District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410

E-mail Address: pinskeep@btaoil.com

Phone: 432-682-3753

Date: 05/21/07

State of New Mexico Energy Minerals and Natural Resources

Form C-101 May 27, 2004

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe. NM 87505 Submit to appropriate District Office

AMENDED REPORT

1220 S. St. F	ancis Dr.,	Santa Fe, N	M 87505		Santa	Fe, NM 875	505		l	AMENDED REFORT			
APPL	ICATI	ON FO				ENTER, D	EEPEN	N, PLUGBA		ADD A ZONE			
			Operator Name BTA Oil P 104 S. I	roducers	ess			003002		OGRID Number			
			Midland, T			3API Number 30 - 015-23514							
Prope	Property Code Property I State JB C							Name Well No. Com 001					
Cha	Bluf	Proposed Pool 1			¹⁰ Proposed Pool 2								
Cherry 131vH; 13cm Spring South													
UL or lot no.			Range	Lot	Idn Feet fro	om the North/	South line	Feet from the	East/West li				
E	32 23S		28E		198	30	N	660 W		Eddy			
	⁸ Proposed Bottom Hole Loca												
UL or lot no.	Section	Township	Range	Lot	Idn Feet fro	om the North/	South line	Feet from the	East/West li	ine County			
			12 Well Type Co		lditional We								
	¹¹ Work Type Code PB			ode	13 Cable	e/Rotary	14	Lease Type Code	15 Ground Level Elevation 3113'				
	¹⁶ Multiple N			oth		mation Spring		19 Contractor	²⁰ Spud Date ASAP				
Depth to Grou	ındwater		50'		Distance from nearest fresh water well			Distance from nearest surface water >1000'					
<u>Pit:</u> Liner	Pit: Liner: Syntheticmils thick ClayPit Volume:bblsDrilling Method:												
Close	d-Loop Sys	stem 🔲		_				Brine Die	esel/Oil-based	l ☐ Gas/Air ☐			
	·		21	Propos	sed Casing a	nd Cement	Progra	m					
Hole S	Hole Size			Casin	g weight/foot	Setting I	Depth	Sacks of Ce	ement	Estimated TOC			
	20"		16"		65	426'		420		Surf			
14-3/4" 9-1/2"			10-3/4"		51	2444'		2850		Surf			
9-17	<u>Z</u>		7-5/8"		7 & 39	9654'		2150		3250' Temp Surv			
Describe the	blowout pr	evention parent squee	rogram, if any. Us	se addition	al sheets if necess	ary.		oresent productive z		oosed new productive zone.			
There w	ill be no pi	on locatio	n. There will be a	steel tank	on location for th	is purpose.							
best of my kr	nd belief. I to NMOC	on given above is further certify the guidelines,	at the dril	ling pit will be	OIL CONSERVATION DIVISION								
an (attached Signature:	ve OCD-ar	proved plan [].			Approved by: BRYAN G. ARRANT								
Printed name	: Pam In	skeep				Title: DISTRICT II GEOLOGIST							
Title: Regulatory Administrator						Approval Date	, JUN	0 6 2007 E	Expiration Da	JUN 0 6 2008			

