Form 3160-5
(June 2015)

Rec'd 08/18/2020 - NMOCD

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 abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2

5. Lease Serial No.
NMNM15091

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
ROJO 7811 22 FEDERAL COM 32H

2. Name of Operator
BTA OIL PRODUCERS
Contact: SAMMY HAJAR
E-Mail: shajar@btaoil.com

9. API Well No.
30-025-46094-00-X1

3a. Address
104 SOUTH PECOS STREET
MIDLAND, TX 79701

3b. Phone No. (include area code)
Ph: 432-682-3753

10. Field and Pool or Exploratory Area
BOBCAT DRAW-UPR WOLFCAMP

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 22 T25S R33E SESW 380FSL 1330FWL
32.109705 N Lat, 103.564025 W Lon

11. County or Parish, State
LEA COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Change to Original APD
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

BTA OIL PRODUCERS LLC RESPECTFULLY REQUESTS THE FOLLOWING BATCH DRILLING, MUD, CASING, CEMENT, AND VARIANCE CHANGES TO THE ORIGINAL APD AS APPROVED. PLEASE SEE ATTACHED DOCUMENTS FOR MORE DETAILS.

Accepted - KMS NMOCD

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #524771 verified by the BLM Well Information System
For BTA OIL PRODUCERS, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 08/11/2020 (20PP3295SE)

Name *(Printed/Typed)* SAMMY HAJAR — Title REGULATORY ANALYST

Signature (Electronic Submission) — Date 08/10/2020

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By OLABODE AJIBOLA — Title PETROLEUM ENGINEER — Date 08/16/2020

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.

Office Hobbs

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Revisions to Operator-Submitted EC Data for Sundry Notice #524771

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	OTHER NOI	APDCH NOI
Lease:	NMNM15091	NMNM15091
Agreement:		
Operator:	BTA OIL PRODUCERS, LLC 104 S. PECOS MIDLAND, TX 79701 Ph: 432-682-3753	BTA OIL PRODUCERS 104 SOUTH PECOS STREET MIDLAND, TX 79701 Ph: 432.682.3753 Fx: 432.683.0325
Admin Contact:	SAMMY HAJAR REGULATORY ANALYST E-Mail: shajar@btaoil.com Ph: 432-682-3753	SAMMY HAJAR REGULATORY ANALYST E-Mail: shajar@btaoil.com Ph: 432-682-3753
Tech Contact:	SAMMY HAJAR REGULATORY ANALYST E-Mail: shajar@btaoil.com Ph: 432-682-3753	SAMMY HAJAR REGULATORY ANALYST E-Mail: shajar@btaoil.com Ph: 432-682-3753
Location: State: County:	 NM LEA COUNTY	 NM LEA
Field/Pool:	BOBCAT DRAW/UPPER WOLFCAM	BOBCAT DRAW-UPR WOLFCAMP
Well/Facility:	ROJO 7811 22 FEDERAL COM 32H Sec 22 T25S R33E SESW 380FSL 1330FWL 32.109830 N Lat, 103.564496 W Lon	ROJO 7811 22 FEDERAL COM 32H Sec 22 T25S R33E SESW 380FSL 1330FWL 32.109705 N Lat, 103.564025 W Lon

PECOS DISTRICT
DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	**BTA Oil Producers LLC**
LEASE NO.:	**NMNM015091**
WELL NAME & NO.:	ROJO 7811 22 FEDERAL COM 32H
SURFACE HOLE FOOTAGE:	380'/S & 1330'/W
BOTTOM HOLE FOOTAGE	50'/N & 1650'/W
LOCATION:	Section 22, T.25 S., R.33 E., NMPM
COUNTY:	Lea County, New Mexico

COA

H2S	(•) Yes	( ) No	
Potash	(•) None	( ) Secretary	( ) R-111-P
Cave/Karst Potential	(•) Low	( ) Medium	( ) High
Variance	( ) None	(•) Flex Hose	( ) Other
Wellhead	( ) Conventional	( ) Multibowl	(•) Both
Other	[ ] 4 String Area	[ ] Capitan Reef	[ ] WIPP
Other	[ ] Fluid Filled	[ ] Cement Squeeze	[ ] Pilot Hole
Special Requirements	[ ] Water Disposal	[x] COM	[ ] Unit

All Previous COAs Still Apply.

A. CASING

1. The **10-3/4** inch surface casing shall be set at approximately **850 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.

2. The minimum required fill of cement behind the **7-5/8** inch intermediate casing, which shall be set at approximately **12,258** feet is:

Option 1 (Single Stage):

- Cement to surface. If cement does not circulate see B.1.a, c-d above. **Excess cement calculates to -44%, 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.

