| District 1 1625 N. French Dr., Hobbs, NM 88240 | State of New Mexico | Form C-101 |
|---|--|-----------------------|
| Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u> 811 S. First St., Artesia, NM 88210 | Energy Minerals and Natural Re | Revised July 18, 2013 |
| 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 | Oil Conservation Division 1220 South St. Francis Dr | |
| District IY 1220 S. St. Francia Dr., Santa Fo, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 | Santa Fe, NM 87505 | FEB 06 2019 |
| | | |

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

| Operator Name and Address BTA OIL PRODUCERS, LLC | | | | | | | | | | |
|---|---|-----------------|--------------|------------------|----------------------|---------------|------------------|--|--------------------|--|
| | | | | , - | | | | ^{3.} API Number 30-015-38999 | | |
| * Prop 30 | * Property Code 305316 \$808 JV-P PARDUE C | | | | | | | | ell No. 5 | |
| | | | | ^{7.} Su | rface Location | 1 | | | | |
| UL - Lot | Section | Township | Range | Lot Idn | Feet from | N/S Line | Feet From | E/W Line | County | |
| L | L 11 23S 28E 1520 S 330 W EDDY Proposed Bottom Hole Location | | | | | | | | | |
| UL - Lot M | Section 11 | Township 23S | Rangc 28E | Lot Idn | Feet from 1,141.5 | N/S Line S | Feet From 365 | E/W Line W | County EDDY | |
| | | | | - | ol Informatio | | | • | | |
| | Louing Cherry CANyon | | | | | | | | Pool Code 40300 | |
| | | | | , | al Weli Inforn | | | | | |
| | | | | | | | | und Level Elevation 2989 | | |

| ¹⁶ Multiple N | ^{17,} Proposed Depth 4150 | ¹⁸ Formation DELAWARE (CHERRY CANYON) | ^{19.} Contractor | ²⁰ Spud Date |
|-----------------------------|---------------------------------------|---|---------------------------|-------------------------|
| Depth to Ground water | Distance from | n nearest fresh water well | Distance to n | earest surface water |

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

1

^{21.} Proposed Casing and Cement Program

| Туре | Hole Size | Casing Size | Casing Weight/ft | Sctting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| SURF | 17.5 | 13.375 | 54.5 | 476 | 615 | 0 |
| INT | 11 | 8.625 | 32 | 2549 | 738 | 0 |
| PROD | 7.875 | 5.5 | 17 | 4150 | 1000 | 0 |

* Proposed Blowout Prevention Program Type Working Pressure Test Pressure Manufacturer DOUBLE RAM 3000 1000 1000

| ^{23.} I hereby certify that the information gibest of my knowledge and belief. | | OIL CONSERVATION DIVISION | | | | |
|---|---|---------------------------------|-------------------------|--|--|--|
| I further certify that I have complied v 19.15.14.9 (B) NMAC , if applicable Signature: | with 19.15.14.9 (A) NMAC 🗌 and/or e. | Approved By: | Didang | | | |
| Printed name: KATY REDDELL | | Title: Geologist | 0 | | | |
| Title: REGULATORY ANALYST | | Approved Date: 2-6-19 | Expiration Date: 2-6-21 | | | |
| E-mail Address: kreddell@btaoil.com | · ······ | | | | | |
| Date: 1/31/2019 | Phone: 432-682-3753 | Conditions of Approval Attached | | | | |

NM OIL CONSERVATION ARTESIA DISTRICT

DISTRICT J 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 DISTRICT II 811 S. Fint St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (375) 748-9720 DISTRICT III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 314-6178 Fax: (305) 334-6170 DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3405 Eax: (503) 476-3462

