

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised July 18, 2013

AMENDED REPORT

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

¹ Operator Name and Address BTA OIL PRODUCERS, LLC 104 S. PECOS MIDLAND, TX 79701		² OGRID Number 260297
		³ API Number 30-025-34727
⁴ Property Code 002314	⁵ Property Name GEM, 8705 JV-P	⁶ Well No. 8

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
E	2	20S	33E		2310	NORTH	330	WEST	LEA

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

9. Pool Information

Pool Name GEM;YATES, EAST	Pool Code 27390
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Additional Well Information

¹¹ Work Type RECOMPLETE	¹² Well Type O	¹³ Cable/Rotary	¹⁴ Lease Type S	¹⁵ Ground Level Elevation 3581
¹⁶ Multiple N	¹⁷ Proposed Depth	¹⁸ Formation YATES	¹⁹ Contractor	²⁰ Spud Date
Depth to Ground water	Distance from nearest fresh water well		Distance to nearest surface water	

We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	17 1/2"	13 3/8"	54.5E J-55	1385'	1100	0
Int.	12 1/4"	9 5/8"	40# K-55	3263'	1000	0
Prod	8 3/4"	5 1/2"	17# J-55/N-80	9700'	2200	3695'

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Hyd. - Rams - Top, Blinds- Bottom	5,000	5,000	NOV

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/> , if applicable. Signature: <i>Katy Reddell</i> Printed name: KATY REDDELL Title: REGULATORY ANALYST E-mail Address: KREDDELL@BTAOIL.COM Date: 1/18/2022 Phone: 432-682-3753	OIL CONSERVATION DIVISION	
	Approved By:	
	Title:	
	Approved Date:	Expiration Date:
	Conditions of Approval Attached	

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-34727	² Pool Code 27390	³ Pool Name GEM; YATES, EAST
⁴ Property Code 305261	⁵ Property Name 8705 JV-P GEM	
⁷ OGRID No. 260297	⁸ Operator Name BTA OIL PRODUCERS, LLC	⁶ Well Number 8
⁹ Elevation 3581		

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	2	20S	33E		2310	NORTH	330	WEST	LEA

¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40	¹³ Joint or Infill I	¹⁴ Consolidation Code	¹⁵ Order No.						

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.

	¹⁷ OPERATOR CERTIFICATION		
	<p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including; the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Katy Reddell</i> 1/24/2022 Signature Date</p> <p>KATY REDDELL Printed Name</p> <p>kreddell@btaoil.com E-mail Address</p>		
¹⁸ SURVEYOR CERTIFICATION			
<p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p>			

DISTRICT I
P.O. Box 1880, Hobbs, NM 88241-1880

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34727	Pool Code 96797	Pool Name Teas, Delaware
Property Code 002314	Property Name 8705 JV-P GEM	Well Number 8
OGRID No. 003002	Operator Name BTA OIL PRODUCERS	Elevation 3581

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	2	20 S	33 E		2310	NORTH	330	WEST	LEA

Bottom Hole Location if Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40	I		

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

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Dorothy Houghton</i> Signature</p> <p>DOROTHY HOUGHTON Printed Name</p> <p>Regulatory Administrator Title</p> <p>10/04/99 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>SEPTEMBER 29, 1999 Date Surveyed</p> <p><i>Ronald S. Eidson</i> Signature</p> <p>RONALD S. EIDSON Professional Surveyor</p> <p>NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR</p> <p>3239 9-30-99 99-11-0823</p>
	<p>DC</p>
	<p>Car. No. RONALD S. EIDSON 3239 EIDSON 12641 McDONALD 12185</p>

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

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

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: BTA Oil Producers, LLC **OGRID:** 260297 **Date:** 1 / 25 / 2022

II. Type: Original Amendment due to 19.15.27.9.D(6)(a) NMAC 19.15.27.9.D(6)(b) NMAC Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
GEM 8705 JV-P #8	30-025-34727	E-2-20S-33E	2310 FNL, 330 FWL	+/- 800	+/- 2000	+/- 1200

IV. Central Delivery Point Name: GEM CTB [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
GEM 8705 JV-P #8	30-025-34727	12/18/1999	1/16/2000	6/28/2000	6/29/2000	6/30/2000

VI. Separation Equipment: Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan

EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system will will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator does does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

Attach Operator’s plan to manage production in response to the increased line pressure.

