

**BTA OIL PRODUCERS, LLC**

104 S. PECOS  
MIDLAND, TEXAS 79701-5099  
432-682-3753  
FAX 432-683-0314

CARLTON BEAL, JR.  
BARRY BEAL  
SPENCER BEAL  
KELLY BEAL  
BARRY BEAL, JR.  
STUART BEAL  
ROBERT DAVENPORT, JR.

**GULF COAST DISTRICT**  
TOTAL PLAZA  
1201 LOUISIANA STREET, STE. 570  
HOUSTON, TEXAS 77002  
713-658-0077 FAX 713-655-0346

**ROCKY MOUNTAIN DISTRICT**  
600 17<sup>TH</sup> STREET, STE. 2230 SOUTH  
DENVER, COLORADO 80202  
303-534-4404 FAX 303-534-4661

October 10, 2024

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

In re: **Application of BTA Oil Producers, LLC for administrative approval to surface commingle (lease commingle) oil and gas production at the Crazy Goat CTB located in the SE/4 of Section 14, Township 22 South, Range 34 East, Lea County, New Mexico, and to add additional wells.**

To: **ALL AFFECTED PARTIES**

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Ladies and Gentleman:

Enclosed is a copy of the above-referenced application, which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date at the Division's Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions or concerns for BTA, please call or write me at 432-682-3753 or [shajar@btaoil.com](mailto:shajar@btaoil.com). Mail to be directed to BTA Oil Producers, LLC., 104 South Pecos, Midland, Texas 79701 ATTN: Sammy Hajar.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Sammy Hajar', with a stylized flourish at the end.

Sammy Hajar  
Regulatory Analyst  
BTA Oil Producers, LLC  
[shajar@btaoil.com](mailto:shajar@btaoil.com)  
O: 432-682-3753



## BTA OIL PRODUCERS, LLC

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October 10, 2024

In re: **Application of BTA Oil Producers, LLC for administrative approval to surface commingle (lease commingle) oil and gas production at the Crazy Goat CTB located in the SE/4 of Section 14, Township 22 South, Range 34 East, Lea County, New Mexico, and to add additional wells.**

To: Gerasimos Razatos, Director, Oil Conservation Division, New Mexico Department of Energy  
Minerals and natural Resources

Dear Mr. Razatos:

BTA Oil Producers, LLC (OGRID No. 260297), pursuant to 19.15.12.10 NMAC, seeks administrative approval to surface commingle (Lease Commingle diversely owned oil and gas production at the **Crazy Goat CTB** *in all existing and future infill wells drilled in the following spacing units*:

- (a) The 320-acre spacing unit comprised of the W/2 E/2 of Section 14 and the W/2 E/2 of Section 11, Township 22 South, Range 34 East, Lea County, New Mexico in the Ojo Chiso; Bone Spring; (96553). The spacing unit is currently dedicated to the following horizontal wells: the **Crazy Goat 8711 14-11 State Com 3H** (API # 30-025-51283) and **Crazy Goat 8711 14-11 State Com 5H** (API # 30-025-51919)
- (b) The 320-acre spacing unit comprised of the E/2 E/2 of Section 14 and the E/2 E/2 of Section 11, Township 22 South, Range 34 East, Lea County, New Mexico in the Ojo Chiso; Bone Spring; (96553). The spacing unit is currently dedicated to the following horizontal wells: the **Crazy Goat 8711 14-11 State Com 4H** (API # 30-025-51284) and **Crazy Goat 8711 14-11 State Com 6H** (API # 30-025-51920);
- (c) Pursuant to 19.15.12.10.C(4)(g), *future Ojo Chiso; Bone Spring; (96553) spacing units within the E/2 of Section 14 and the E/2 of Section 11, Township 22 South, Range 34 East, Lea County, New Mexico, connected to the Crazy Goat CTB* with notice provided only to the owners of interests to be added.

Oil and gas production from these spacing units will be commingled and sold at the *Crazy Goat CTB located in the SE/4 of Section 14*. Each well will have its own test separator and production will be separately metered with a Coriolis flow meter for oil and orifice meter for gas manufactured to AGA specifications.

Attached is a completed Application for Surface Commingling (Diverse Ownership) Form C-107B that includes a statement from Sammy Hajar, Regulatory Analyst with BTA Oil Producers, LLC, identifying the facilities and the measurement devices to be utilized, a detailed schematic of

the surface facilities, and C-102s for each of the wells currently permitted or drilled within the existing spacing units.

Ownership is diverse between the above-described spacing units, and we have accordingly attached a list of the interest owners (including any owners of royalty or overriding royalty interests) affected by this application, an example of the letters sent by certified mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing.

If you have any questions or concerns for BTA, please call or write me at 432-682-3753 or [shajar@btaoil.com](mailto:shajar@btaoil.com). Mail to be directed to BTA Oil Producers, LLC., 104 South Pecos, Midland, Texas 79701 ATTN: Sammy Hajar.

Respectfully,



Sammy Hajar  
Regulatory Analyst  
BTA Oil Producers, LLC  
[shajar@btaoil.com](mailto:shajar@btaoil.com)  
O: 432-682-3753

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DENVER, COLORADO 80202  
303-534-4404 FAX 303-534-4661

October 10, 2024

New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

In re: **Application of BTA Oil Producers, LLC for administrative approval to surface commingle (pool lease commingle) oil and gas production from the spacing units comprised of the E/2 of Section 14 and the E/2 of Section 11, Township 22 South, Range 34 East, Lea County, New Mexico (the "Lands")**

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To Whom This May Concern,

BTA Oil Producers, LLC, OGRID No. 260297, requests to commingle current oil and gas production from four (4) distinct wells located on the Lands and future production from the Lands as described herein. The wells will be metered through individual liquid coriolis flow meters for oil and orifice meters for gas. The gas commingling will occur after individual measurement at each well. Gas exiting each well test flows into one gathering line, as depicted on **Exhibit 1**, the gas gathering line. Each well on the Lands will have its own test separator with a coriolis flow meter for oil and orifice meter for gas manufactured and assembled in accordance with the American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third-party measurement company in accordance with industry specifications.

Gas samples are obtained at the time of the meter testing and calibration and the composition and heating value are determined by a laboratory in accordance with the American Petroleum Institute (API) specifications to ensure accurate volume and energy (MMBTU) determinations.

The flow stream from each wellhead is demonstrated in the Process Flow Diagram (PFD) attached as **Exhibit 1** hereto. The PFD shows that the water, oil and gas leave the wellbore and flow into a wellhead test separator which separates each stream. The oil is measured via the coriolis flow meter on each individual well and is calibrated periodically by a third-party measurement company for accuracy. After the oil is individually metered by coriolis flow meters at each well it can be comingled into a heater treater then into the stock tanks or, each well can be isolated into its own individual tank for testing purposes. The gas is measured on a volume and MMBTU basis by an orifice meter on each individual well and supporting EFM equipment in accordance with API Chapter 21.1. The gas is then sent into a gathering line where it is commingled with each of the other well's metered gas. The gathering line is then metered by another orifice meter at the tank battery check meter to show the total volume of gas leaving the tank battery. The tank battery meter

is tested and calibrated in accordance with industry specifications and volume and energy and determined on an hourly, daily and monthly basis. Once the gas exits the final tank battery sales check it travels directly into a third-party sales connect meter. The third-party gas gatherer has its own meter that measures the gas for custody transfer and that meter is also calibrated periodically to ensure measurement accuracy.

