Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an 5. Lease Serial No. NMNM23768

abandoned well. Use form 3160-3 (APD) for such proposals.				6. If Indian, Allottee or Tribe Name		
SUBMIT IN	7. If U	7. If Unit or CA/Agreement, Name and/or No.				
1. Type of Well		Well Name and No. NORTH RIDGE 8040 FEDERAL COM 2H				
Z Oil Well ☐ Gas Well ☐ Other 2. Name of Operator				9. API Well No.		
BTA OIL PRODUCERS LLC	n	30	30-025-46958-00-X1			
3a. Address 104 S. PECOS MIDLAND, TX 79701	hone No. (include area code) 432-682-3753	10. Fi	10. Field and Pool or Exploratory Area ANTELOPE RIDGE-BONE SPRING NC			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			11. C	11. County or Parish, State		
Sec 35 T22S R34E NENW 30 32.354595 N Lat, 103.444038		LE	LEA COUNTY, NM			
12. CHECK THE AI	PPROPRIATE BOX(ES) TO IN	IDICATE NATURE OI	F NOTICE, REPO	RT, OR OTHE	R DATA	
TYPE OF SUBMISSION	TYPE OF ACTION					
Notice of Intent ■	☐ Acidize	□ Deepen	☐ Production (Sta	ırt/Resume) [☐ Water Shut-Off	
_	☐ Alter Casing	☐ Hydraulic Fracturing	□ Reclamation	C	☐ Well Integrity	
☐ Subsequent Report	☐ Casing Repair	■ New Construction	□ Recomplete	C	Other Other	
☐ Final Abandonment Notice	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily A		Change to Original A	
	☐ Convert to Injection	☐ Plug Back	■ Water Disposal	Ĺ		
APPROVED. PLEASE SEE A	RESPECTFULLY REQUESTS T		ENT CHANGES T	O THE ORIGINA	AL APD AS	
14. I hereby certify that the foregoing is	Electronic Submission #510154	DUCERS LĹC, sent to the	Hobbs			
Name(Printed/Typed) SAMMY HAJAR		-	ATORY ANALYST			
Signature (Electronic S	Submission)	Date 04/08/20	020			
	THIS SPACE FOR FE	DERAL OR STATE	OFFICE USE			
Approved By OLABODE AJIBOLA	Δ	TitlePETROLE	JM ENGINEER		Date 04/21/2020	
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		rant or				
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a crime for	or any person knowingly and	willfully to make to an	y department or age	ncy of the United	

Revisions to Operator-Submitted EC Data for Sundry Notice #510154

Operator Submitted BLM Revised (AFMSS)

Sundry Type: OTHER **APDCH** NOI NOI

NMNM23768 Lease: NMNM23768

Agreement:

Operator: BTA OIL PRODUCERS, LLC BTA OIL PRODUCERS LLC

104 S. PECOS MIDLAND, TX 79701 104 S. PECOS MIDLAND, TX 79701 Ph: 432-682-3753 Ph: 4326823753

Admin Contact:

SAMMY HAJAR REGULATORY ANALYST E-Mail: shajar@btaoil.com SAMMY HAJAR REGULATORY ANALYST E-Mail: shajar@btaoil.com

Ph: 432-682-3753 Ph: 432-682-3753

Tech Contact: SAMMY HAJAR

SAMMY HAJAR REGULATORY ANALYST E-Mail: shajar@btaoil.com REGULATORY ANALYST E-Mail: shajar@btaoil.com

Ph: 432-682-3753 Ph: 432-682-3753

Location:

NM LEA COUNTY

State: County: NM LEA

Field/Pool: ANTELOPE RIDGE/BONE SP ANTELOPE RIDGE-BONE SPRING NOR

Well/Facility:

NORTH RIDGE 8040 FEDERAL COM 2H Sec 35 T22S R34E NENW 300FNL 1650FWL 32.354597 N Lat, 103.444042 W Lon NORTH RIDGE 8040 FEDERAL COM 2H Sec 35 T22S R34E NENW 300FNL 1650FWL 32.354595 N Lat, 103.444038 W Lon

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 @ 4156' MD (4156' TVD)

-Intermediate Cement

Stg 1 Lead: 315 sx

35:65 Class C

12.8 ppg, 1.87 ft3/sx

Stg 1 Tail: 250 sx

100% Class C

14.8 ppg, 1.33 ft3/sx

Stg 2 Lead: 1075 sx

35:65 Class C

10.5 ppg, 1.87 ft3/sx

Stg 2 Tail: 250 sx

100% Class H

14.8 ppg, 1.33 ft3/sx

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: | **BTA Oil Producers LLC**

LEASE NO.: NMNM023768

WELL NAME & NO.: North Ridge 8040 Federal Com 2H

SURFACE HOLE FOOTAGE: 300'/N & 1650'/W **BOTTOM HOLE FOOTAGE** 2600'/N & 2100'/W

LOCATION: Section 35, T.22 S., R.34 E., NMPM

COUNTY: Lea County, New Mexico

COA

H2S	O Yes	• No	
Potash	None	Secretary	© R-111-P
Cave/Karst Potential	• Low	O Medium	O High
Cave/Karst Potential	Critical		
Variance	None	• Flex Hose	Other
Wellhead	Conventional	• Multibowl	OBoth
Other	☐4 String Area		□WIPP
Other	▼ Fluid Filled	☐ Cement Squeeze	☐ Pilot Hole
Special Requirements	☐ Water Disposal	☑ COM	□ Unit

All Previous COAs Still Apply

A. CASING

Casing Design:

- 1. The 13-3/8 inch surface casing shall be set at approximately 1775 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 5590 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.
 Excess cement calculates to -50%, additional cement might be required.

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 <u>Capitan Reef Areas</u> 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.

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