XIV. Confidentiality: Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

If Operator checks this box, Operator will select one of the following:

Well Shut-In. Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

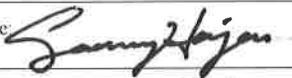
1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: 
Printed Name: Sammy Hajar
Title: Regulatory Analyst
E-mail Address: SHAJAR@BTAOIL.COM
Date: 1/25/2022
Phone: 432-682-3753
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

VI. Separation Equipment: Attach a complete description of how Operator will size separation equipment to optimize gas capture.

- Separation equipment will be sized to provide adequate separation for anticipated rates.
- Separation equipment will allow for adequate retention time to allow gas and liquids to separate.
- Separation equipment will separate all three phases (Oil, Water, and Gas).
- Collection systems are appropriately sized to handle facility production rates on all (3) phases.
- Ancillary equipment and metering is selected to be serviced without flow interruptions or the need to release gas from the well.

VII. Operational Practices: Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F 19.15.27.8 NMAC.

Drilling Operations

- All flare stacks will be properly sized. The flare stacks will be located at a minimum 100' from the nearest surface hole location on the pad.
- All natural gas produced during drilling operations will be flared, unless there is an equipment malfunction and/or to avoid risk of an immediate and substantial adverse impact on safety and the environment, at which point the gas will be vented.

Completions/Recompletions Operations

- New wells will not be flowed back until they are connected to a properly sized gathering system.
- The facility will be built/sized for maximum anticipated flowrates and pressures to minimize waste.
- For flowback operations, multiple stages of separation will be used as well as VRU and blowers to make sure waste is minimized off the storage tanks and facility.
- During initial flowback, the well stream will be routed to separation equipment.
- At an existing facility, when necessary, post separation natural gas will be flared until it meets pipeline specifications, at which point it will be turned into a collection system.
- At a new facility, post separation natural gas will be vented until storage tanks can safely function, at which point it will be flared until it meets pipeline spec.

Production Operations

- Weekly AVOs will be performed on all facilities that produce more than 60 MCFD.
- Leaking thief hatches and pressure safety valves found during AVOs will be cleaned and properly re-sealed.
- All flares will be equipped with auto-ignition systems and continuous pilot operations.
- After a well is stabilized from liquid unloading, the well will be turned back into the collection system.
- All gas lift systems will be optimized to limit the amount of waste.
- All tanks will have automatic gauging equipment installed.