In conclusion, all the oil and gas produced on the Lands is and will be metered separately at each wellhead and allocated using accurate measurement equipment according to API specifications.

If you have any questions or concerns for BTA, please call or write me at 432-682-3753 or [shajar@btaoil.com](mailto:shajar@btaoil.com). Mail to be directed to BTA Oil Producers, LLC., 104 South Pecos, Midland, Texas 79701 ATTN: Sammy Hajar.

Respectfully,

A handwritten signature in blue ink, appearing to read "Sammy Hajar".

Sammy Hajar  
Regulatory Analyst  
BTA Oil Producers, LLC  
[shajar@btaoil.com](mailto:shajar@btaoil.com)  
O: 432-682-3753

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Applicant:** BTA OIL PRODUCERS, LLC **OGRID Number:** \_\_\_\_\_  
**Well Name:** Crazy Goat 8711 14-11 State Com 3H, 4H, 5H, and 6H **API:** \_\_\_\_\_  
**Pool:** \_\_\_\_\_ **Pool Code:** \_\_\_\_\_

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]  
 A. Location – Spacing Unit – Simultaneous Dedication  
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
- B. Check one only for [ I ] or [ II ]  
 [ I ] Commingling – Storage – Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM  
 [ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.  
 A. ☐ Offset operators or lease holders  
 B. ☐ Royalty, overriding royalty owners, revenue owners  
 C. ☐ Application requires published notice  
 D. ☐ Notification and/or concurrent approval by SLO  
 E. ☐ Notification and/or concurrent approval by BLM  
 F. ☐ Surface owner  
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,  
 H. ☐ No notice required

**FOR OCD ONLY**

- ☐ Notice Complete  
☐ Application Content Complete

- 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

\_\_\_\_\_  
 Print or Type Name

*Sammy Hajar*

Signature

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Phone Number

\_\_\_\_\_  
 e-mail Address



District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

### OIL CONSERVATION DIVISION

1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original  
application to the Santa Fe  
office with one copy to the  
appropriate District Office.

#### APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: BTA OIL PRODUCERS, LLC

OPERATOR ADDRESS: 104 S Pecos Midland, TX 79701

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☒ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. \_\_\_\_\_

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☐ Yes ☒ No (STATE WELLS, SLO WILL BE NOTIFIED, SEE NEXT PAGE)

#### (A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

#### (B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☒ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☒ Metering ☐ Other (Specify)

#### (C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

#### (D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☒ Yes ☐ No

(2) Include proof of notice to all interest owners.

#### (E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: 

TITLE: Regulatory Analyst

DATE: 10/10/2024

TYPE OR PRINT NAME: Samina Hajar

TELEPHONE NO.: 432-682-3753

E-MAIL ADDRESS: SHAJAR@BTAOIL.COM



**APPLICATION FOR  
COMMINGLING AND OFF-LEASE STORAGE  
ON STATE TRUST LANDS**



This application form is required for all commingling applications requiring approval by the Commissioner of Public Lands.

**Applicant:** BTA OIL PRODUCERS, LLC

**OGRID #:** \_\_\_\_\_

**Well Name:** Crazy Goat 8711 14-11 State Com 3H, 4H, 5H, and 6H

**API #:** 30-025-51283, 30-025-51284,  
30-025-51919, 30-025-51920

**Pool:** \_\_\_\_\_

**OPERATOR NAME:** \_\_\_\_\_

**OPERATOR ADDRESS:** \_\_\_\_\_

**APPLICATION REQUIREMENTS – SUBMIT:**

1. New Mexico Oil Conservation Division (NMOCD) application packet (or equivalent information if no application is required by NMOCD),
2. Commingling application fee of \$150.

**CERTIFICATION:** To the best of my knowledge,

- All business leases and rights-of-way necessary for conducting the proposed operation on State Trust lands have been applied for or obtained,
- The information submitted with this application is **accurate** and **complete**, and
- No loss will accrue to the state of New Mexico as a result of the proposed operation.

I also understand that **no action** will be taken on this application until the required information and fee are submitted to the State Land Office.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