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

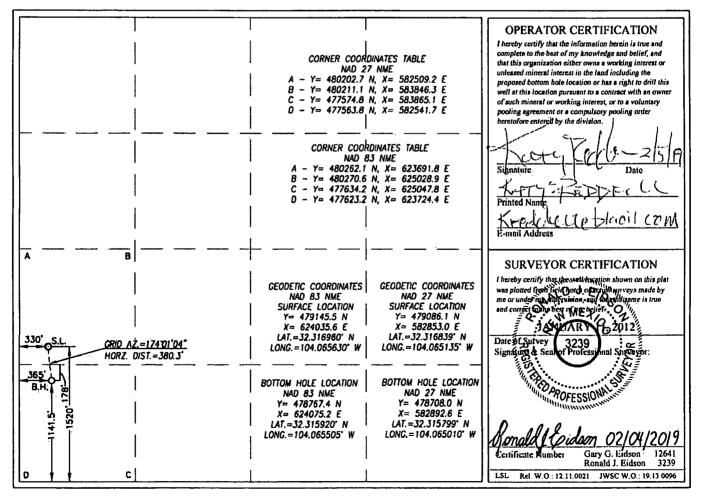
FEB 0.6 2019 Form C-102 Revised August 1, 2011 RECEIVED District Office

DAMENDED REPORT

| | | WEL. | L LOCA | TION A | ND ACREA | AGE DEDICA | ATION PLA | 1 | |
|----------------|--|----------|---------------|------------------|---------------------|--------------------|---------------|------------------|---------|
| | PI Number | | 41 | Pool Code 300 | | herry CA | my CANYon, | | |
| Property Name. | | | | | | 7 -1 | wing Cr | cll Number | |
| | 305316 0000 J V - P PARDUE C OGRID No. Operator Name | | | | | | | Elevation | |
| 26029 | 260297 BTA OIL PRODUCERS | | | | | | | 2989' | |
| | | | | | Surface Locat | ion | | | |
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| L | 11 | 23-8 | 2 8- E | | 1520 | SOUTH | 330 | WEST | EDDY |
| | | | | Bottom Hol | e Location If Diffe | erent From Surface | 1 | | · |
| LIL or lot No | Section | Tourship | Papas | L et Ide | Fast from the | Month/South line | Feet from the | East Allast Line | Country |

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------|----------|----------|----------------|---------|---------------|------------------|---------------|----------------|--------|
| М | 11 | 23-S | 28-E | | 1141.5 | SOUTH | 365 | WEST | EDDY |
| Dedicated Acres | Joint or | Infill C | onsolidation C | ode Ord | ler 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



Rul 2-6-19

| RECEIVED: | REVIEWER: | TYPE: | APP NO: | |
|--|---|--|--|---|
| L | | | | |
| | - Geologi | ical & Engineerin | g Bureau – | |
| | | rancis Drive, Sant | a re, NM 8/505 | |
| · · · · · | THIS CHECKLIST IS MANDATORY FOR | ATIVE APPLICATION | ATIONS FOR EXCEPTIONS T | O DIVISION RULES AND |
| Applicant: I | REGULATIONS WHICH R BTA OIL PRODUCERS, LLC | | | FE ID Number: <u>260297</u> |
| | 8808 JV-P PARDUE C #5 | | API: 3 | 80-015-38999 |
| Pool: | | | Pool | Code: |
| SUBMIT AC | CURATE AND COMPLETE IN | IFORMATION REQU | | THE TYPE OF APPLICATION |
| | APPLICATION: Check those ation Spacing Unit – Simu NSL INSP | | on | SD |
| [1] (| ck one only for [1] or [1] Commingling – Storage – N DHC CTB Injection – Disposal – Press WFX PMX C | PLC PC C sure Increase – Enh | DLS OLM anced Oil Recove FOR PPR | |
| A. 🗹 O B. 🗌 R C. 🗌 A D. 🗌 N E. 🗌 N | TION REQUIRED TO: Check offset operators or lease ho oyalty, overriding royalty of pplication requires publish lotification and/or concur lotification and/or concur urface owner | olders owners, revenue ov ned notice rent approval by S | wners | FOR OCD ONLY Notice Complete Application Content Complete |
| G. | or all of the above, proof lo notice required | of notification or p | ublication is attac | hed, and/or, |
| administro understar | ATION: I hereby certify that ative approval is accurate and that no action will be to ons are submitted to the D | and complete to aken on this applic | the best of my kn | owledge. I also |
| | Note: Statement must be comp | eleted by an Individual wi | h manageriai and/or su | pervisory capacity. |
| | | | 1/31/2019 | |
| KATY REDDE | .L | | Date | |
| Print or Type N | ame | | 432-682-3753 | |
| | ->11. | | Phone Numbe | ſ |
| Test | y pedar | | KREDDELL@BTA | OILCOM |

.