Performance Standards

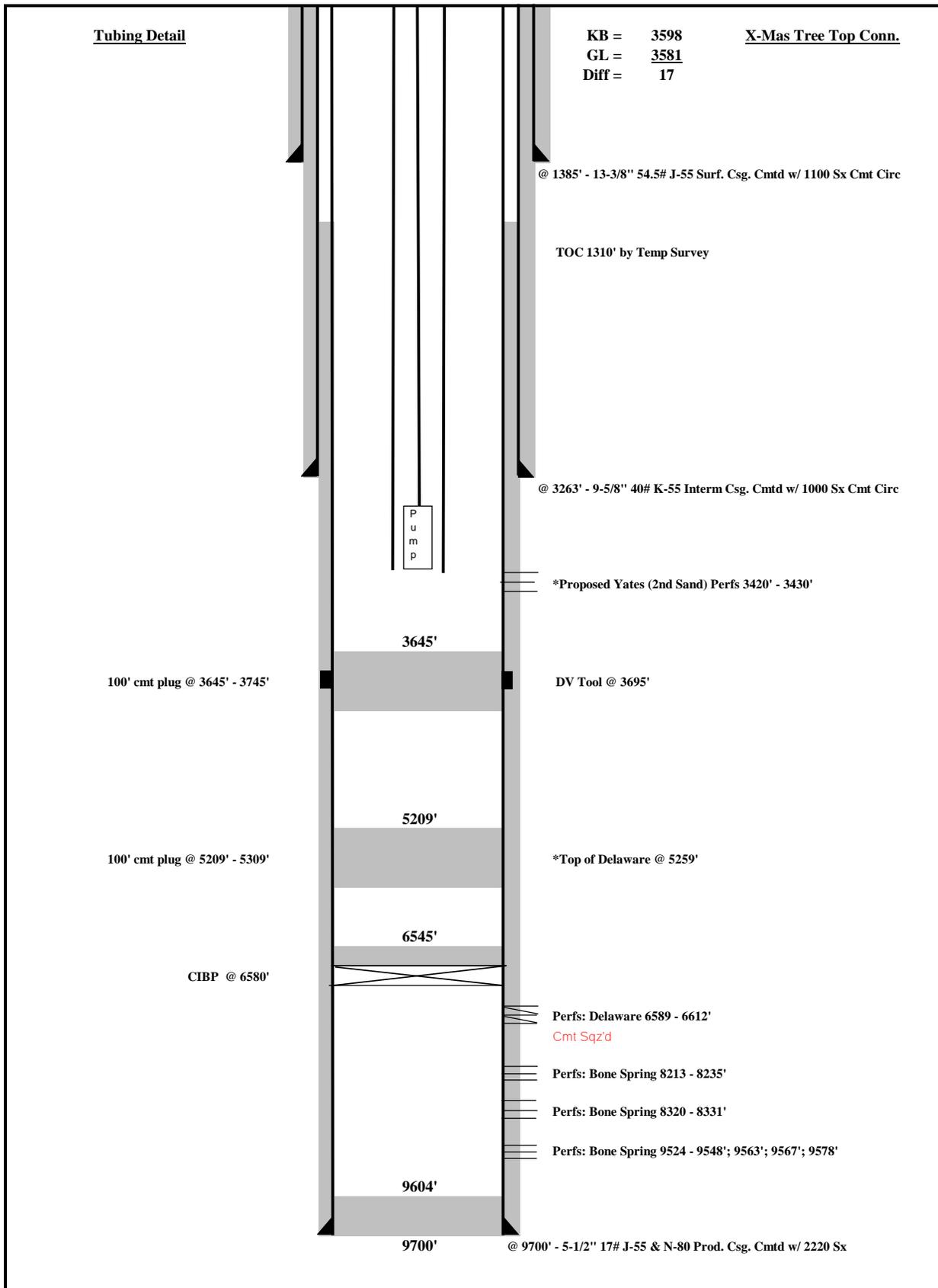
- Production equipment will be designed to handle maximum anticipated rates and pressure.
- All flared gas will be combusted in a flare stack that is properly sized and designed to ensure proper combustion.
- All gas will have multiple points of separation to ensure no liquids enter flares, combustors, or gas sales line.
- Weekly AVOs will be performed on all wells and facilities that produce more than 60 MCFD.
- All OOOOa facilities will be filmed with an Optical Gas Imaging Thermographer camera once per month to check for fugitive emissions.

Measurement & Estimation

- All volume that is flared and vented that is not measured will be estimated.
- All measurement equipment for flared volumes will conform to API 14.10.
- All meters will be calibrated at regular intervals according to meter manufacturer recommendations.
- When metering is not practical due to low pressure/low rate, the vented or flared volume will be estimated.

VIII. Best Management Practices: Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

- During downhole well maintenance, BTA will use best management practices to vent as minimally as possible.
- Prior to the commencement of any maintenance, the tank or vessel will be isolated from the rest of the facilities.
- All valves upstream of the equipment will be closed and isolated.
- After equipment has been isolated, the equipment will be blown down to as low a pressure as possible into the collection system.
- If the equipment being maintained cannot be relieved into the collection system, it shall be released to a tank where the vapor can either be captured or combusted if possible.
- After downhole well maintenance, natural gas will be flared until it reaches pipeline specification.