\_\_\_\_\_  
Print or Type Name

*Sammy Hajar*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Date

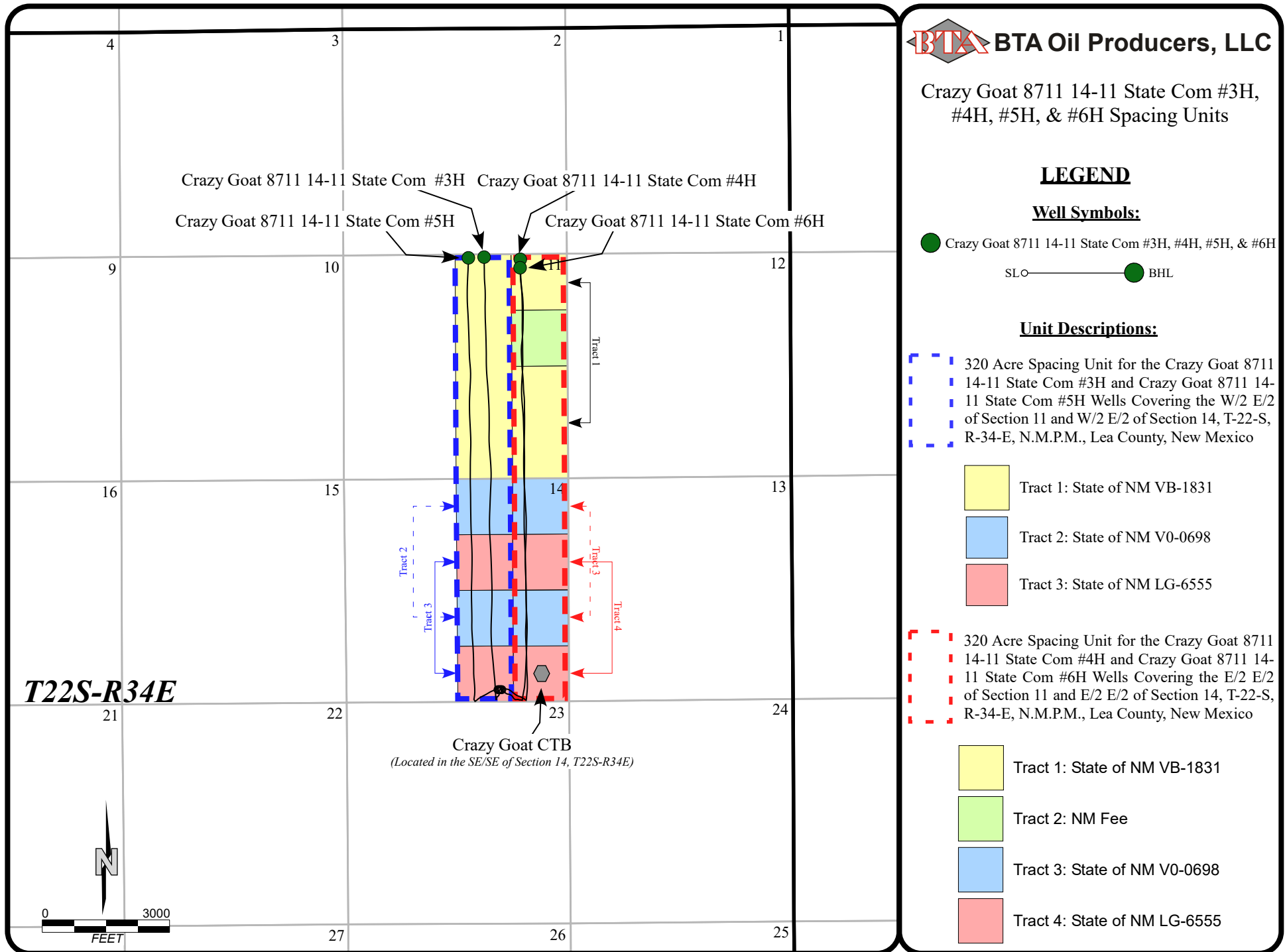
\_\_\_\_\_  
e-mail Address

**Submit application to:**  
Commissioner of Public Lands  
Attn: Commingling Manager  
PO Box 1148  
Santa Fe, NM 87504-1148

Questions?  
Contact the Commingling Manager:  
505.827.5791

Upon approval, the requesting organization will receive an acknowledgment letter from the Commissioner of Public Lands.

