

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED  
OMB No. 1004-0135  
Expires: January 31, 2004

**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 reverse side**

Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
Name of Operator BTA Oil Producers	
a. Address 104 S. Pecos, Midland, TX 79701	3b. Phone No. (include area code) (432) 682-3753
Location of Well (Footage, Sec., T, R., M., or Survey Description) Sec. 9, T22S, R34E NWNE 1045' FNL & 1273' FWL 660' N E 1980' E	

5. Lease Serial No. NMNM82799
6. If Indian, Allottee or Tribe Name ---
7. If Unit or CA/Agreement, Name and/or No. ---
8. Well Name and No. Grama Ridge Fed., 8817 JV-P, #1
9. API Well No. 30-025-30686
10. Field and Pool, or Exploratory Area Grama Ridge, Morrow (Gas)
11. County or Parish, State Lea Co., NM

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

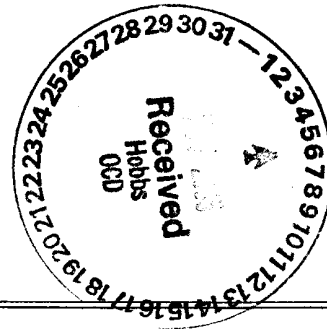
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Off Lease Measurement
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompleat 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall 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 respectfully requests permission for off-lease measurement for our 8817 JV-P Grama Ridge Fed. #1, our 8817 JV-P Grama Ridge Fed. #2 (30-025-30884), and our 8817 JV-P Grama Ridge Fed. #3 (30-025-35007), all located in located in Sec. 9, 22S-34E, Lea County. The #2 well currently produces from the Grama Ridge, Morrow (Gas). The #3 well currently produces from the Grama Ridge, Bone Spring, West.

Production from each well will be measured separately before commingled storage.

See attachments for further detailing and description of operations.



I, I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Pam Inskeep

Title Regulatory Administrator

Signature

*Pam Inskeep*

Date 8/19/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE.

pproved by (Signature)

Name  
(Printed/Typed)

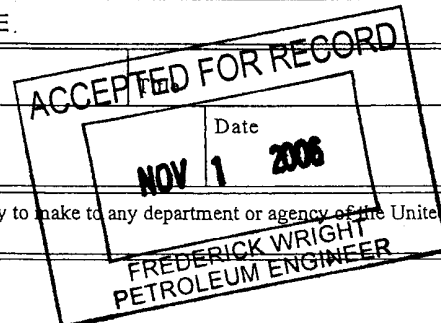
Office

onditions of approval, if any, are attached. Approval of this notice does not warrant or rtify that the applicant holds legal or equitable title to those rights in the subject lease hich would entitle the applicant to conduct operations thereon.

itle 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 tates any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

ontinued on next page)

GWW



Attachment to Form 3160-5  
BTA Oil Producers  
8817 JV-P Grama Ridge Federal wells  
Sec. 9, T22S-R34E  
Lea County, New Mexico  
August 19, 2006

As required by 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 5, BTA Oil Producers is requesting approval for off-lease measurement and sales of gas production.

Details of the proposed method for allocating to contributing sources are as follows:

The gas, liquid hydrocarbon, and water are measured individually at each well.

The gas is measured with a check meter at each individual location. The gas meter is proved quarterly and a new sample taken/analysis performed at the same time. The gas enters the gathering line where it moves to a Central Delivery Point located on State Lease Grama, 8817 JV-P, #1 located in Sec. 16, T22S-R34E, Lea County, NM. Gas is collected from several wells at this location. The gas is compressed and dehydrated before delivery to the sales point. The gas is measured using an orifice meter tube and electronic flow computer at the point of entry into the sales pipeline.

The liquid hydrocarbon production is directed to stock tanks at each individual well location and is measured daily by pumper with a gauge line. Any hydrocarbon sale is trucked out of the tanks.

The water production is directed to stock tanks at each individual well location and is measured daily by pumper with a gauge line. Any water disposition is trucked out of the tanks to approved disposal facilities.

