

4/16/99	5/6/99	MS	KV	NSL
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**

- Engineering Bureau -

**ADMINISTRATIVE APPLICATION COVERSHEET**

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [A] Location - Spacing Unit - Directional Drilling  
 NSL    NSP    DD    SD

REGISTRATION DIVISION  
 APR 16 1999

Check One Only for [B] and [C]

- [B] Commingling - Storage - Measurement  
 DHC    CTB    PLC    PC    OLS    OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX    PMX    SWD    IPI    EOR    PPR

[2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or  Does Not Apply**

- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding**

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

DOROTHY HOUGHTON  
 Print or Type Name

*Dorothy Houghton*  
 Signature

Regulatory Administrator  
 Title

04/15/99  
 Date



**BTA OIL PRODUCERS**

104 SOUTH PECOS  
MIDLAND, TEXAS 79701

915-682-3753  
FAX 915-683-0311

April 15, 1999

ROCKY MOUNTAIN DIVISION

600 17TH STREET  
SUITE 2230

SOUTH TOWER  
DENVER, CO 80202

303-292-9299  
FAX 303-297-0666

MIDLAND PARTNERS  
CARLTON BEAL, JR.  
BARRY BEAL  
SPENCER BEAL  
KELLY BEAL  
BARRY BEAL, JR.  
STUART BEAL  
ROBERT DAVENPORT, JR.

**Re: Application for Administrative Approval  
Unorthodox Well Location  
Grama -C-, 8817 JV-P, #1  
660' FSL & 660' FWL  
Sec. 16, T22S, R34E  
Lea County, NM**

NEW MEXICO OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, NM 87505

Attention: Ms. Lori Wrotenbery, Director

Dear Ms. Wrotenbery,

99 APR 16 AM 9:03  
OIL CONSERVATION DIV

BTA Oil Producers hereby seeks administrative approval to drill at the above referenced location in the Grama Ridge, Morrow Gas Pool with the south half of Section 16 dedicated to this well. This location in the Morrow formation, is unorthodox because it is governed by the Division's statewide rules which provide for wells on 320 acre spacing units to be located no closer than 660 feet to the nearest side boundary nor closer than 1650 feet to the nearest end boundary.

Attached hereto is Exhibit "A", a Morrow Structure Map, and Exhibit "B" a Morrow Net Sand Isopach Map. The proposed unorthodox well location is necessary to enable BTA to locate this well in the thickest portion of the Morrow channel while, while maintaining an optimum structural position, under the South half of Section 16.

We are enclosing an area of the Lea County map showing the offsetting leases operated by Santa Fe Energy Resources, Inc. BTA would be encroaching on Section 17 to the west. BTA has notified Santa Fe by certified mail and requested their signing of a waiver. We are enclosing the "green card" PS Form 3811 signed by Santa Fe on 04/08/99. We are also enclosing the signed certificate of notification for the Commissioner of Public Lands.

Should further information be required, to approve this application, please advise.

Sincerely,

DOROTHY HOUGHTON  
For BTA Oil Producers

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
811 South First, Artesia, NM 88210

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

District IV  
2040 South Pacheco, Santa Fe, NM 87505

**State of New Mexico**  
Energy, Minerals & Natural Resources Department

**OIL CONSERVATION DIVISION**  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-101  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

AMENDED REPORT

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

<sup>1</sup> Operator Name and Address BTA OIL PRODUCERS 104 South Pecos Midland, TX 79701		<sup>2</sup> OGRID Number 003002
		<sup>3</sup> API Number 30 - 0
<sup>4</sup> Property Code	<sup>5</sup> Property Name Grama -C-, 8817 JV-P	<sup>6</sup> Well No. 1

<sup>7</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
M	16	22S	34E		660	South	660	West	Lea

<sup>8</sup>Proposed 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
<sup>9</sup> Proposed Pool 1 77680 - Grama Ridge, Morrow					<sup>10</sup> Proposed Pool 2				

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3477
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 13550	<sup>18</sup> Formation Morrow	<sup>19</sup> Contractor Pending	<sup>20</sup> Spud Date 05-17-99