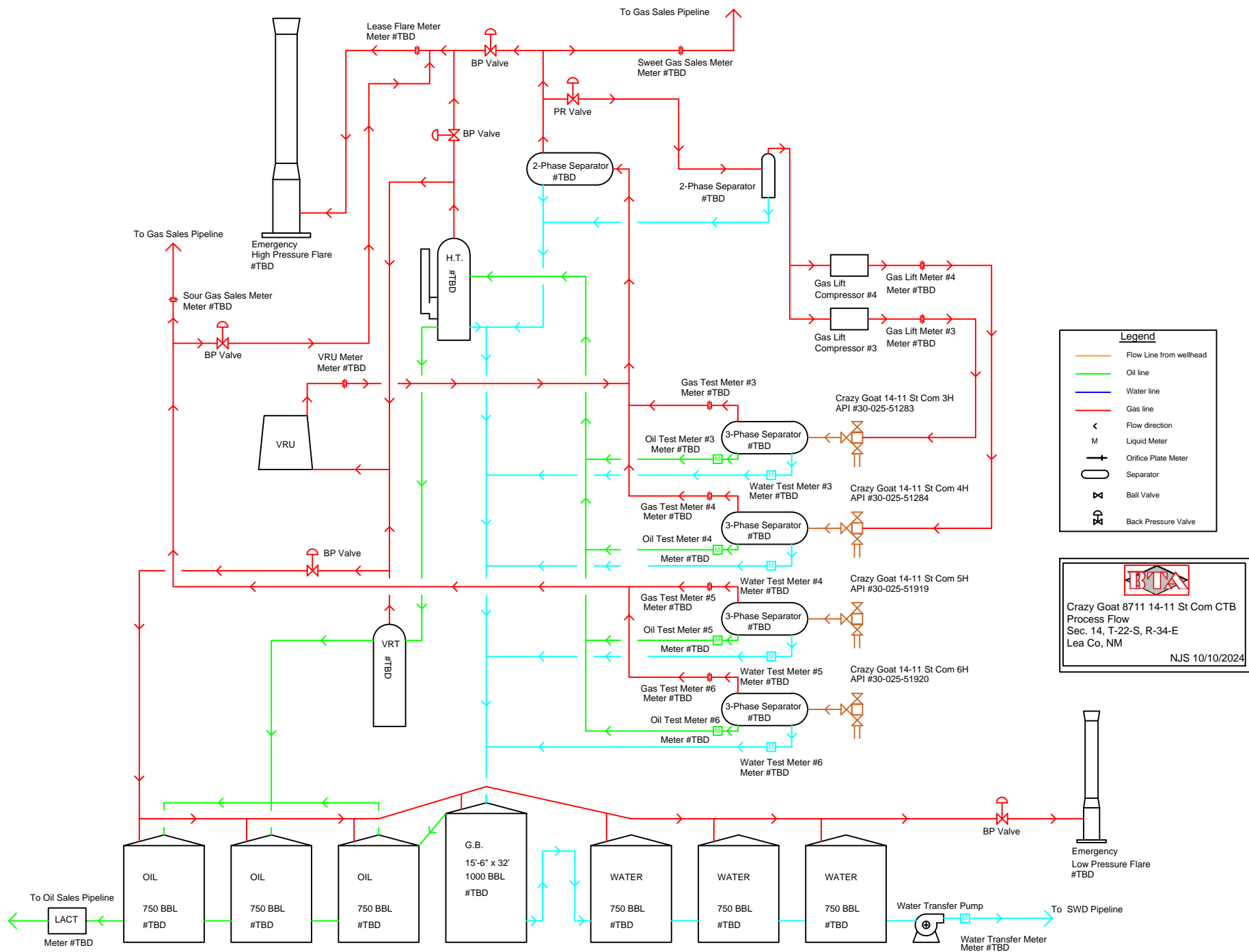




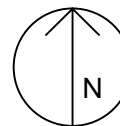
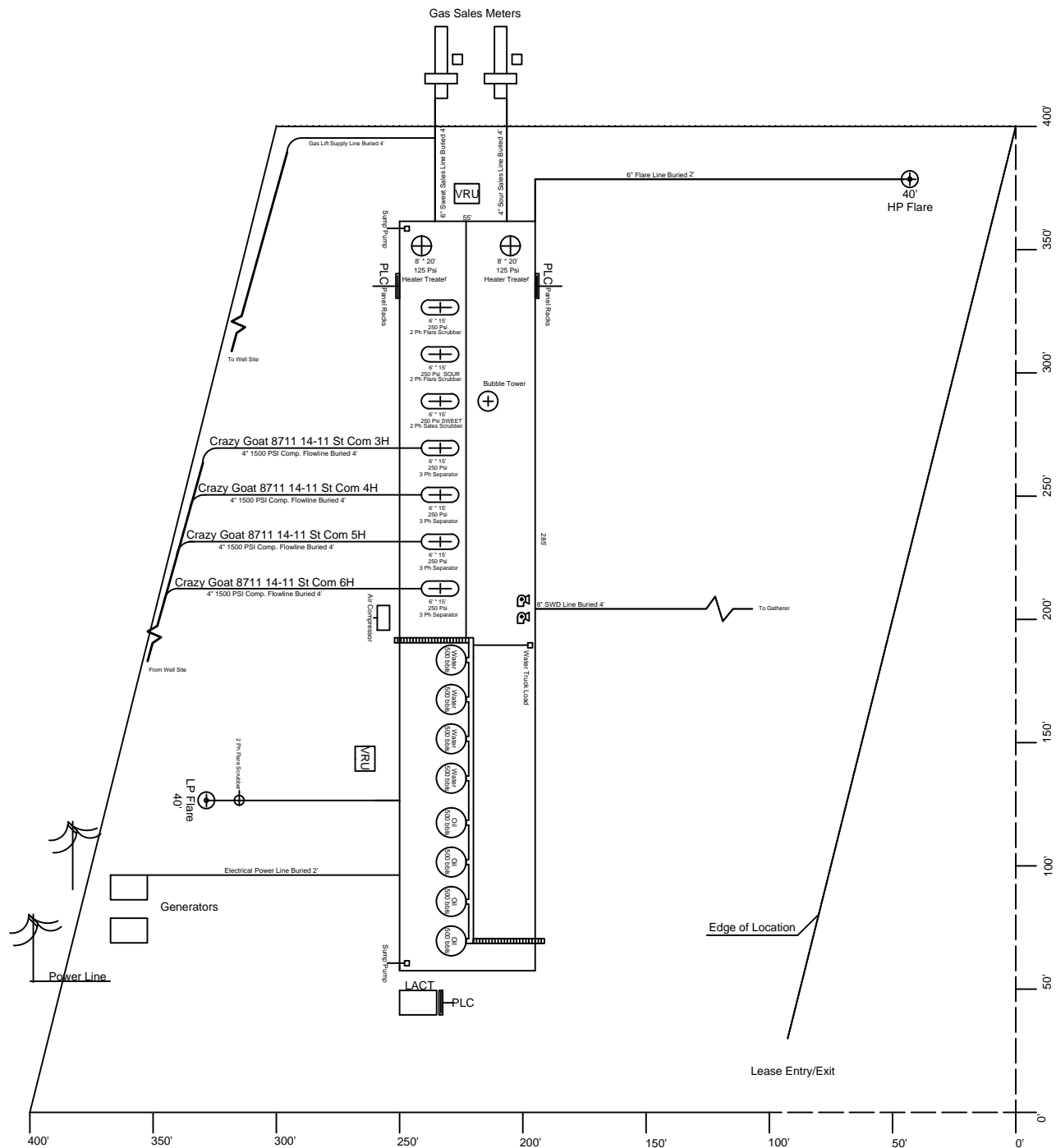
**APPLICATION FOR SURFACE COMMINGLE (LEASE COMMINGLE), STORAGE, AND  
SALES FOR OIL AND GAS PRODUCTION AT CRAZY GOAT CTB**

Pool	API	Well Name	Well Number	OCD Unit Letter	Section	Township	Range	Date Online	Oil (BOD)	GAS (MCFD)	GRAVITY	BTU/cf
[96553] OJO CHISO; BONE SPRING	30-025-51283	CRAZY GOAT 8711 14-11 STATE COM	3H	O	14	22S	34E	9/26/2024	525	1007	48	1200
[96553] OJO CHISO; BONE SPRING	30-025-51284	CRAZY GOAT 8711 14-11 STATE COM	4H	O	14	22S	34E	9/26/2024	696	1351	48	1200
[96553] OJO CHISO; BONE SPRING	30-025-51919	CRAZY GOAT 8711 14-11 STATE COM	5H	O	14	22S	34E	9/26/2024	22	100	48	1200
[96553] OJO CHISO; BONE SPRING	30-025-51920	CRAZY GOAT 8711 14-11 STATE COM	6H	O	14	22S	34E	9/26/2024	94	207	48	1200

EXHIBIT 1



**Crazy Goat 8711 14-11 St Com CTB**  
Process Flow  
Sec. 14, T-22-S, R-34-E  
Lea Co, NM  
NJS 10/10/2024



Crazy Goat 8711 14-11 St Com CTB  
Site Plan  
32.386469, -103.435428  
Sec. 14, T-22-S, R-34-E, Lea Co, NM  
NJS 7/3/2024

DISTRICT I  
1625 N French Dr., Hobbs, NM 88240  
Phone (505) 393-6161 Fax (505) 393-0720

DISTRICT II  
811 S First St., Artesia, NM 88210  
Phone (505) 748-1283 Fax (505) 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, New Mexico 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-025-51283</b>	Pool Code <b>96553</b>	Pool Name <b>Ojo Chiso; Bone Spring</b>
Property Code <b>333897</b>	Property Name <b>CRAZY GOAT 8711 14-11 STATE COM</b>	Well Number <b>3H</b>
OGRID No. <b>260297</b>	Operator Name <b>BTA OIL PRODUCERS, LLC</b>	Elevation <b>3471'</b>

Surface Location

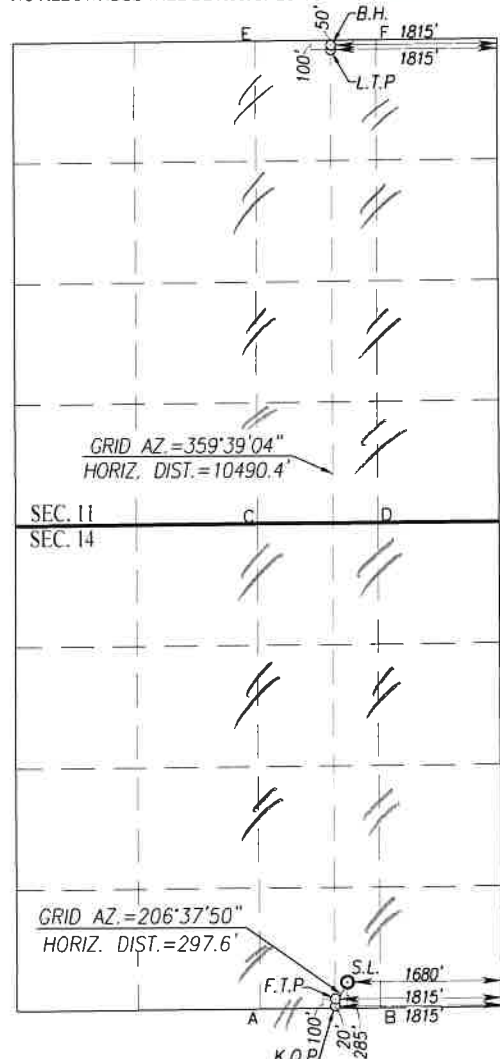
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	14	22-S	34-E		285	SOUTH	1680	EAST	LEA

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
B	11	22-S	34-E		50	NORTH	1815	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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



SCALE: 1"=2000'