Excess cement calculates to -5%, additional cement might be required.

b. Second stage above DV tool:

- Cement to surface. If cement does not circulate, contact the appropriate BLM office.

3. The minimum required fill of cement behind the **5 1/2 X 5** inch production casing is:

- Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

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.

Option 1:

a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.

b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be **10,000 (10M)** psi. **Variance is approved to use a 5000 (5M) Annular which shall be tested to 5000 (5M) psi.**

Option 2:

1. 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 **10,000 (10M)** psi. **Variance is approved to use a 5000 (5M) Annular which shall be tested to 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.

OTA08162020

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

BATCH DRILLING SEQUENCE OF THE 30H and 32H:

-SPUD Rojo #30H – drill 14-3/4" hole and set 10-3/4" csg
-Walk to Rojo #32H, SPUD 14-3/4" hole and set 10-3/4" csg test BOP, drill 9-7/8" hole and set 7-5/8" csg
-Walk to Rojo #30H, test BOP, drill 9-7/8" hole and set 7-5/8" csg, drill 6-3/4" hole and set 5-1/2" x 5" casing.
-Walk to Rojo #32H, test BOP, drill 6-3/4" hole and set 5-1/2" x 5" casing.
-Rig release

Mud Program 32H:

Original Permit

-Surface Section – Fresh water 8.4 ppg
-Intermediate – Brine 10.0 – 10.2 ppg
-2nd Intermediate – Cut brine 8.6 – 9.2 ppg
-Production – OBM 11.5 – 12.0 ppg

Proposed Change

-Surface Section – Fresh water 8.3 - 8.4 ppg
-Intermediate – Aphron Brine 9.0 - 9.4 ppg
-Production – OBM 11.5 – 12.0 ppg

Casing Programs

Casing Program **32H**

Original APD

-Surface
13-3/8" 54.5# J-55 STC set at 1040' in a 17-1/2" hole

-Intermediate
9-5/8" 40# J-55 @ 4925' in a 12-1/4" hole

-2nd Intermediate
7" 29# P-110 @ 12650' in a 8-3/4" hole

-Liner
4-1/2" 11.6# P-110 liner from 11981' – 17529' in a 6-1/8" hole

Proposed Change

-Surface
10-3/4" 40.5# J-55 STC set at 850' in a 14-3/4" hole

-Intermediate
9-7/8" hole from 850' to 8029' and 8-3/4" hole from 8029' – 12258'. 7-5/8" 29.7# P-110 BTC from 0 - 7700' and 7-5/8" 29.7# P-110 Stinger HC from 7700' – 12175' and DV tool at 4943'

-Production
12058' of 5-1/2" 20# P-110 BTC and 5760' of 5" 18# P-110 BTC set at 17818' (12782' TVD) in a 6-3/4" hole

Cement Programs

Rojo #32H

Original

-Surface Cement
Lead 690 sx; 1.8 cfs; 13.5 ppg; 100% Class C; 100% excess
Tail 200 sx; 1.34 cfs; 14.8 ppg; 100% Class C; 100% excess

-Intermediate Cement
Lead 1410 sx; 2.18 cfs; 12.9 ppg 100% Class C; 100% excess
Tail 250 sx; 1.33 cfs; 14.8 ppg; 100% Class C; 25% excess

-2nd Intermediate Cement

Lead 455 sx; 2.99 cfs; 10.5 ppg 100% TXL; 15% excess
Tail 200 sx; 1.19 cfs; 15.6 ppg; 100% Class H; 15% excess

-Liner Cement

Lead 310 sx; 1.86 cfs; 14.4 ppg; 25:75 Class C; 10% excess

Proposed Change

-Surface Cement

Lead 375 sx; 1.80 cfs; 13.5 ppg; 100% Class C; 100% excess
Tail 200 sx; 1.34 cfs; 14.8 ppg; 100% Class C; 100% excess

-Intermediate Cement

Stage 1 Lead 385 sx; 2.64 cfs; 10.5 ppg; 50:50 Class H; 25% excess
Stage 1 Tail 400 sx; 1.19 cfs; 15.6 ppg; 100% Class H; 25% excess
Stage 2 Lead 725 sx; 2.19 cfs; 12.7 ppg 100% Class C; 50% excess
Stage 2 Tail 150 sx; 1.33 cfs; 14.8 ppg; 100% Class C; 50% excess

-Production Cement

Tail 640 sx; 1.27 cfs; 14.8 ppg; 50% POZ 50% Class H; 10% excess

Variances:

-5M BOP on 9-7/8" hole
-10M BOP with 5M annular for 6-3/4" hole
-Wave the centralizer requirements for the 5-1/2" and 5" casing in the 6-3/4" hole size. An expansion additive will be utilized in the cement slurry for the entire length of the 6-3/4" hole interval to maximize cement bond and zonal isolation.