The following are the leases and wells addressed by this request:

Grama Ridge Fed , 8817 JV-P, #1	30-025-30686	-B-, Sec. 09, T22S-R34E	NMNM82799
Grama Ridge Fed, 8817 JV-P, #2	30-025-30884	-D-, Sec. 09, T22S-R34E	NMNM82799
Grama Ridge Fed, 8817 JV-P, #3	30-025-35007	-M-, Sec. 09, T22S-R34E	NMNM82799

# T22S-R34E



API Series : 30686  
Well Name : GRAMA RIDGE FEDERAL  
Well Number : 1  
ProdFM : MSC EO2  
Twn-Rge-Sec : T22S R34E S9  
Footage Calls : 660 FNL 1980 FEL



API Series : 30884  
Well Name : GRAMA RIDGE FEDERAL  
Well Number : 2  
ProdFM : MSA EO2  
Twn-Rge-Sec : T22S R34E S9  
Footage Calls : 1046 FNL 1273 FWL

## 9



API Series : 35007  
Well Name : 8817 JV-P GRAMA RIDGE  
Well Number : 3  
ProdFM : WC MSA BSPG ATK  
Twn-Rge-Sec : T22S R34E S9  
Footage Calls : 660 FSL 1100 FWL

### Federal Lease Number: NMNM82799



API Series : 30561  
Well Name : GRAMA 8817 JV-P COM  
Well Number : 1  
ProdFM : MSA EO2  
Twn-Rge-Sec : T22S R34E S16  
Footage Calls : 660 FNL 1980 FWL

## 16



API Series : 34628  
Well Name : 8817 JV-P GRAMA 'C'  
Well Number : 1  
ProdFM : MSC  
Twn-Rge-Sec : T22S R34E S16  
Footage Calls : 660 FSL 660 FWL

Attachment to Form 3160-5  
BTA Oil Producers  
Application for Permission for  
Off-Lease Sales Measurement  
Grama Ridge Fed., 8817 JV-P Lease  
NMNM82799  
Sec. 9, T22S-R34E  
Lea County, New Mexico