<b>BOTTOM HOLE LOCATION</b> NAD 83 NME Y= 515260.7 N X= 817631.6 E LAT.=32.413338° N LONG.=103.438003° W	<b>BOTTOM HOLE LOCATION</b> NAD 27 NME Y= 515199.8 N X= 776448.4 E LAT.=32.413213° N LONG.=103.437524° W
<b>LAST TAKE POINT</b> NAD 83 NME Y= 515210.7 N X= 817631.9 E LAT.=32.413200° N LONG.=103.438004° W	<b>LAST TAKE POINT</b> NAD 27 NME Y= 515149.8 N X= 776448.7 E LAT.=32.413076° N LONG.=103.437524° W

CORNER COORDINATES TABLE

NAD 27 NME	
A - Y= 504685.3 N, X= 775688.3 E	
B - Y= 504695.5 N, X= 777007.6 E	
C - Y= 509963.0 N, X= 775656.5 E	
D - Y= 509974.0 N, X= 776975.8 E	
E - Y= 515243.1 N, X= 775624.5 E	
F - Y= 515253.9 N, X= 776943.6 E	

CORNER COORDINATES TABLE

NAD 83 NME	
A - Y= 504745.9 N, X= 816871.6 E	
B - Y= 504756.1 N, X= 818190.9 E	
C - Y= 510023.8 N, X= 816839.8 E	
D - Y= 510034.7 N, X= 818159.0 E	
E - Y= 515304.0 N, X= 816807.7 E	
F - Y= 515314.8 N, X= 818126.8 E	

<b>FIRST TAKE POINT</b> NAD 83 NME Y= 504852.3 N X= 817694.9 E LAT.=32.384729° N LONG.=103.438080° W	<b>FIRST TAKE POINT</b> NAD 27 NME Y= 504791.7 N X= 776511.6 E LAT.=32.384604° N LONG.=103.437602° W
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<b>KICK OFF POINT</b> NAD 83 NME Y= 504772.3 N X= 817695.4 E LAT.=32.384509° N LONG.=103.438081° W	<b>KICK OFF POINT</b> NAD 27 NME Y= 504711.7 N X= 776512.1 E LAT.=32.384384° N LONG.=103.437602° W
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<b>GEODETIC COORDINATES</b> NAD 83 NME SURFACE LOCATION Y= 505038.3 N X= 817828.8 E LAT.=32.385237° N LONG.=103.437642° W	<b>GEODETIC COORDINATES</b> NAD 27 NME SURFACE LOCATION Y= 504977.6 N X= 776645.5 E LAT.=32.385112° N LONG.=103.437163° W
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OPERATOR CERTIFICATION

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Sammy Hajar* 8/22/23  
Signature Date

Sammy Hajar

Printed Name

SHAJAR@BTAOIL.COM

E-mail Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes and/or surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

*Gary G. Eidson*  
Date of Survey 12641  
Signature Seal of Professional Surveyor  
REGISTERED PROFESSIONAL SURVEYOR

*Gary G. Eidson* 06/19/2023  
Certificate Number Gary G. Eidson 12641  
Ronald J. Eidson 3239

ACK REL W O 20110588 JWSC W O 23 13 0189

DISTRICT I  
1625 N French Dr., Hobbs, NM 88240  
Phone (505) 393-6161 Fax (505) 393-0720

DISTRICT II  
811 S First St., Artesia, NM 88210  
Phone (505) 748-1283 Fax (505) 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, New Mexico 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-51284	Pool Code 96553	Pool Name Ojo Chiso; Bone Spring
Property Code 333897	Property Name CRAZY GOAT 8711 14-11 STATE COM	Well Number 4H
OGRID No. 260297	Operator Name BTA OIL PRODUCERS, LLC	Elevation 3471'

Surface Location

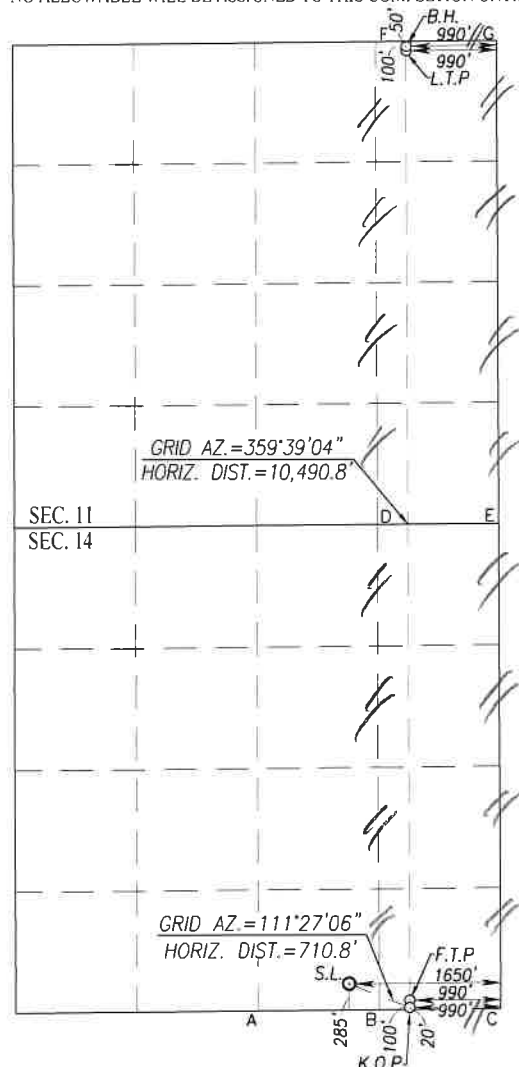
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	14	22-S	34-E		285	SOUTH	1650	EAST	LEA

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
A	11	22-S	34-E		50	NORTH	990	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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



SCALE: 1"=2000'

**BOTTOM HOLE LOCATION**  
NAD 83 NME  
Y= 515267.5 N  
X= 818456.4 E  
LAT.=32.413337° N  
LONG.=103.435331° W

**LAST TAKE POINT**  
NAD 83 NME  
Y= 515217.5 N  
X= 818456.7 E  
LAT.=32.413200° N  
LONG.=103.435331° W

**BOTTOM HOLE LOCATION**  
NAD 27 NME  
Y= 515206.6 N  
X= 777273.2 E  
LAT.=32.413213° N  
LONG.=103.434851° W

**LAST TAKE POINT**  
NAD 27 NME  
Y= 515156.6 N  
X= 777273.6 E  
LAT.=32.413076° N  
LONG.=103.434852° W

CORNER COORDINATES TABLE

NAD 27 NME  
A - Y= 504685.3 N, X= 775688.3 E  
B - Y= 504695.5 N, X= 777007.6 E  
C - Y= 504705.7 N, X= 778326.8 E  
D - Y= 509974.0 N, X= 776975.8 E  
E - Y= 509985.0 N, X= 778295.0 E  
F - Y= 515253.9 N, X= 776943.6 E  
G - Y= 515264.6 N, X= 778262.7 E