1 1

Signature

e-mail Address

NM OIL CONSERVATION ARTESIA DISTRICT



FEB 06 2019

RECEIVED

BTA OIL PRODUCERS, LLC 104 SOUTH PECOS STREET MIDLAND, TEXAS 79701-5021 432-682-3753

Oil Conservation Division New Mexico Department of Energy Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Application of BTA Oil Producers, LLC for administrative approval of an unorthodox well location for its 8808 JV-P Pardue C #5 well in the SW/SW/4 of Section 11, T23S; R28E, N.M.P.M., Eddy County, New Mexico.

To whom it may concern,

BTA Oil Producers, LLC (OGRID No. 260297) seeks administrative approval of an unorthodox well location for its 8808 JV-P Pardue C #5 well (API No. 30-015-38999) in the SW/SW/4 of Section 11, T23S; R28E, N.M.P.M., Eddy County, New Mexico. To be completed in the Delaware (Cherry Canyon). This horizontal well was completed in the Bone Spring where it was an orthodox location. BTA Oil Producers, LLC seeks approval to go back to Delaware (Cherry Canyon) at a depth of 4,150'. The upper most perf will be located 4,100', and the lower most perf will be located 4,120' thus making it too close to the northern lease line. Since this acreage is governed by the division's statewide rules, the completed interval now will be unorthodox because it is closer than the standard offsets to the northern boundary of the spacing unit.

Exhibit A: Well Location and Acreage Dedication Plat (form C-102).

Exhibit B: A land plat for Section 11, T23S; R28E showing BTA Oil Producers, LLC as 100% owner of both 40 Acre tracts. Therefore there is not a need to notify anyone as BTA Oil Producers, LLC's ownership is 100%.

Exhibit C: Permit to drill application C-101 for the re-completion.

Exhibit D: Administrative Application Checklist.

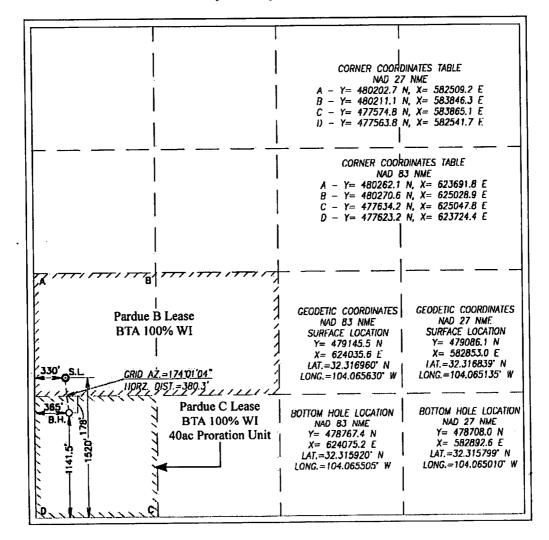
Respectfully,

Katy Reddell | BTA Oil Producers, LLC



EXHIBIT - 1 NON-STANDARD LOCATION PLAT 8808 JV-P Pardue 'C' #5

SHL: 1520'FSL & 330'FWL Top Proposed Interval: 1141.5'FSL & 365'FWL Cherry Canyon Completion Sec. 11, T23S-R28E API: 30-015-3899 Eddy County, New Mexico



I hereby state that this map is an accurate representation and that it is true and correct to the best of my knowledge.

Jose Baltier 02/05/2019

Jose Baltier, BTA Oil Producers, LLC