<sup>21</sup>Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
26"	20"	94#	900'	Sufficient to	Circ. to surface
17-1/2"	13-3/8"	68#	2200'	Sufficient to	Circ. to surface
12-1/4"	9-5/8"	40#	5200'	500 sx	Cmt to +4000'
8-3/4"	7"	29#	11,700'	Sufficient to	Cmt to 5000'
6-1/8"	5" Liner	18#	11300-13550'	Sufficient to	Circ. around Liner

<sup>22</sup>Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

BOP's on 9-5/8" csg and below: 5,000 psi WP SRRA

(7) Unorthodox Location Application Attached -NMOCD - Santa Fe  
NMOCD - Hobbs  
NM-SLO

<sup>23</sup>I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Dorothy Houghton*  
Printed name: DOROTHY HOUGHTON

Title: Regulatory Administrator

Date: 04-15-99 Phone: 915/682-3753

**OIL CONSERVATION DIVISION**

Approved By:

Title:

Approval Date: Expiration Date:

Conditions of Approval:  
Attached:

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

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

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

AMENDED REPORT

DISTRICT IV  
P.O. Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	77680	Gramma Ridge, Morrow
Property Code	Property Name	Well Number
	8817 JV-P GRAMA "C"	1
OGRID No.	Operator Name	Elevation
003002	BTA OIL PRODUCERS	3477

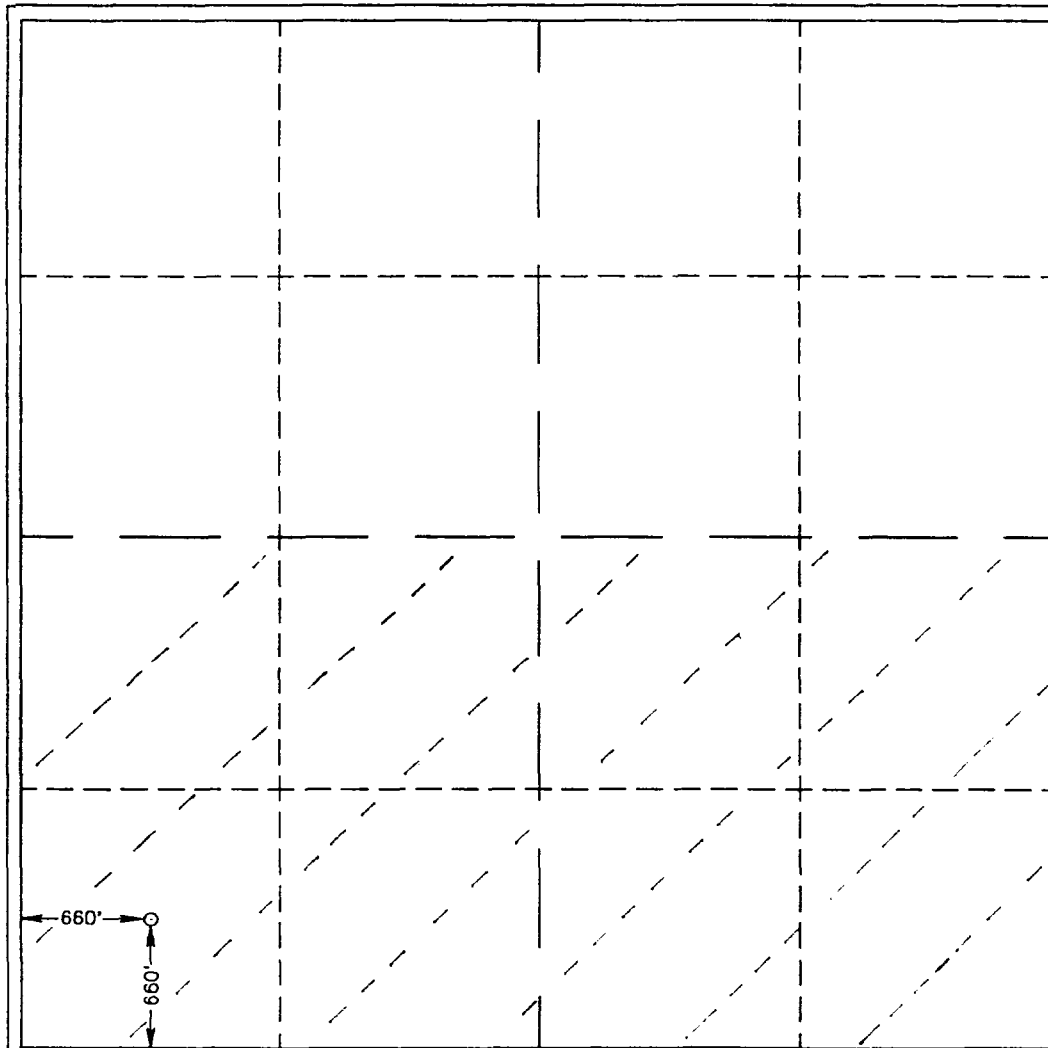
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	16	22 S	34 E		660	SOUTH	660	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.						
320									