CORNER COORDINATES TABLE

NAD 83 NME  
A - Y= 504745.9 N, X= 816871.6 E  
B - Y= 504756.1 N, X= 818190.9 E  
C - Y= 504766.3 N, X= 819510.2 E  
D - Y= 510034.7 N, X= 818159.0 E  
E - Y= 510045.7 N, X= 819478.3 E  
F - Y= 515314.8 N, X= 818126.8 E  
G - Y= 515325.5 N, X= 819445.9 E

**FIRST TAKE POINT**  
NAD 83 NME  
Y= 504858.6 N  
X= 818519.8 E  
LAT.=32.384727° N  
LONG.=103.435409° W

**KICK OFF POINT**  
NAD 83 NME  
Y= 504778.6 N  
X= 818520.3 E  
LAT.=32.384507° N  
LONG.=103.435409° W

**GEODETIC COORDINATES**  
NAD 83 NME  
SURFACE LOCATION  
Y= 505038.6 N  
X= 817858.8 E  
LAT.=32.385237° N  
LONG.=103.437545° W

**FIRST TAKE POINT**  
NAD 27 NME  
Y= 504798.0 N  
X= 777336.4 E  
LAT.=32.384603° N  
LONG.=103.434930° W

**KICK OFF POINT**  
NAD 27 NME  
Y= 504718.0 N  
X= 777336.9 E  
LAT.=32.384383° N  
LONG.=103.434930° W

**GEODETIC COORDINATES**  
NAD 27 NME  
SURFACE LOCATION  
Y= 504978.0 N  
X= 776675.5 E  
LAT.=32.385113° N  
LONG.=103.437066° W

OPERATOR CERTIFICATION

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *Sammy Hajar* Date: 8/22/23

Printed Name: Sammy Hajar

E-mail Address: SHAJAR@BTAOIL.COM

SURVEYOR CERTIFICATION

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 knowledge.

Date of Survey: 8/15/2023  
Signature: *Gary G. Eidson*  
12641  
REGISTERED PROFESSIONAL SURVEYOR  
Certification Number: Gary G. Eidson 12641  
Ronald J. Eidson 3239  
ACK REL W O 30110589 JWSC W O 23 13 0190



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, New Mexico 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-51919	Pool Code 96553	Pool Name Ojo Chiso; Bone Spring
Property Code 333897	Property Name CRAZY GOAT 8711 14-11 STATE COM	Well Number 5H
OGRID No. 260297	Operator Name BTA OIL PRODUCERS, LLC	Elevation 3470'

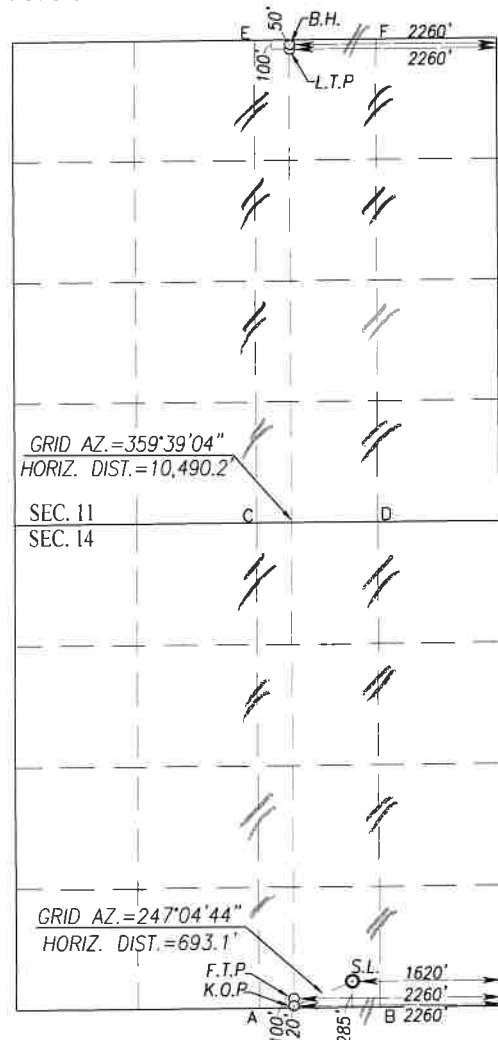
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	14	22-S	34-E		285	SOUTH	1620	EAST	LEA

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
B	11	22-S	34-E		50	NORTH	2260	EAST	LEA
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

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SCALE: 1"=2000'

BOTTOM HOLE LOCATION	BOTTOM HOLE LOCATION
NAD 83 NME	NAD 27 NME
Y= 515257.1 N	Y= 515196.2 N
X= 817186.7 E	X= 776003.5 E
LAT.=32.413338° N	LAT.=32.413214° N
LONG.=103.439445° W	LONG.=103.438965° W
LAST TAKE POINT	LAST TAKE POINT
NAD 83 NME	NAD 27 NME
Y= 515207.1 N	Y= 515146.2 N
X= 817187.0 E	X= 776003.8 E
LAT.=32.413201° N	LAT.=32.413076° N
LONG.=103.439446° W	LONG.=103.438966° W

CORNER COORDINATES TABLE

NAD 27 NME
A - Y= 504685.3 N, X= 775688.3 E
B - Y= 504695.5 N, X= 777007.6 E
C - Y= 509963.0 N, X= 775656.5 E
D - Y= 509974.0 N, X= 776975.8 E
E - Y= 515243.1 N, X= 775624.5 E
F - Y= 515253.9 N, X= 776943.6 E

CORNER COORDINATES TABLE

NAD 83 NME
A - Y= 504745.9 N, X= 816871.6 E
B - Y= 504756.1 N, X= 818190.9 E
C - Y= 510023.8 N, X= 816839.8 E
D - Y= 510034.7 N, X= 818159.0 E
E - Y= 515304.0 N, X= 816807.7 E
F - Y= 515314.8 N, X= 818126.8 E

FIRST TAKE POINT	FIRST TAKE POINT
NAD 83 NME	NAD 27 NME
Y= 504848.8 N	Y= 504788.2 N
X= 817250.0 E	X= 776066.7 E
LAT.=32.384729° N	LAT.=32.384605° N
LONG.=103.439522° W	LONG.=103.439043° W
KICK OFF POINT	KICK OFF POINT
NAD 83 NME	NAD 27 NME
Y= 504768.8 N	Y= 504708.2 N
X= 817250.5 E	X= 776067.2 E
LAT.=32.384510° N	LAT.=32.384385° N
LONG.=103.439522° W	LONG.=103.439043° W
GEODETIC COORDINATES	GEODETIC COORDINATES
NAD 83 NME	NAD 27 NME
SURFACE LOCATION	SURFACE LOCATION
Y= 505038.7 N	Y= 504978.1 N
X= 817888.8 E	X= 776705.4 E
LAT.=32.385237° N	LAT.=32.385112° N
LONG.=103.437448° W	LONG.=103.436969° W

OPERATOR CERTIFICATION

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *Sammy Hajar* Date: 8/22/23  
Printed Name: Sammy Hajar  
E-mail Address: SHAJAR@BTAOIL.COM

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of a survey made by me or under my supervision and that the same is true and correct to the best of my knowledge.

