

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

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

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

WELL API NO.

30-015-34749

Indicate Type of Lease

STATE ☒ FEE ☐

State Oil & Gas Lease No.

NMNMI14969

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:

OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER ☐

b. Type of Completion:

NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF.
WELL OVER BACK RESVR. ☐ OTHER ☐

2. Name of Operator

BTA Oil Producers 003002

3. Address of Operator

104 S. Pecos, Midland, TX 79701

4. Well Location

Unit Letter K : 1980 Feet From The south Line and 2080 Feet From The west Line

Section 18 Township 26S Range 27E NMPM Eddy County

10. Date Spudded

05/11/06

11. Date T.D. Reached

05/25/06

12. Date Compl. (Ready to Prod.)

07/13/06

13. Elevations (DF & RKB, RT, GR, etc.)

3321' GL

14. Elev. Casinghead

15. Total Depth

5900' MD

16. Plug Back T.D.

5807' MD

17. If Multiple Compl. How Many Zones? ----

18. Intervals Drilled By

Rotary Tools

X

Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name

4,062 - 4,072'

20. Was Directional Survey Made

Yes

21. Type Electric and Other Logs Run

Array Ind/GR, 3D LD CN/GR

22. Was Well Cored

No

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	54.5	358'	17-1/2"	425 sx Circ	
8-5/8"	24	1899'	11"	1040 sx Circ	
5-1/2"	17	5900'	7-7/8"	996 sx TOC 1200'	

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	4080'	4000'

26. Perforation record (interval, size, and number)

4062 - 4072' 2 JSPF

4765 - 4784' 2 JSPF RBP @ 4500'

5520-27', 5531-40', 5546-57', 5581-87', 5600-04' 2 JSPF

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
4062 - 4072'	A/3000 gal F w/571 bbls gel wtr + 13 tons sd
4765 - 4784'	A/1500 gal F w/1667 bbls brine wtr + 3 tons sd
5520 - 5604'	A/1000 gal F w/1680 bbls brine wtr + 4 tons sd

28. PRODUCTION

Date First Production	Production Method (Flowing, gas lift, pumping - Size and type pump)				Well Status (Prod. or Shut-in)		
07/13/06	Flowing				Shut In		
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
07/16/2006	24	---		200	400	640	2000
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)	
---	---		200	400	640	39.6	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Test Witnessed By
J. Shirley

SI WO PL

30. List Attachments

Deviation Report, 1 set logs

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature

Printed
Name

Pam Inskeep

Title Regulatory Administrator Date 09/01/2006

OPERATOR BTA Oil Producers
WELL/LEASE 20504 JV-P Owl #1
COUNTY Eddy Co., N.M.

054-0070

STATE OF NEW MEXICO
DEVIATION REPORT

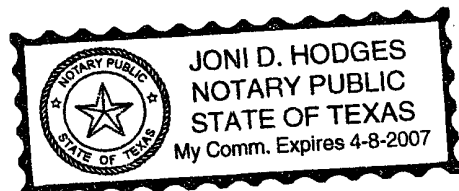
331	0.25	2,230	1.25
594	1.25	2,356	1.50
717	1.75	2,482	1.25
838	2.00	2,608	1.00
930	2.00	2,735	0.25
1,097	1.25	2,987	0.50
1,147	0.75	3,240	0.50
1,397	3.00	3,490	0.25
1,460	2.25	3,772	0.25
1,588	2.00	4,025	0.75
1,712	2.75	4,246	0.75
1,778	3.50	4,496	0.50
1,840	3.25	4,748	1.00
1,876	3.25	4,999	1.00
1,948	2.50	5,502	1.25
2,116	2.25	5,900	1.25

BY: Steve Moore

STATE OF TEXAS
COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on
June 6, 2006, by Steve
Moore on behalf of Patterson-UTI Drilling Company LP, LLLP.

Joni D. Hodges
Notary Public for Midland County, Texas
My Commission Expires: 4/08/07