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



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

*Dorothy Houghton*  
Signature

DOROTHY HOUGHTON

Printed Name

Regulatory Administrator

Title

04/07/99

Date

SURVEYOR CERTIFICATION

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.

APRIL 10 1999

Date Surveyed JLP

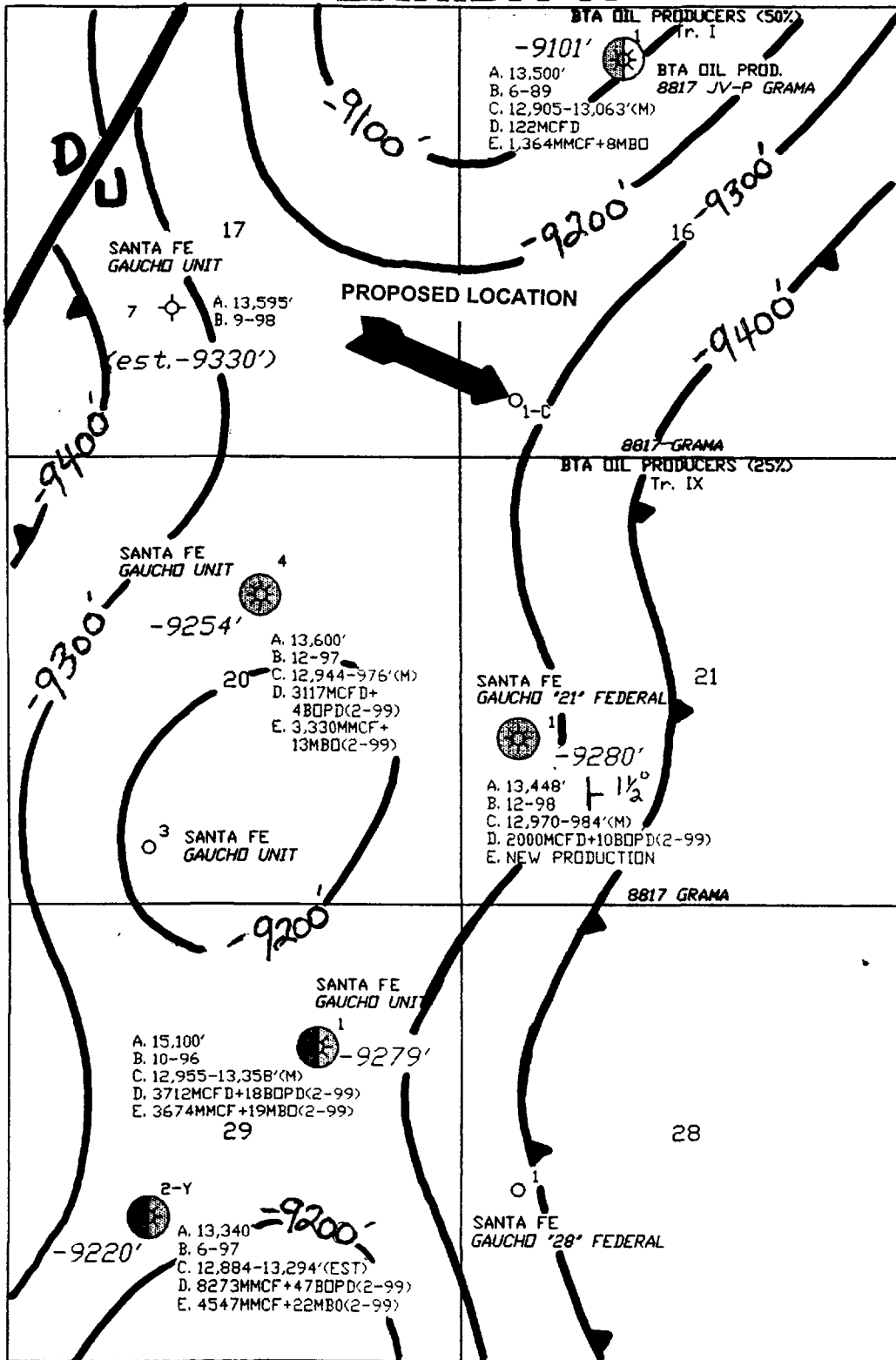
Signature of Seal of Professional Surveyor