Date of Survey: 06/27/2023  
Signature: *Gary G. Eidson*  
Seal of Professional Surveyor: 12641  
Date of Survey: 06/27/2023  
Certificate Number: Gary G. Eidson 12641  
Ronald J. Eidson 3239  
ACK: JWSC W O 23 11 0187

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State of New Mexico  
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OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-51920	Pool Code 96553	Pool Name Ojo Chiso; Bone Spring
Property Code 333897	Property Name CRAZY GOAT 8711 14-11 STATE COM	Well Number 6H
OGRID No. 260297	Operator Name BTA OIL PRODUCERS, LLC	Elevation 3470'

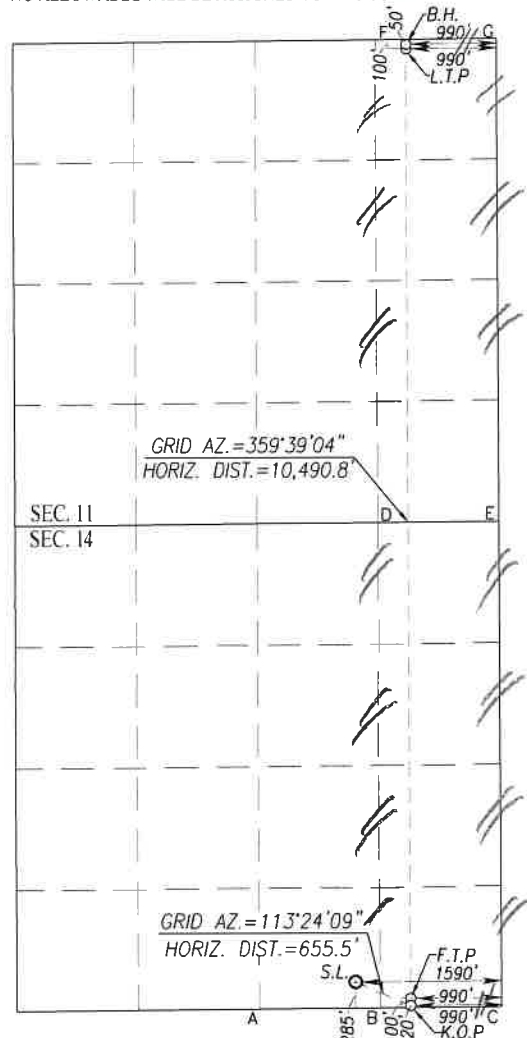
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	14	22-S	34-E		285	SOUTH	1590	EAST	LEA

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
A	11	22-S	34-E		50	NORTH	990	EAST	LEA
Dedicated Acres 320	Joint or Infill	Consolidation Code	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



SCALE: 1"=2000'

<b>BOTTOM HOLE LOCATION</b> NAD 83 NME Y= 515267.5 N X= 818456.4 E LAT.=32.413337° N LONG.=103.435331° W <b>LAST TAKE POINT</b> NAD 83 NME Y= 515217.5 N X= 818456.7 E LAT.=32.413200° N LONG.=103.435331° W	<b>BOTTOM HOLE LOCATION</b> NAD 27 NME Y= 515206.6 N X= 777273.2 E LAT.=32.413213° N LONG.=103.434851° W <b>LAST TAKE POINT</b> NAD 27 NME Y= 515156.6 N X= 777273.6 E LAT.=32.413076° N LONG.=103.434852° W
<b>CORNER COORDINATES TABLE</b> NAD 27 NME	
A - Y= 504685.3 N, X= 775688.3 E	
B - Y= 504695.5 N, X= 777007.6 E	
C - Y= 504705.7 N, X= 778326.8 E	
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F - Y= 515253.9 N, X= 776943.6 E	
G - Y= 515264.6 N, X= 778262.7 E	
<b>CORNER COORDINATES TABLE</b> NAD 83 NME	
A - Y= 504745.9 N, X= 816871.6 E	
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C - Y= 504766.3 N, X= 819510.2 E	
D - Y= 510034.7 N, X= 818159.0 E	
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<b>FIRST TAKE POINT</b> NAD 83 NME Y= 504858.6 N X= 818519.8 E LAT.=32.384727° N LONG.=103.435409° W <b>KICK OFF POINT</b> NAD 83 NME Y= 504778.7 N X= 818520.3 E LAT.=32.384507° N LONG.=103.435409° W <b>GEODETIC COORDINATES</b> NAD 83 NME SURFACE LOCATION Y= 505039.0 N X= 817918.8 E LAT.=32.385237° N LONG.=103.437350° W	<b>FIRST TAKE POINT</b> NAD 27 NME Y= 504798.0 N X= 777336.4 E LAT.=32.384603° N LONG.=103.434930° W <b>KICK OFF POINT</b> NAD 27 NME Y= 504718.0 N X= 777336.9 E LAT.=32.384383° N LONG.=103.434930° W <b>GEODETIC COORDINATES</b> NAD 27 NME SURFACE LOCATION Y= 504978.4 N X= 776735.4 E LAT.=32.385112° N LONG.=103.436872° W

OPERATOR CERTIFICATION

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Sammy Hajar* 8/22/23  
Signature Date

Sammy Hajar

Printed Name

SHAJAR@BTAOIL.COM

E-mail Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of the surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge.

Date of Survey 06/27/2023  
Signature Gary E. Eidson  
Professional Surveyor Seal of Professional Surveyor

*Gary E. Eidson* 06/27/2023  
Certificate Number Gary E. Eidson 12641

ACK

JWSC W.O. 23 11 0188

COM AGREEMENT #: NMNM205050



COMMISSIONER

Stephanie Garcia Richard

*State of New Mexico*  
*Commissioner of Public Lands*

310 OLD SANTA FE TRAIL  
P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

September 27<sup>th</sup>, 2024

Re: Communitization Agreement Approval  
Crazy Goat 8711 14 11 State Com #003H  
BTA Oil Producers, LLC

To Whom It May Concern,

The Commissioner of Public Lands has this date approved the Communitization Agreement as described in the submitted packet. Enclosed are three Certificates of Approval.

The agreement shall remain in effect for One Year, and as long thereafter as communitized substances are produced from the communitized area in paying quantities.

Approval of this agreement does not warrant or certify that the operator and/or other working interest owners hold legal or equitable title to the leases which are committed hereto, nor does the Commissioner's approval constitute adjudication of any federal or private interests, or warrant or certify that the information supplied by the operator regarding federal or private interests is accurate.

If we may be of further service, please contact Joseph Thompson at (505) 827-5750.

