

<b>Well Name:</b> NORTH RIDGE 8040 FEDERAL COM	<b>Well Location:</b> T22S / R34E / SEC 35 / NENW / 32.354048 / -103.444141	<b>County or Parish/State:</b> LEA / NM
<b>Well Number:</b> 5H	<b>Type of Well:</b> OIL WELL	<b>Allottee or Tribe Name:</b>
<b>Lease Number:</b> NMNM023768, NMNM23768	<b>Unit or CA Name:</b>	<b>Unit or CA Number:</b>
<b>US Well Number:</b> 3002547000	<b>Well Status:</b> Approved Application for Permit to Drill	<b>Operator:</b> BTA OIL PRODUCERS LLC

**Notice of Intent**

**Type of Submission:** Notice of Intent

**Type of Action:** Other

**Date Sundry Submitted:** 07/14/2021

**Time Sundry Submitted:** 01:25

**Date proposed operation will begin:** 07/13/2021

**Procedure Description:** BTA OIL PRODUCERS LLC RESPECTFULLY REQUESTS THE FOLLOWING CASING & CEMENT CHANGES TO THE ORIGINAL APD AS APPROVED. PLEASE SEE ATTACHED DOCUMENT FOR MORE DETAILS.

**Surface Disturbance**

**Is any additional surface disturbance proposed?:** No

**NOI Attachments**

**Procedure Description**

North\_Ridge\_8040\_Federal\_Com\_5H\_Sundry\_7\_14\_2021\_20210714132217.pdf

**Conditions of Approval**

**Additional Reviews**

NORTH\_RIDGE\_8040\_FEDERAL\_COM\_5H\_Drilling\_2507792\_COA\_OTA\_20210721011924.pdf

**Well Name:** NORTH RIDGE 8040  
FEDERAL COM

**Well Location:** T22S / R34E / SEC 35 /  
NENW / 32.354048 / -103.444141

**County or Parish/State:** LEA /  
NM

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NMNM23768

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**US Well Number:** 3002547000

**Well Status:** Approved Application for  
Permit to Drill

**Operator:** BTA OIL  
PRODUCERS LLC

**Operator Certification**

*I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.*

**Operator Electronic Signature:** SAMMY HAJAR

**Signed on:** JUL 14, 2021 01:20 PM

**Name:** BTA OIL PRODUCERS LLC

**Title:** Regulatory Analyst

**Street Address:** 104 S. Pecos

**City:** Midland

**State:** TX

**Phone:** (432) 682-3753

**Email address:** shajar@btaoil.com

**Field Representative**

**Representative Name:**

**Street Address:**

**City:**

**State:**

**Zip:**

**Phone:**

**Email address:**

**BLM Point of Contact**

**BLM POC Name:** CHRISTOPHER WALLS

**BLM POC Title:** Petroleum Engineer

**BLM POC Phone:** 5752342234

**BLM POC Email Address:** cwalls@blm.gov

**Disposition:** Approved

**Disposition Date:** 08/05/2021

**Signature:** Chris Walls

BTA OIL PRODUCERS LLC RESPECTFULLY REQUEST THE FOLLOWING CHANGES TO THE ORIGINAL PERMIT AS APPROVED.

**Casing:**

**Original**

-Intermediate  
9-5/8" 40# J-55 @ 5590' in an 12-1/4" hole

**Proposed Change**

-Intermediate  
9-5/8" 40# J-55 @ 5620' in an 12-1/4" hole w/ DV Tool @ 4116' (4100' TVD)

**Cement:**

**Original:**

-Intermediate Cement	
Lead:	1485 sx 100% Class C 12.8 ppg, 2.46 ft3/sx
Tail:	200 sx 100% Class C 14.8 ppg, 1.34 ft3/sx

**Proposed Change:**

DV Tool @ 4116' MD (4100' TVD)

-Intermediate Cement	
Stg 1 Lead:	1275 sx 35:65 Class C 12.8 ppg, 2.46 ft3/sx
Stg 1 Tail:	200 sx 100% Class C 14.8 ppg, 1.34 ft3/sx
Stg 2 Lead:	1040 sx 35:65 Class C 12.8 ppg, 2.46 ft3/sx
Stg 2 Tail:	200 sx 100% Class C 14.8 ppg, 1.34 ft3/sx

## PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

<b>OPERATOR'S NAME:</b>	<b>BTA Oil Producers LLC</b>
<b>LEASE NO.:</b>	<b>NMNM023768</b>
<b>WELL NAME &amp; NO.:</b>	<b>NORTH RIDGE 8040 FEDERAL COM 5H</b>
<b>SURFACE HOLE FOOTAGE:</b>	<b>500'/N &amp; 1620'/W</b>
<b>BOTTOM HOLE FOOTAGE:</b>	<b>2600'/N &amp; 700'/W</b>
<b>LOCATION:</b>	<b>Section 35, T.22 S., R.34 E., NMPM</b>
<b>COUNTY:</b>	<b>Lea County, New Mexico</b>

COA

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

**All Previous COAs Still Apply.**

### A. CASING

**Casing Design:**

1. The **13-3/8** inch surface casing shall be set at approximately **1,775** feet (a minimum of **25 feet (Lea County)** into the Rustler Anhydrite and above the salt) and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
  - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
  - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength,

whichever is greater.

- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

**Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.**

2. The **9-5/8** inch intermediate casing shall be set at approximately **5,620** feet. The minimum required fill of cement behind the **9-5/8** inch intermediate casing is:

**Option 1 (Single Stage):**

- Cement to surface. If cement does not circulate see B.1.a, c-d above.  
**Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.**

**Option 2:**

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
  - b. Second stage above DV tool:
    - Cement to surface. If cement does not circulate, contact the appropriate BLM office.  
**Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.**
- ❖ In Capitan Reef Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- ❖ **Special Capitan Reef requirements.** If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following:  
**(Use this for 3 string wells in the Capitan Reef, if 4 string well ensure FW based mud used across the capitan interval)**
- Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.

- Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports. The daily drilling report should show mud volume per shift/tour. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.
3. The minimum required fill of cement behind the **5-1/2** inch production casing is:
- Cement should tie-back at least **50 feet** on top of Capitan Reef top. If cement does not circulate see B.1.a, c-d above.  
**Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.**

## **B. PRESSURE CONTROL**

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'
2. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi.
  - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
  - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
  - c. Manufacturer representative shall install the test plug for the initial BOP test.
  - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
  - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

### C. SPECIAL REQUIREMENT (S)

#### **Communitization Agreement**

- The operator will submit a Communitization Agreement to the Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

**OTA07212021**

**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**

CONDITIONS  
 Action 40708

**CONDITIONS**

Operator: BTA OIL PRODUCERS, LLC 104 S Pecos Midland, TX 79701	OGRID: 260297
	Action Number: 40708
	Action Type: [C-103] NOI Change of Plans (C-103A)

**CONDITIONS**

Created By	Condition	Condition Date
pkautz	None	9/21/2021