*Donald J. Eidson*  
3239

W.O. 99-11-027

Certificate No. 3239  
DONALD J. EIDSON, 12041  
CARRIE EIDSON, 12185  
MACON McDONALD, 12185

# EXHIBIT A

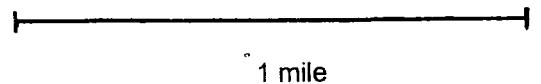


A. TOTAL DEPTH  
 B. COMPLETION DATE  
 C. PRODUCING PERFS  
 D. DAILY RATE  
 E. CUMULATIVE PROD.

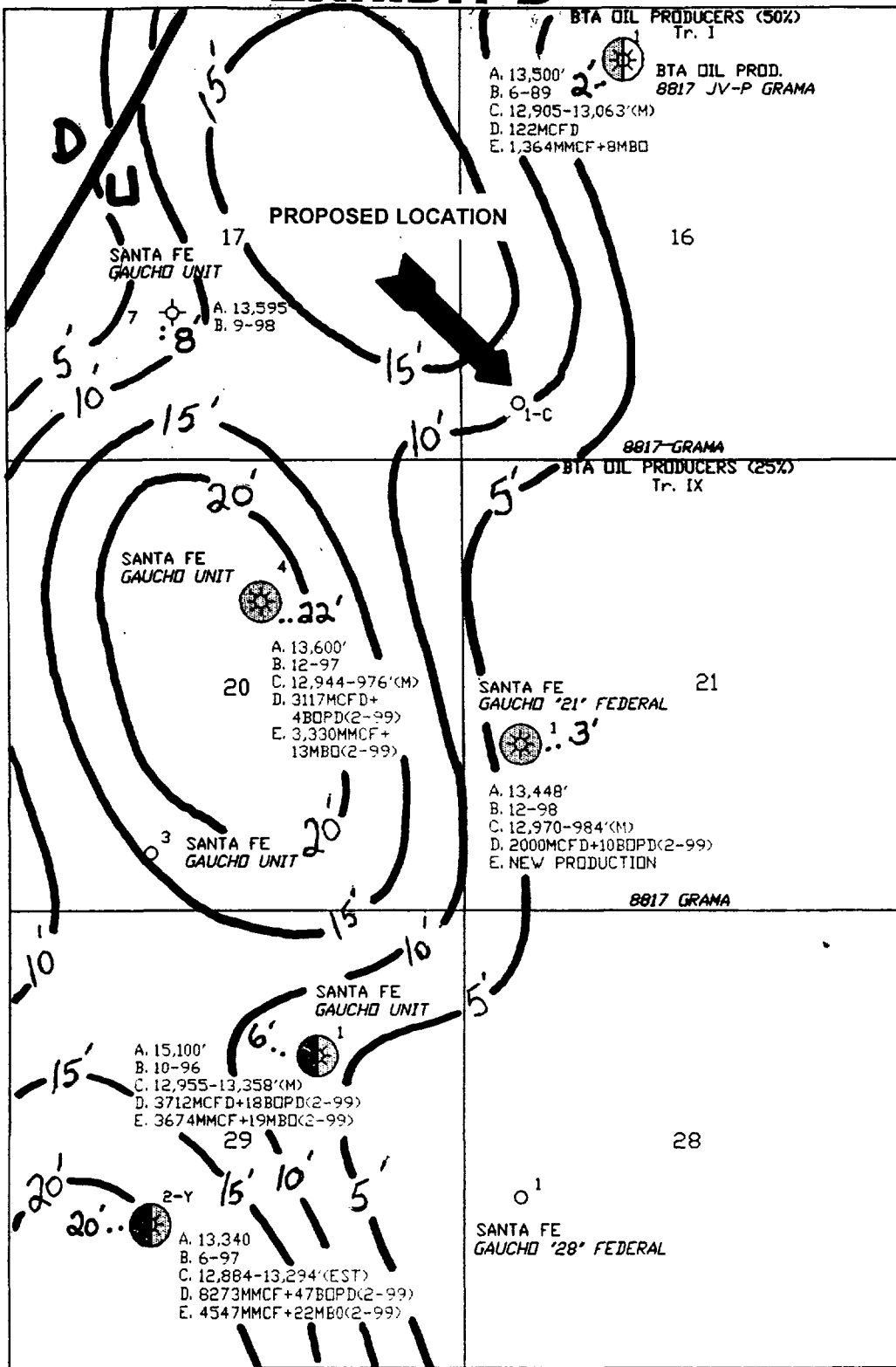
## Production Key

- Upper Morrow "Gauchó" Sand
- Middle Morrow "A" Sand
- Middle Morrow "C" Sand

**BTA Oil Producers**  
**8817 JV-P Grama "C" # 1**  
**Structure Map**  
**Top Morrow Clastics**  
 C.I. = 100 Feet






# EXHIBIT B

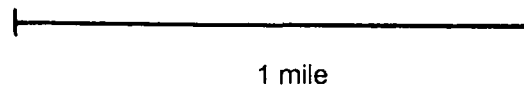


A. TOTAL DEPTH  
B. COMPLETION DATE  
C. PRODUCING PERFS  
D. DAILY RATE  
E. CUMULATIVE PROD.

## Production Key

-  Upper Morrow "Gaucho" Sand
-  Middle Morrow "A" Sand
-  Middle Morrow "C" Sand

**BTA Oil Producers**  
**8817 JV-P Grama "C" # 1**  
**Net Isopach Map**  
**Upper Morrow "Gaucho Sand"**  
 Net Pay = x-plot porosity ≥ 8% (LM MTX)  
 C.I. = 5 Feet



<p>Standing Machine Unit TD 4300</p> <p>State</p>	<p>Evans Shimrock 0A1-19 50</p> <p>State</p>	<p>Ums-Stone (Stone) 0A1-19 50</p> <p>State</p>	<p>Pecos River Sper. E-2659</p> <p>State</p>	<p>Getty-St 0A1-19 50</p> <p>State</p>	<p>Five 30's OEG HBP LG 989</p> <p>State</p>
<p>TOCO, LLC (C.W. Trainer) 14004</p> <p>U.S.</p>	<p>C.W. Trainer HBP 14004</p> <p>U.S.</p>	<p>CoEnergy HBP 058678</p> <p>U.S.</p>	<p>Chaparral Ener. HBC 058678</p> <p>U.S.</p>	<p>Sohn Ener LG 1207 HBC WV2</p> <p>U.S.</p>	<p>Burgundy Oe.G LG-1207</p> <p>U.S.</p>
<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>
<p>C.W. Trainer HBP 12440</p> <p>U.S.</p>	<p>Yates Pet. et al 4-330 52 52</p> <p>U.S.</p>	<p>Enron Ogema 1011570</p> <p>U.S.</p>	<p>(Superior) Pecos River Oper. 033312</p> <p>U.S.</p>	<p>Amerado HBC 1011570</p> <p>U.S.</p>	<p>Sunterra 2/3 Gri Westn Onshore LG-1018</p> <p>U.S.</p>
<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>