Schlumberger

TESTING SERVICES REPORT

Report Number

11001204

Test Date

19-May-06

Report Date

19-May-06

BTA Oil Producers

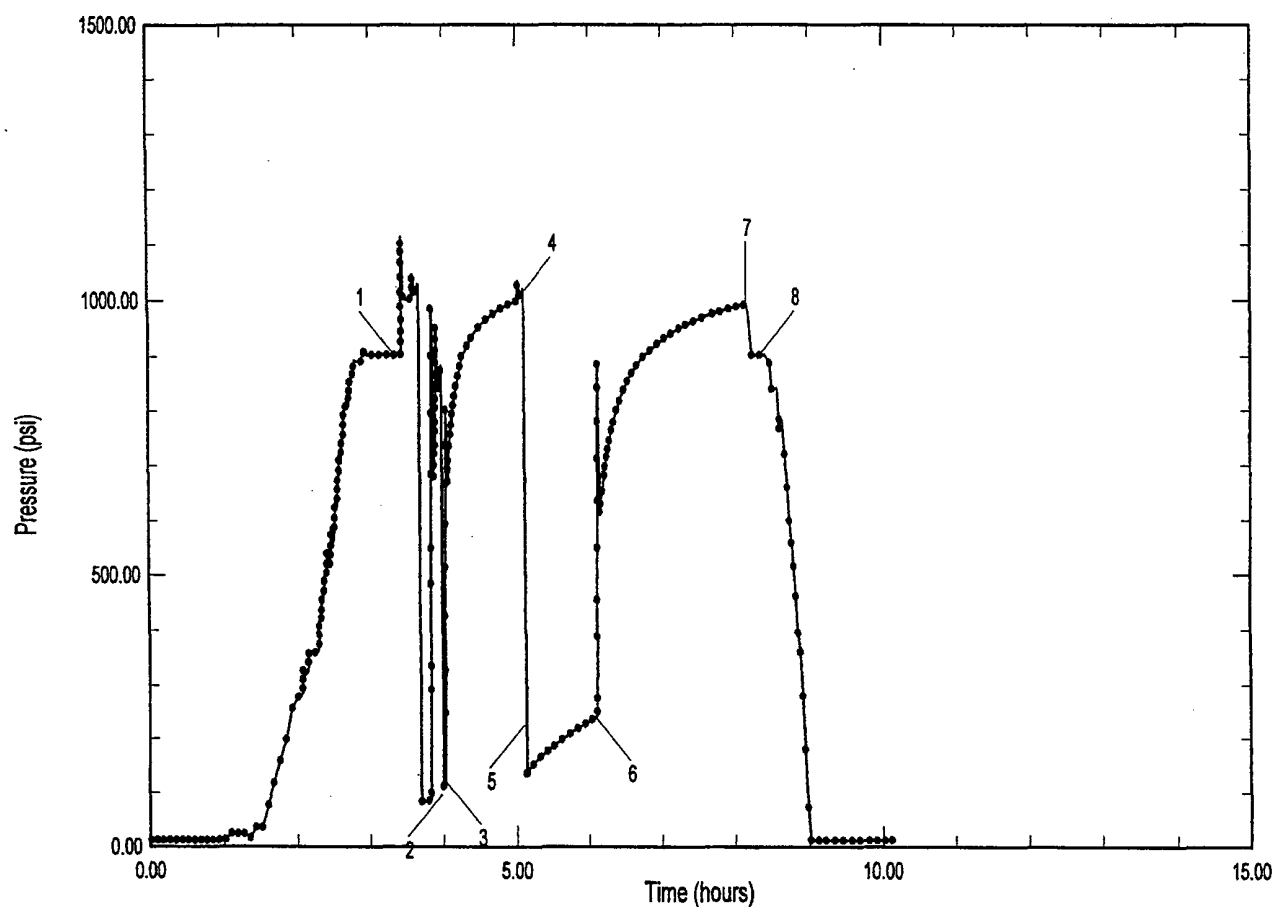
On-Bottom Drillstem Test

Owl JVP - 1

Wildcat

Rig : Patterson 54

Eddy - New Mexico

**Report Contents**

Job Summary, Comments Page, Sequence of Events, Label Point Information, Plots, Summary Data Printout, Distribution