Conditions of Approval Attached

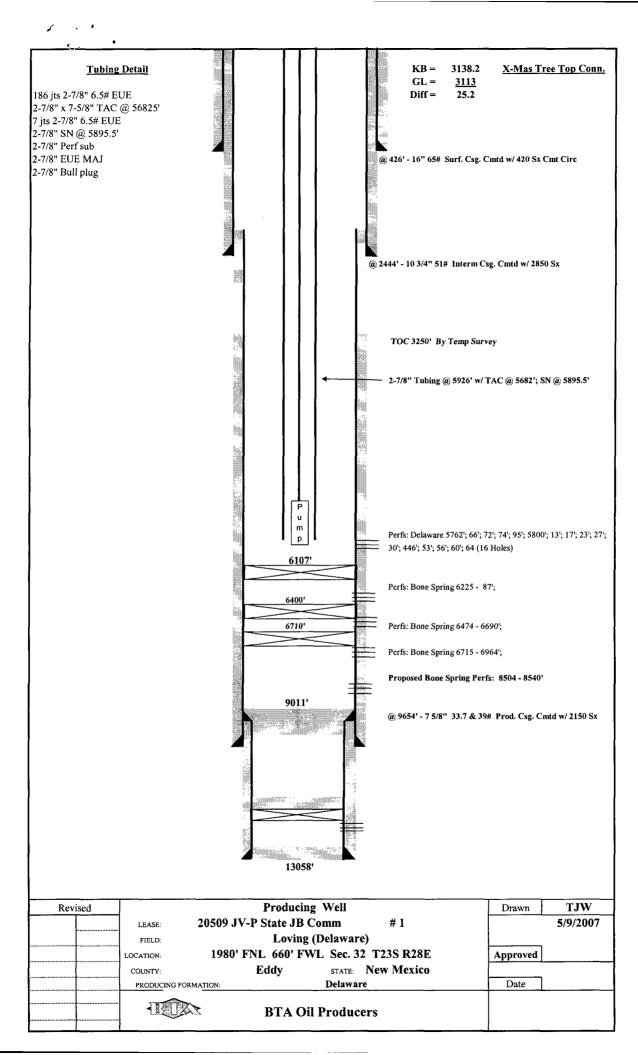
Attachment to C-101 dated 5/21/2007

BTA Oil Producers State 'JB' Com. No.1 30-015-23514

Program to Isolate Open Perfs With 4 ½" Liner & Test Bone Spring Queen Lake Interval Wildcat (Bone Spring) Field
Eddy County, New Mexico

BTA proposes to cement squeeze Brushy Canyon and Upper Bone Spring intervals, to test the Bone Spring Queen Lake interval, as follows:

- 1. MI & RU PU. POH w/rods & pmp. ND WH, NU BOP.
- 2. POH w/tbg.
- 3. RIH to 6,015'. Clean out sand and junk and drill out cmt and CIBP @ 6,173'.
- 4. Continue in hole with bit, possible CIBP at 6400'. Tag up and wash off top CIBP if it is there. POH. RIH w/impression block, tag up on CIBP, POH to confirm it is CIBP. If CIBP is present, drill it out. If CIBP is not at 6400', continue RIH.
- 5. Drill out cmt and CIBP at 6710'
- 6. Clean out to PBTD at 9011'. POH.
- 7. RU WL.. Set 7-5/8" CIBP at +/- 8950'.
- 8. Load hole with 2% KCl water.
- 9. Run 4-1/2" 11.6# N-80 LT&C csg w/cmt float equipment and centralizers to PBTD.
- 10. Cmt 4-1/2" casing in well.
- 11. Pressure test csg to 1000 psi.
- 12. Raise EOT to 8,540'. Spot 200 gallons 10% Acetic acid. POH.
- 13. RU WL. RIH w/CBL/GR/CCL. Correlate to Schlumberger CN-FD log dated 1/19/81. Report bonding to Midland Office.
- 14. Perf using 3" csg gun with 4 JSPF using premium charges at 8,504 8,540'.
- 15. Pick up pkr for 4-1/2" 11.6# csg. RIH w/pkr set at 8200'.
- 16. Break down perfs. Swab to evaluate.
- 17. Depending on results of swab test, the well will be treated with a frac job.
- 18. Release pkr and POH.
 - a) If a frac treatment is scheduled. Frac well down tubing using BJ Services with 57,000 gallons of Medallion 3000 (30#) carrying 85,000 pounds 16/30 white sand and 20,000 pounds Super LC 16/30.
- 19. Flow and swab back to evaluate.
- 20. POH w/tbg & pkr.
- 21. RIH w/2-1/2" gas anchor, set EOT 50-80' above the top perf. Run pump and rods.
- 22. Place well on production.



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

⁴ Property Code 303446

District IV

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

¹ API Number 30-015-23514

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, NM 87505

State JB Com

² Pool Code

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

⁷ OGRID No.		⁸ Operator Name								⁹ Elevation			
003002		BTA Oil Producers									3113'		
						¹⁰ Surface	Location						
UL or lot no.	Section	Township	Range	Lot	: Idn	Feet from the	Y	Feet from the	East	/West line	County		
Е	32	238				1980	N	660	W		Eddy		
						I. T 4' T.	ED:CC	- CC					
		T					f Different Fron						
UL or lot no.	Section	Township	Range	Lot	t Idn	Feet from the	North/South line	Feet from the	East/West line		County		
	L,			<u> </u>									
12 Dedicated Acre	s 13 Joint o	r Infill	14 Consolidation	Code	15 Ore	der No.					İ		
40													
division.			-				been consolidated	17 O I hereby certif	PERATO by that the inform	R CERT	TIFICATION therein is true and complete to this organization either		
								į į			interest in the land including		
. 0		1						1	*		ght to drill this well at this		
980				1				location pursi	uant to a contract	t with an owner	of such a mineral or working		
- 1								interest, or to	a voluntary pool	ing agreement	or a compulsory pooling		
								Signature	ore entered by the	vskei	05/21/2007 Date		
660								Printed Name	e				
								ll l			IFICATION stion shown on this		
								plat was p	lotted from j	field notes	of actual surveys		
								II -			sion, and that the		
								ll '			est of my belief.		
								09/27/91			or of my ooney.		
								Date of Sur	•				
								John W. We	est 676, F		•		
		i						Certificate N	umber				
I				- 1			I	II .					