WELLS

WELLSITE ALLOCATION METERS

Burgundy #1

== GM

Merchant #1

== GM

Grama C #1

== GM

Grama Ridge Federal #1

== GM

Grama Ridge Federal #2

== GM

Grama Ridge Federal #3

== GM

Grama #1

== GM

← Burgundy well was removed from this system in April 2006

Compressor

Dehy


== GM

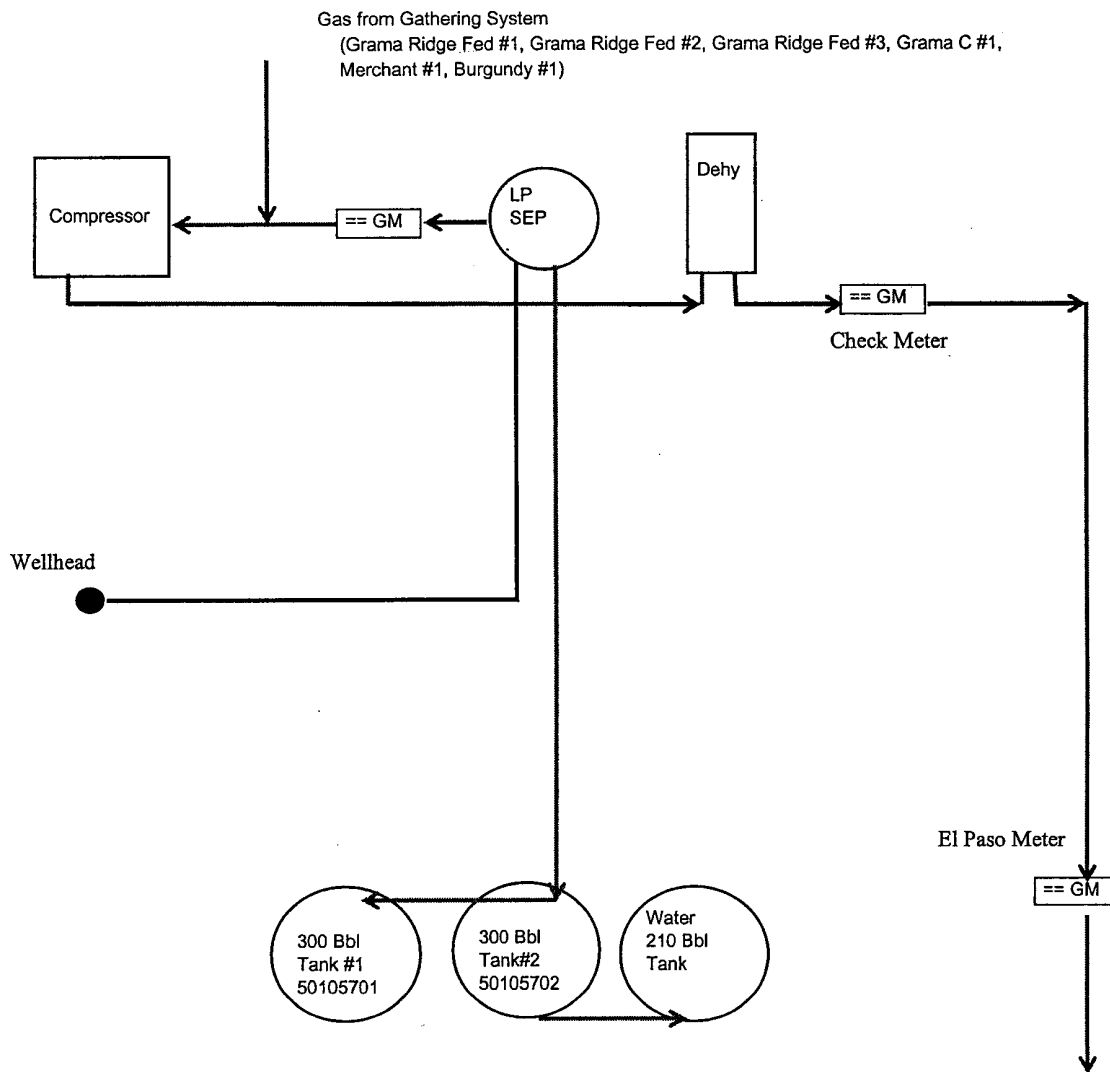
GAS CHECK METER


== GM

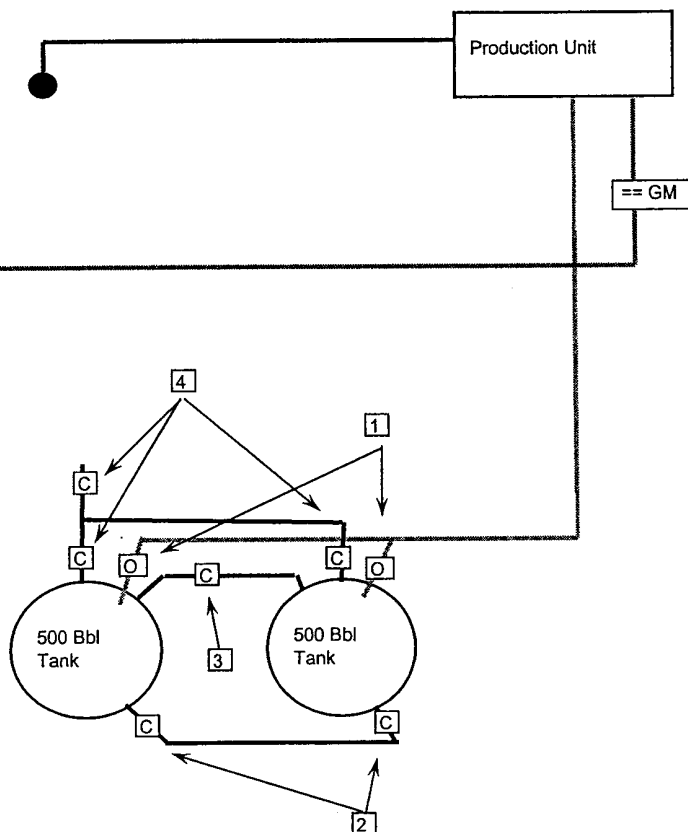
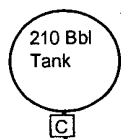
EL PASO PIPELINE  
GAS SALES METER