Schlumberger Testing Services

Schlumberger Private

Schlumberger

Job Summary
BTA Oil Producers
On-Bottom Drillstem Test

Owl JVP 1
 Wildcat

Service Order Number : 11001204

Test Date : 19-May-06

Company Rep Wayne Osborn		SWS Rep Kirk Beasley	
Test Information			
Test Number One		Formation Ramsey Sand	
		Interval (MD ft) 2,026 - 2,117	
Well Location			
Well..... Owl JVP 1		Rig..... Patterson 54	
Field..... Wildcat		State Eddy - New Mexico	
Wellbore Configuration			
Total Depth (MD/TVD ft) 2117		Cushion..... None	
Casing / Liner ID (in) 8.625		Wellbore Radius (ft) 7.875	
Top of Liner (md- ft)		Mud Weight (lb/gal) 8.5	
		Mud Type Water	
		Chlorides/Res..... 5000/693 @ 75	
Test String Configuration			
Pipe Length (ft) / ID (in) 1313		Gauge Depth (MD) 2048	
Pipe Length (ft) / ID (in)		Gauge Depth (TVD) 2048	
Drill Collar Length (ft) / ID (in) 674		Test Valve Type MultiFlow Evaluator	
Packer Depths (ft MD) 2021 / 2026		Test Valve Depth (ft) (MD) 2000	
Key Information			
Initial Hydrostatic Pressure 903		Final Shut In Pressure 993	
Init. Hyd Grad & Density 0.441 psi/ft / 8.48 lb/gal		Final Shut In Grad & Density 0.485 psi/ft / 9.32 lb/gal	
Final Hydrostatic Pressure 903		Final Flowing Pressure 239	
Final Hyd Grad & Density 0.441 psi/ft / 8.48 lb/gal		Final Flow Rate ()	
Bottom Hole Temp..... 83		Productivity Index ()	
<p>An openhole formation evaluation test was performed on the Ramsey Sand. DST #1 was an on-bottom conventional test that isolated 47' of pay between the lower packer @ 2026' and TD @ 2117'. There were no drillpipe leaks, the annulus remained constant, and the interval was completely isolated during both the flows and the shutins. The surface valves were closed during the flow periods and the bubble hose was used as the surface choke. The maximum surface pressure of 19 ounces was obtained during the first flow period. There was no gas to surface. We had to recycle the tool to obtain the initial shutin. The downhole shutin pressure was actually 90 PSI above the hydrostatic mud pressure. The recovery was 3' of oil & gas cut drill water and 554' of gas cut drill water. Please direct any questions concerning this test to the Hobbs Testing District @ 505/393-4107. Thank you for choosing Schlumberger.</p>			
Schlumberger Crew			
Kirk Beasley			
Schlumberger Private			

Schlumberger

Sample Chamber Data
BTA Oil Producers
On-Bottom Drillstem Test

Owl JVP 1

11001204

Wildcat

19-May-06

Sample Chamber Capacity (cc) 2500

Measured Fluid Recovery

		<u>Temp (F)</u>	<u>Press (psia)</u>
Oil (cc)	API Gravity	84	165.0
Water (cc)	Res. (ohms)623 @ 84	84	165.0
Mud (cc) 2100	Res. (ohms) ...		
Total Liquid Recovery (cc) 2100			
Gas (ft3) 0.19		84	165.0

Corrected Sample Chamber Gas Recovery

Bottomhole Temperature (F)	83	Assumed SC Gas Gravity	0.650
Final Flowing Pressure (psia)	239	Est Z Value @ Pwf and Tres	0.962
Corrected Gas Recovery (scf)	0.229		

Sample Chamber Fluid Ratios

Sample Chamber Water Cut

GOR Using Corrected Gas Recovery

GLR Using Corrected Gas Recovery

Pipe Recovery

<u>Description</u>	<u>Recovery</u> <u>feet</u>	<u>Pipe ID</u> <u>(in)</u>	<u>Recovery</u> <u>bbl</u>	<u>Oil Density</u> <u>API</u>	<u>RES</u> <u>ohm</u>	<u>CHL</u> <u>ppm</u>
Oil & Gas Cut Drill Water	3	2.25	0.01		.623 @ 84	5k
Gas Cut Drill Water	554	2.25	2.72		.623 @ 84	5k

Schlumberger	<i>Sequence of Events</i> BTA Oil Producers On-Bottom Drillstem Test
Owl JVP 1	11001204
Wildcat	19-May-06

Date (dd-mm-yy)	Time (hh:mm:ss)	Comments
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19-May-06	1:30 Safety Meeting 1:45 Set Packer Open To 1/8" Bubble Hose Only 1:50 Opened Tool 1:51 Bottom Of The Bucket In One Minute 2:00 Ended Flow Maximum Pressure 19 ounces 2:03 Recycled Tool 2:08 Tool Open 2:11 End Flow & Start Shut-in With 10 Ounces 3:11 End Shut-in 3:16 Start Final Flow With 3" Of Immediate Blow 3:21 5" Of Blow In The Bubble Bucket 3:31 6" 3:46 7" Blow 4:16 End Flow & Start Shut-in With 6" 6:19 End Shut-in 6:20 Pulled Loose Pulled To Recovery
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PCL XL error

Subsystem: IMAGE

Error: InternalError 0x1e

Operator: BeginImage

Position: 119

Form 3160-4
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

- 1a. Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other
 b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.,
 Other _____

2. Name of Operator **BTA Oil Producers**3. Address **104 S. Pecos; Midland, TX 79701**3a. Phone No. (include area code)
432-682-3753

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface **1980' FSL & 2080' FWL NESW**

At top prod. interval reported below

At total depth

**OPERATORS - FOR WELL
COMPLETIONS SUBMIT 1
ORIGINAL AND 7 COPIES**14. Date Spudded
05/11/200615. Date T.D. Reached
05/25/200616. Date Completed **07/13/2006**
☐ D & A ☒ Ready to Prod.17. Elevations (DF, RKB, RT, GL)*
3321' GL18. Total Depth: MD **5900'**
TVD19. Plug Back T.D.: MD **5807'**
TVD20. Depth Bridge Plug Set: MD **4500'**
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

