

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, New Mexico 87504-2088

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-025-31318

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No. V-2199

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name Gem, 8705 JV-P

1. Type of Well: OIL WELL [X] GAS WELL [ ] OTHER [ ]

8. Well No. 6

2. Name of Operator BTA Oil Producers

9. Pool name or Wildcat Teas (Bone Spring)

3. Address of Operator 104 S. Pecos, Midland, TX 79701

4. Well Location Unit Letter K : 1980 Feet From The South Line and 1980 Feet From The West Line Section 2 Township 20S Range 33E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3579' GR (cor) 3593' RKB

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data. NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [ ], PLUG AND ABANDON [ ], TEMPORARILY ABANDON [ ], CHANGE PLANS [ ], PULL OR ALTER CASING [ ], OTHER [ ]. SUBSEQUENT REPORT OF: REMEDIAL WORK [ ], ALTERING CASING [ ], COMMENCE DRILLING OPNS. [ ], PLUG AND ABANDONMENT [ ], CASING TEST AND CEMENT JOB [X], OTHER [ ].

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. 8-16-91 Depth 3116', Cmtd 13-3/8" 68# K55 STC csg @ 3116' w/2200 sx cmt circ WOC, Cut off 20" csg & WOC 12 hrs. 8-17-91 Installed csg hd & BOP's, Cleaned out to shoe, Tstd csg to 1000 psi, WOC 24 hrs total & drld shoe, Drlg 11" hole. 8-25-91 Depth 5490', Cmtd 8-5/8" 32# STC csg @ 5490' w/1700 sx, WOC, TOC by temp survey @ 4090', Set slips & cut off, Installed spool & BOP's, Tstd csg to 2000 psi. 8-26-91 WOC 24 hrs total, Drld shoe, Drlg 7-7/8" hole. 8-27-91 Depth 5930', Drlg 7-7/8" hole.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE [Signature] TITLE Regulatory Administrator DATE 8-28-91 TYPE OR PRINT NAME Dorothy Houghton TELEPHONE NO. 915-682-3753

(This space for State Use) APPROVED BY ORIGINAL SIGNED BY JERRY SEXTON DISTRICT I SUPERVISOR DATE AUG 30 1991