<p>Santa Fe Ener. 12-1-91 98250</p> <p>U.S.</p>	<p>Santa Fe Ener. 51701 120 02</p> <p>U.S.</p>	<p>BTA 1288</p> <p>U.S.</p>	<p>Yates Pet. et al 11-1-2003 V 5421 10209</p> <p>U.S.</p>	<p>BTA 1288</p> <p>U.S.</p>	<p>Yates Pet. et al 11-1-2003 V 5421 10209</p> <p>U.S.</p>
<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>
<p>Santa Fe Ener. 12-1-91 98250</p> <p>U.S.</p>	<p>Santa Fe Ener. 12131 1011570</p> <p>U.S.</p>	<p>Santa Fe Ener. 98247</p> <p>U.S.</p>	<p>Hunt Oil HBP 43563</p> <p>U.S.</p>	<p>McKnight &amp; Brunson Jacque Ann 03861 DMS 2-12</p> <p>U.S.</p>	<p>BTA Chisso 0711 JV-P</p> <p>U.S.</p>
<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>
<p>Santa Fe Ener. 12-1-91 65956</p> <p>U.S.</p>	<p>Santa Fe Ener. 65956</p> <p>U.S.</p>	<p>Santa Fe Ener. 16050</p> <p>U.S.</p>	<p>Santa Fe Ener. J 44623 21000</p> <p>U.S.</p>	<p>BTA HBP 43564</p> <p>U.S.</p>	<p>Phillips HBP E-19321</p> <p>U.S.</p>
<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>
<p>CONOCO (OPER) BELL LAKE UNIT</p> <p>U.S.</p>	<p>Continental HBU E-6434</p> <p>U.S.</p>	<p>Santa Fe Ener. 6-1-2008 100864 315 02</p> <p>U.S.</p>	<p>Amoco HBP 19143</p> <p>U.S.</p>	<p>Amoco HBP 19143</p> <p>U.S.</p>	<p>Yates Pet. et al VA 499 12 02</p> <p>U.S.</p>
<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>
<p>CONOCO (OPER) BELL LAKE UNIT</p> <p>U.S.</p>	<p>Continental HBU E-6434</p> <p>U.S.</p>	<p>Santa Fe Ener. 6-1-2008 100864 315 02</p> <p>U.S.</p>	<p>Amoco HBP 19143</p> <p>U.S.</p>	<p>Amoco HBP 19143</p> <p>U.S.</p>	<p>Yates Pet. et al VA 499 12 02</p> <p>U.S.</p>
<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>
<p>CONOCO (OPER) BELL LAKE UNIT</p> <p>U.S.</p>	<p>Continental HBU E-6434</p> <p>U.S.</p>	<p>Santa Fe Ener. 6-1-2008 100864 315 02</p> <p>U.S.</p>	<p>Amoco HBP 19143</p> <p>U.S.</p>	<p>Amoco HBP 19143</p> <p>U.S.</p>	<p>Yates Pet. et al VA 499 12 02</p> <p>U.S.</p>
<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>