Revised		Producing Well		Drawn	TJW
6/11/2012	ZSR	LEASE:	8705 JV-P GEM #8	7/8/2008	
11/11/2021	HCD	FIELD:	Teas (Delaware)	Approved	
		LOCATION:	2310' FNL 330' FWL Sec. 2 T20S R33E	Date	
		COUNTY:	Lea STATE: New Mexico		
		PRODUCING FORMATION:	Delaware		
		 BTA Oil Producers			

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TOP SHEET

WELLS	BTA 8705 JV-P GEM #5 2-20S-33E	8705-JV-P GEM #8 2-20S-33E		SHACKELFORD (SIETE) TONTO FED. #1 10-20S-33E
ELEVATION	GL 3578 KB 3592	GL 3585 KB 3601	GL 3581 KB 3598	GL 3576 KB 3595
HORIZONS		ESTIMATED	ACTUAL	
RUSTLER ANHYDRITE	1405 (2187)	1401 (2200)	1349 (2249)	NA ()
BASE OF SALT	3136 (456)	3151 (450)	3050 (548)	3146 (449)
* YATES	3375 (217)	3371 (230)	3263 (335)	3360 (235)
REEF	3740 (-148)	3771 (-170)	3582 (16)	3784 (-189)
1st MASSIVE DELAWARE MTN. GROUP SAND	5082 (-1490)	5036 (-1435)	5259 (-1661)	5022 (-1427)
* BRUSHY CANYON "PRICE SAND"	6540 (-2948)	6531 (-2930)	6560 (-2962)	6524 (-2929)
BONE SPRING CARBONATE	8225 (-4633)	NDE ()	8179 (-4581)	8212 (-4617)
TOTAL DEPTH	9700	7000	9700	10701

MUDLOGGER ON WELL AT 2900'

* POSSIBLE PRODUCING ZONES

DATE: 9-30-99
DATE: 1-19-2000

ORIGINAL ESTIMATE BY: JJB
ACTUAL TOPS BY: JJB

DISTRIBUTION: CBJ,SEB,BJB,KSB,RMDJ,LGJ,DH,RKB,JJB,DG&E (FILE #13),

NOTE: Well did not lose total returns in the reef section, so the new total depth is 9700'. (Same as Gem #7 well)

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TOP SHEET

WELLS	BTA 8705 JV-P GEM #5 2-20S-33E	8705-JV-P GEM #8 2-20S-33E		SHACKELFORD (SIETE) TONTO FED. #1 10-20S-33E
ELEVATION	GL 3578 KB 3592	GL 3585 KB 3601	GL KB	GL 3576 KB 3595
HORIZONS		ESTIMATED	ACTUAL	
RUSTLER ANHYDRITE	1405 (2187)	1401 (2200)	()	NA ()
BASE OF SALT	3136 (456)	3151 (450)	()	3146 (449)
* YATES	3375 (217)	3371 (230)	()	3360 (235)
REEF	3740 (-148)	3771 (-170)	()	3784 (-189)
1st MASSIVE DELAWARE MTN. GROUP SAND	5082 (-1490)	5036 (-1435)	()	5022 (-1427)
* BRUSHY CANYON "PRICE SAND"	6540 (-2948)	6531 (-2930)	()	6524 (-2929)
BONE SPRING CARBONATE	8225 (-4633)	NDE ()	()	8212 (-4617)
TOTAL DEPTH	9700	7000		10701

MUDLOGGER ON WELL AT 3100'

* POSSIBLE PRODUCING ZONES

DATE: 9-30-99

ORIGINAL ESTIMATE BY: JJB

DATE:

ACTUAL TOPS BY:

DISTRIBUTION: CBJ,SEB,BJB,KSB,RMDJ,LGJ,DH,RKB,JJB,DG&E (FILE #13),

District I
 1625 N. French Dr., Hobbs, NM 88240
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 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

CONDITIONS

Action 73411

CONDITIONS

Operator: BTA OIL PRODUCERS, LLC 104 S Pecos Midland, TX 79701	OGRID: 260297
	Action Number: 73411
	Action Type: [C-101] Drilling Non-Federal/Indian (APD)

CONDITIONS

Created By	Condition	Condition Date
pkautz	Must run CBL to surface. Well is in the Potash Area R-111-p. Cement on production casing must come to the surface.	1/21/2022