT IV

DISTRICT IV 11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, New Mexico 87505

Form C-102 Revised July 16, 2010 Submit to Appropriate District Office

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code				
30-025-	58960	3			
Property Code	Property 1	Well Number			
305261	8705 JV-P GEM 11H				
OGRID No.	Operator 1	Elevation			
260297	BTA OIL PRODUCERS LLC 3588'				

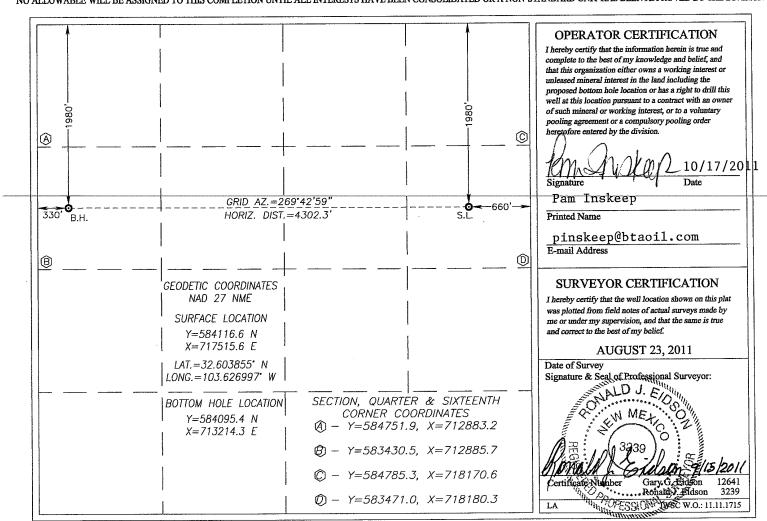
Surface Location

		or lot No.	UL or lot No.	Section Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H 2 20-S 33-E 1980 NORTH 660 EAST	LEA	HI	Н				1980	NORTH	660	EAST	LEA

Bottom Hole Location If Different From Surface

ſ	UL or lot No.	Section	Townsh	ip	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	E	2	20-S	3	33-E		1980	NORTH	330	WEST	LEA
Dedicated Acres Joint or Infill Consolidation Cod			ode Ord	er No.							
	160										

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



Permit Comments

Operator: BTA OIL PRODUCERS, LLC , 260297 Well: GEM 8705 JV-P #011H

API: 30-025-40316

Created By	Comment				
PINSKEEP	This well will be drilled with a Closed Loop System	10/21/2011			
PINSKEEP	This will require simultaneous dedication with 8705 JV-P Gem #8 API 30-025- 34727.	10/21/2011			
DMULL	OCD Hobbs Office received waiver from Intrepid about Potash.	10/26/2011			
DMULL	OCD Hobbs office has received form C-144CLEZ, OCD Permit Number P1-03943.	10/26/2011			

Permit Conditions of Approval

Operator: BTA OIL PRODUCERS, LLC , 260297 Well: GEM 8705 JV-P #011H

API: 30-025-40316

OCD Reviewer	Condition
DMULL	Well location in the POTASH AREA. Requires resonse from the Bureau of Land Managment and the State Land office. Notice letter advising them of this APD sent by OCD Hobbs office today.
p <mark>k</mark> autz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string