Gas from each well is measured individually with allocation meters. Quarterly gas samples are taken and meters are calibrated. Gas is allocated on a MMBTU basis taking the total allocation meters making a ratio and splitting the sales MMBTU's back to each well based on this ratio.

Revised			Drawn	TJW
				9/5/06
	LEASE: JV-P	<b>Grama Gathering System</b>		
	FIELD:	<b>Grama Ridge</b>		
	LOCATION:			
	COUNTY:	Lea	STATE:	New Mexico
	PRODUCING FORMATION:	0		
	 <b>BTA Oil Producers</b>		Approved	
			Date	



Revised		Oil			Drawn	TJW
		LEASE: JV-P	8817	Grama	#1	11/11/05
		FIELD:	Grama Ridge			
		LOCATION:	660 N 1980 W Sec.16 T22S R34E			Approved
		COUNTY:	Lea	STATE:	NM	
		PRODUCING FORMATION:	0			Date
		 BTA Oil Producers				



**Valve Operation**

1. Valves Sealed Open to Fill Tanks & Closed For Sales
2. Valves Normally Sealed Closed (Except During Tank Cleaning or Draining Water)
3. Valves Sealed Open to Equalize Tanks During Production & Closed For Sales
4. Valves Normally Sealed Closed (Except During Oil Sales or Hauling Water)

Revised		Gas - Flowing				Drawn		TJW
TJW	5/23/06	LEASE: JV-P	8817	Grama Ridge Fed.	1			10/24/01
		FIELD:		Grama Ridge				
		LOCATION:		660 FSL 1980 FEL Sec.9 T22S R34E		Approved		
		COUNTY:		Lea	STATE: New Mexico			
		PRODUCING FORMATION:		Morrow		Date		
					BTA Oil Producers			

Attachment to Form 3160-5  
BTA Oil Producers  
8817 JV-P Grama Ridge  
Sec. 9, T22S-R34E  
Lea County, New Mexico  
19-Aug-06

Item 4

Gas Production from each Contributing Well  
-- Estimated Monthly --

	<u>API</u>	<u>Location</u>	15.025 <u>MCF</u>	Gas <u>Gravity</u>	Wet BTU <u>Content</u>
8700 JV-P Merchant #1	30-025-35283	D 24 21S 34E	9604	0.606	1054
8817 JV-P Grama Ridge Federal #1	30-025-30686	B 09 22S 34E	2071	0.59	1030
8817 JV-P Grama Ridge Federal #2	30-025-30884	D 09 22S 34E	0	0.594	1034
8817 JV-P Grama Ridge Federal #3	30-025-35007	M 09 22S 34E	0	0.637	1096
8817 JV-P Grama #1	30-025-30561	C 16 22S 34E	4417	0.637	1098
8817 JV-P Grama C #1	30-025-34628	M 16 22S 34E	7492	0.594	1033

### SUNDRY NOTICE SPECIAL STIPULATIONS

1. This Sundry is accepted for record only. In order for a NOI to be approved the following information is needed.
2. 2006 well tests and gas analyses for the non- Federal lease wells being commingled.
3. Tests and gas analyses for all wells for 2002; the last year that Grama Ridge # 2 produced.
4. Tests and gas analyses for all commingled wells for the first year that these wells were commingled.
5. Identify the units in the volume reported on the **Measuring Station Calibration Report**. Is this reported in MCFD @ 14.65 psi?

Engineering  
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 11/1/06