BTA OIL PRODUCERS  
8817 JV-P GRAMA "C" # 1  
SL 660' FSL & 660' FWL  
SEC. 16, T-22S, R-34E  
LEA COUNTY, NEW MEXICO  
GRAMA RIDGE (MORROW)

# BTA OIL PRODUCERS

## OFFSET OPERATOR LIST

Application for Administrative Approval  
Unorthodox Well Location  
Grama – C-, 8817 JV-P, #1  
660' FSL & 660' FWL  
Sec. 16, T22S, R34E  
Lea County, NM

Santa Fe Energy Resources, Inc.  
550 W. Texas, Suite 1330  
Midland, TX 79701  
Attention: Steven J. Smith

<b>Is your RETURN ADDRESS completed on the reverse side?</b>	<b>SENDER:</b> <ul style="list-style-type: none"><li>■ Complete items 1 and/or 2 for additional services.</li><li>■ Complete items 3, 4a, and 4b.</li><li>■ Print your name and address on the reverse of this form so that we can return this card to you.</li><li>■ Attach this form to the front of the mailpiece, or on the back if space does not permit.</li><li>■ Write "Return Receipt Requested" on the mailpiece below the article number.</li><li>■ The Return Receipt will show to whom the article was delivered and the date delivered.</li></ul>		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
	3. Article Addressed to:  Santa Fe Energy Resources, Inc. 550 W. Texas, Suite 1330 Midland, TX 79701		4a. Article Number P 268 426 351	
	5. Received By: (Print Name) <i>M. Chase</i>		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
	6. Signature: (Addressee or Agent) <i>X [Signature]</i>		7. Date of Delivery <i>4-8-99</i>	
		8. Addressee's Address (Only if requested and fee is paid)		

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.




## BTA OIL PRODUCERS

Application for Administrative Approval  
Unorthodox Well Location  
Grama -C-, 8817 JV-P, #1  
660' FSL & 660' FWL  
Sec. 16, T22S, R34E  
Lea County, NM

NEW MEXICO STATE LAND OFFICE  
Commissioner of Public Lands  
310 Old Santa Fe Trail  
Santa Fe, NM 87504-1148

I hereby certify that a complete copy of BTA's application was mailed by certified mail on this day 15<sup>th</sup> day of April, 1999 to the above listed,  
COMMISSIONER OF PUBLIC LANDS.

Signed:

  
DOROTHY HOUGHTON