Array Ind/GR, 3D LD CN/GR22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☐ No ☒ Yes (Submit report)
Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17-1/2"	13-3/8"	54.5#	0	358'		425 sx		Surface	
11"	8-5/8"	24#	0	1899'		1040 sx		Surface	
7-7/8"	5-1/2"	17#	0	5900'		996 sx		1200'	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-7/8"	4080'	4000'	2-7/8"	---	---	---	---	---

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Brushy Canyon	4062'	4072'	5520-27'; 5531-40'; 5546-57'; 5581-87'; 5600-04'	3-1/8"	2 JSPF	
B)						
C)			4765-4784'	3-1/8"	2 JSPF	RBP @ 4500'
D)			4062-4072'	2-7/8"	2 JSPF	Producing

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
5520-5604'	A w/3000 gal. F w/571 bbls gel wtr + 13 tons sd.
4765-4784'	A w/1500 gal. F w/1667 bbls brine wtr + 3 tons sd.
4062-4072'	A w/1000 gal. F w/1680 bbls brine wtr + 4 tons sd.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
07/13/2006	07/16/2006	24	→	200	400	640	39.6	.7322	Flowing
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
---	SI 20	120 (SI)	→	200	400	640	2000	Producing	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

*(See instructions and spaces for additional data on page 2)

ACCEPTED FOR RECORD
David R. Glass
SEP 21 2006DAVID R. GLASS
PETROLEUM ENGINEER

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

WO PL

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
				Base Salt	1813
				Delaware Mountain Group	2004
				Bell Canyon	2048
				Cherry Canyon	2862
				Brushy Canyon	3956
				Bone Spring Carbonate	5642

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☒ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☒ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
☐ Core Analysis
☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Pam Inskeep

Title Regulatory Administrator

Signature

Date

09/01/2006

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.

BUREAU OF LAND MGMT

(Form 3160-4, page 2)

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

State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Reformatted July 20, 2001

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

Submit to Appropriate District Office

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address BTA OIL PRODUCERS 104 S. Pecos Midland, TX 79701		² OGRID Number 003002
⁴ API Number 30 - 015-34749		³ Reason for Filing Code/ Effective Date NW
⁵ Pool Name Wildcat (Brushy Canyon)	⁶ Pool Code	
⁷ Property Code	⁸ Property Name Owl, 20504 JV-P	⁹ Well Number 1

II. ¹⁰ Surface Location

UL or lot no. K	Section 18	Township 26	Range 27	Lot.Idn	Feet from the 1980	/South Line S	Feet from the 2080	/West line W	County Eddy
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¹¹ Bottom Hole Location

UL or lot no. K	Section 18	Township 26	Range 27	Lot Idn	Feet from the 1980	/South line S	Feet from the 2080	/West line W	County Eddy
¹² Lse Code F	¹³ Producing Method Code F	¹⁴ Gas Connection Date WO PL	¹⁵ C-129 Permit Number ---	¹⁶ C-129 Effective Date ---	¹⁷ C-129 Expiration Date ---				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
167356	Amoco P. O. Box 85828 Dallas, TX 75285		O	K, 18-T26S-R27E
20809	Southern Union 301 Commerce, Ste 700 Ft. Worth, TX 76102		G	K, 18-T26S-R27E

IV. Produced Water

²³ POD	²⁴ POD ULSTR Location and Description
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V. Well Completion Data

²⁵ Spud Date 5/11/2006	²⁶ Ready Date 7/13/2006	²⁷ TD 5900'	²⁸ PBTD 5807'	²⁹ Perforations 4062-4072'	³⁰ DHC, MC N/A
³¹ Hole Size	³² Casing & Tubing Size	³³ Depth Set	³⁴ Sacks Cement		
17-1/2"	13-3/8" 54.5#	358'	425 sx		
11"	8-5/8" 24#	1899'	1040 sx		
7-7/8"	5-1/2" 17#	5900'	996 sx		

VI. Well Test Data

³⁵ Date New Oil 7/13/2006	³⁶ Gas Delivery Date N/A	³⁷ Test Date 7/16/2006	³⁸ Test Length 24 hrs	³⁹ Tbg. Pressure ---	⁴⁰ Csg. Pressure ---
⁴¹ Choke Size ---	⁴² Oil 200	⁴³ Water 640	⁴⁴ Gas 400	⁴⁵ AOF ---	⁴⁶ Test Method F
⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Pam Inskeep</i>			OIL CONSERVATION DIVISION		
Printed name: Pam Inskeep			Approved by:		
Title: Regulatory Administrator			Title:		
Date: 09/01/2006			Approval Date:		
Phone: (432) 682-3753					