

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

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM51846
2. Name of Operator BTA Oil Producers		6. If Indian, Allottee or Tribe Name ---
3a. Address 104 S. Pecos, Midland, TX 79701	3b. Phone No. (include area code) (432) 682-3753	7. If Unit or CA/Agreement, Name and/or No. ---
4. Location of Well (Footage, Sec., T, R., M., or Survey Description) UL -D-, Sec.30, T18S, R34E 660' FNL & 660' FWL		8. Well Name and No. EK -B-, 8701 JV-P #2
		9. API Well No. 30-025-37908
		10. Field and Pool, or Exploratory Area E-K; Delaware
		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 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 <u>Surface Commingle</u>
	<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	

3. 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 will begin surface commingling of EK-Delaware (Oil - 21655) Pool production with the BTA EK "A", 8701 JV-P Well No. 1 and the BTA EK "B", 8701 JV-P Well No. 1 as soon as production is established for this new well. (Commingling Order CTB-327-A).

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

**SUBJECT TO LIKE
APPROVAL BY STATE**

STATE APPROVAL TO COMMINGLE THE PRODUCTION OF
THIS WELL IS CONTINGENT ON THE ADDITION OF THIS
WELL TO THE COMMINGLING ORDER CTB-327-A

14. Name (Printed/Typed) Pam Inskeep		Title Regulatory Administrator
Signature <i>Pam Inskeep</i>		Date 10/16/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (Signature) <i>Chris Williams</i>	OC DISTRICT SUPERVISOR/GENERAL MANAGER (Printed/Typed)	<div style="border: 2px solid black; padding: 5px; text-align: center;"> APPROVED Date OCT 24 2006 WESLEY W. INGRAM PETROLEUM ENGINEER </div>
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 MAR 09 2007	
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.		

(Continued on next page)

**EK B, 8701 JV-P #2
BTA Oil Producers
API No. 30-025-37908
Conditions of Approval**

Approval to commingle the production from this well is contingent on the addition of this well to the Commingling Order CTB-327-A.

Approval is also subject to like approval by the state.

The pipeline will be on the surface and is to follow the route in the attached aerial view with new line in red.

A right of way request is to be submitted and approved since these are separate leases and not a unit.



"Pam Inskeep"
<Pinskeep@btaoil.com>
10/25/2006 03:46 PM

To <wesley_ingram@nm.blm.gov>
cc
bcc
Subject BTA 8701 EK A & B wells

Mr. Ingram,

Attached please find one facility diagram with detail re allocation method, topo with line routes indicated, and an aerial view of the area with roads shown.

As discussed in our telephone conversations of yesterday afternoon and this morning, the sundry submittal you received was a preliminary notification that commingling is proposed. As the new well (the EK B #2) has just been completed, a formal submittal and request will be submitted requesting the EK B #2 be added to the original commingling order. The attached data will be included in that submittal.

If you have any further questions, please do not hesitate to contact me.

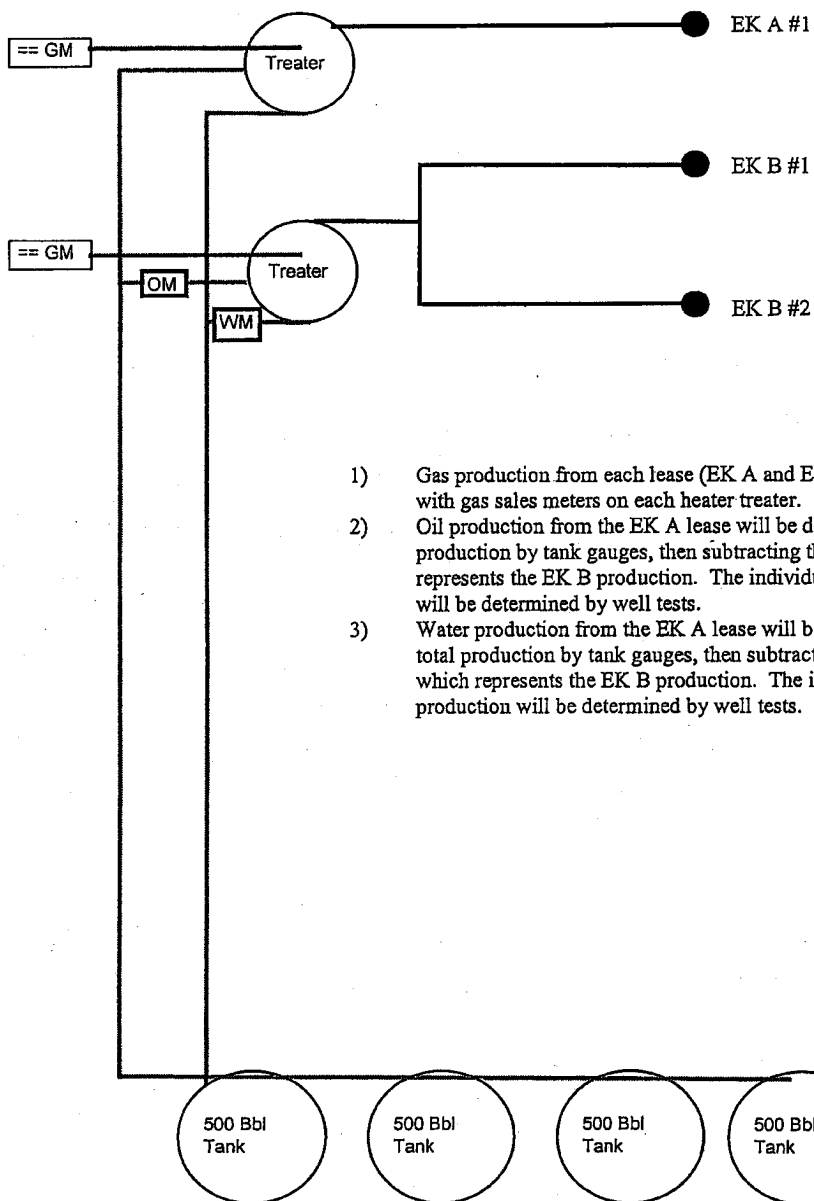
Thank you for your time.

Pam

Pam Inskeep
Regulatory Administrator
BTA Oil Producers
104 S. Pecos
Midland, TX 79701
(432) 682-3753
(432) 683-0325 fax
pinskeep@btaoil.com



BTA EK A & B Wells Commingling.tif



- 1) Gas production from each lease (EK A and EK B) will be measured separately with gas sales meters on each heater treater.
- 2) Oil production from the EK A lease will be determined by measuring the total production by tank gauges, then subtracting the metered oil volume, which represents the EK B production. The individual EK B #1 and #2 production will be determined by well tests.
- 3) Water production from the EK A lease will be determined by measuring the total production by tank gauges, then subtracting the metered Water volume, which represents the EK B production. The individual EK B #1 and #2 production will be determined by well tests.

Revised	Sketch Showing Allocation Method		Drawn
	LEASE: JV-P	EK A#1 & B#1 & #2	<u>10/25/06</u>
	FIELD:	0	
	LOCATION:	Sec. T R	Approved
	COUNTY:	Lea	Date
	PRODUCING FORMATION:	0	
	BTA Oil Producers		

Change to Landscape

<http://teraserver.microsoft.com/PrintImage.aspx?T=2&S=12&Z=13&X=788&Y=4526&...> 10/25/2006