

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
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
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-102
Revised August 1,
2011

Submit one copy to appropriate
District Office

AMENDED REPORT
(As Drilled)

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-30141		⁴ Pool Code 98132		³ Pool Name SWD;MISS-WOOD-DEVONIAN	
⁴ Property Code 314804		⁵ Property Name CHISO SWD 8711 STATE			⁶ Well Number 1
⁷ OGRID No. 260297		⁸ Operator Name BTA Oil Producers, LLC			⁹ Elevation 3524'

¹⁰ Surface Location

UL or lot no. C	Section 14	Township 22S	Range 34E	Lot Idn	Feet from the 660	North/South line NORTH	Feet from the 1830	East/West line WEST	County LEA
--------------------	---------------	-----------------	--------------	---------	----------------------	---------------------------	-----------------------	------------------------	---------------

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

¹² Dedicated Acres 3	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order 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.

	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>
	Signature: <u>Kayla McConnell</u> Date: <u>5/11/2015</u> Printed Name: <u>Kayla McConnell, Regulatory Analyst</u> E-mail Address: <u>kmcconnell@btaoil.com</u>
	¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>
	Date of Survey _____ Signature and Seal of Professional Surveyor: _____ REFER TO ORIGINAL PLAT Certificate Number _____

MAY 14 2015

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



Administrative Order SWD-1546
April 27, 2015

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Pursuant to the provisions of Division Rule 19.15.26.8B, NMAC, BTA Oil Producers, LLC (the "operator") seeks an administrative order for its proposed 8711 Chiso SWD Well No.1 with a proposed location 660 feet from the North line and 1830 feet from the West line, Unit letter C of Section 14, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico, for produced water disposal purposes.

THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of Division Rule 19.15.26.8B, NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified and no objections have been received within the prescribed waiting period. The applicant has presented satisfactory evidence that all requirements prescribed in Rule 19.15.26.8 NMAC has been met and the operator is in compliance with Rule 19.15.5.9 NMAC.

IT IS THEREFORE ORDERED THAT:

The applicant, BTA Oil Producers, LLC (OGRID 260297) is hereby authorized to utilize its proposed 8711 Chiso SWD Well No. 1 (API No. 30-025-30141) with a proposed location 660 feet from the North line and 1830 feet from the West line, Unit letter C of Section 14, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico, for disposal of oil field produced water (UIC Class II only) through an open-hole interval within the Mississippian, Woodford, and Devonian formations from 13500 feet to 14754 feet. Injection shall occur through internally-coated tubing and a packer set a maximum of 100 feet above the top of the open-hole interval. Injection will occur through internally-coated, 2 7/8- inch or smaller tubing and a packer set within 100 feet of the open-hole interval.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the disposed water enters only the approved disposal interval and is not permitted to escape to other formations or onto the surface.

The operator shall supply the Division with a copy of a mudlog over the permitted disposal interval and an estimated insitu water salinity based on open-hole logs. If significant hydrocarbon shows occur while drilling, the operator shall notify the Division's District 1 and

the operator shall be required to receive written permission prior to commencing disposal.

The operator shall run both porosity log and resistivity log that ties into the previous geophysical logs at the minimum depth between 13,300 feet to TD.

The operator shall run a CBL (or equivalent) bottom to the liner, to ensure a good bond between the top of the liner and the 7-5/8-inch casing.

The approved injection interval includes only the Mississippian, Woodford, and Devonian formations. Prior to commencing disposal, the operator shall provide to the Division's District I office and Santa Fe Engineering Bureau office, a summary of depths (picks) based on geophysical logs of the injection interval. If the final determination of the injection interval tops does not correlate to the approved disposal interval, then the operator shall apply to amend the order for a corrected description.

Within two years after commencing disposal, the operator shall conduct an injection survey, consisting of a temperature log or equivalent, over the entire injection interval using representative disposal rates. Copies of the survey results shall be provided to the Division's District I office and Santa Fe Engineering Bureau office.

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The well shall pass an initial mechanical integrity test ("MIT") prior to initially commencing disposal and prior to resuming disposal each time the disposal packer is unseated. All MIT procedures and schedules shall follow the requirements in Division Rule 19.15.26.11A. NMAC. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well.

The wellhead injection pressure on the well shall be limited to **no more than 2700 psi**. In addition, the disposal well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the disposed fluid from the target formation. Such proper showing shall be demonstrated by sufficient evidence including but not limited to an acceptable Step-Rate Test.

The operator shall notify the supervisor of the Division's District I office of the date and time of the installation of disposal equipment and of any MIT so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of disposal to the Division's District office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Division Rules 19.15.26.13 and