Sincerely,

*Joseph Thompson*

Joseph Thompson  
Petroleum Specialist

**NEW MEXICO STATE LAND OFFICE**

## CERTIFICATE OF APPROVAL

## COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

**BTA Oil Producers, LLC**  
**Crazy Goat 8711 14 11 State Com #003H**  
**Bone Spring**  
**Township: 22 South, Range: 34 East, NMPM**  
**Section 11: W2E2**  
**Section 14: W2E2**

**Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **March 1, 2024**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 27<sup>th</sup> day of September, 2024.



**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico





**New Mexico State Land Office  
Oil, Gas, & Minerals Division**

**STATE/STATE OR  
STATE/FEE**  
Revised August 2024

**COMMUNITIZATION AGREEMENT**

ONLINE Version

API #: 30-0 25 - 51283

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this 1st [day] of March [month], 2024, by and between the parties signing below ("Parties"):

WHEREAS, the Commissioner of Public Lands of the State of New Mexico ("Commissioner") is authorized by the Legislature, as set forth in Section 19-10-53, NMSA 1978, in the interest of development of oil and gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil and gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department ("OCD") where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner to be fair and equitable.

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Bone Spring formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well-spacing program established for such formation in and under said lands; and

WHEREAS, the Parties hereto desire to communitize and pool their respective interests in said leases subject to this Agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

ONLINE  
version

State/State

2024 SEP 18 AM 9:50

NOW THEREFORE, in consideration of the premises and the mutual advantages to the Parties, it is mutually covenanted and agreed by and between the undersigned as follows:

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: W/2 E/2 of Section 11 and the W/2 E/2 of

Of Sect(s): 14 Twp: 22S Rng: 34E NMPM Lea County, NM

Containing \_\_\_\_\_ acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the Parties do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this Agreement for all purposes, is Exhibit A showing the acreage, depths communitized, and ownership (lessees of record) of all leases within the communitized area.

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

ONLINE  
version

State/State

2024 SEP 18 AM 9:50



4. BTA Oil Producers, LLC shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by BTA Oil Producers, LLC. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.

5. The Commissioner hereafter is entitled to the right to take in kind the Commissioner's share for the communitized substances allocated to such tract, and the Operator shall make deliveries of such royaltyshare taken in kind in conformity with applicable contracts, laws, and regulations.

6. There shall be no obligation upon the Parties to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the Parties shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.

9. This Agreement shall be effective as of the date hereinabove written upon execution by the Parties, notwithstanding the date of execution, and upon approval by the Commissioner, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all applicable State laws, rules, and regulations; provided, that this Agreement shall not expire if there is a well producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this Agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this Agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well located within the physical boundaries of that specific lease assignment. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

ONLINE  
version

State/State

3

2024 SEP 18 AM 9:50

10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement

11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.

13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.

14. This Agreement may be executed in any number of counterparts, no one of which needs to be executed by all Parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all Parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. This Agreement shall be binding upon the Parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

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version

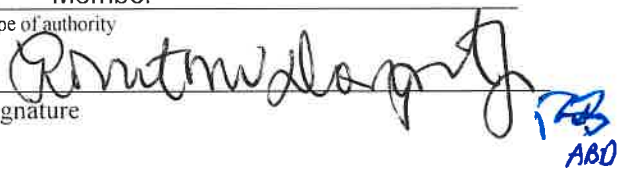
State/State

2024 SEP 18 AM 9:50

16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). **The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.**

17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

Operator	<u>BTA Oil Producers, LLC</u>	Lessees of Record	<u>MRC Permian Company</u>
By	<u>Robert M. Davenport, Jr.</u>		<u>BTA Oil Producers, LLC</u>
	Print name of person		
	Member		<u>BTA Oil Producers, LLC</u>
Type of authority			
Signature			

Attach additional page(s) if needed.

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version

State/State

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5

**OPERATOR:** BTA Oil Producers, LLC

**BY:** Robert M. Davenport, Jr., Member (Name and Title of Authorized Agent)

 (Signature of Authorized Agent)  
 JTB ABD

### Acknowledgment in an Individual Capacity

State of \_\_\_\_\_ )  
 )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_

Date

By \_\_\_\_\_

Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
 Signature of Notarial Officer

My commission expires: \_\_\_\_\_

### Acknowledgment in an Representative Capacity

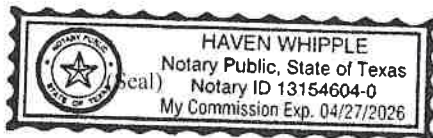
State of Texas )  
 )  
 County of Midland )

This instrument was acknowledged before me on \_\_\_\_\_

Date : 7/15/24

By: Robert M. Davenport, Jr., Member

Name(s) of Person(s)



  
 Signature of Notarial Officer

My commission expires: 4/27/26

ONLINE  
 version

State/State

6

Lease # and Lessee of Record: VB-1831-0003 MRC Permian CompanyBY: Kyle Perkins Its: SVP and Assistant General Counsel (Name and Title of Authorized Agent)[Signature] (Signature of Authorized Agent)CW  
[Signature]

## Acknowledgment in an Individual Capacity

State of \_\_\_\_\_ )  
SS)  
County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_

Date

By \_\_\_\_\_

Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

My commission expires: \_\_\_\_\_

## Acknowledgment in an Representative Capacity

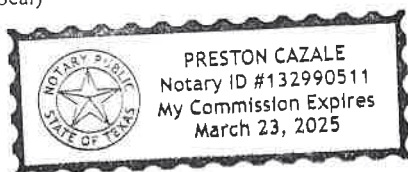
State of Texas \_\_\_\_\_ )  
SS)  
County of Dallas \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_

Date: 8/22/2024By: Kyle Perkins, as SVP & Assistant General Counsel for  
MRC Permian Company, a Texas corporation on behalf of  
Said corporation.

Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
Signature of Notarial OfficerMy commission expires: 3/23/2025ONLINE  
version

State/State

7

**Lease # and Lessee of Record:** V0-0698-0001 BTA Oil Producers, LLC

**BY:** Robert M. Davenport, Jr., Member (Name and Title of Authorized Agent)

*Robert M. Davenport Jr.*

(Signature of Authorized Agent)

*JPB ABO*

### Acknowledgment in an Individual Capacity

State of \_\_\_\_\_ )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_

Date

By \_\_\_\_\_

Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
 Signature of Notarial Officer

My commission expires: \_\_\_\_\_

### Acknowledgment in an Representative Capacity

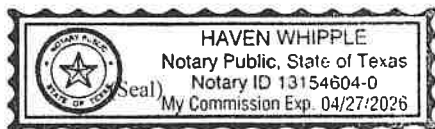
State of Texas \_\_\_\_\_ )  
 County of Midland \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_

Date: 7/15/24

By: Robert M. Davenport, Jr., Member

Name(s) of Person(s)



*Haven Whipple*

Signature of Notarial Officer

My commission expires: 4/27/26



Lease # and Lessee of Record: LG-6555-0002 BTA Oil Producers, LLC

BY: Robert M. Davenport, Jr., Member (Name and Title of Authorized Agent)

Robert M. Davenport, Jr.

(Signature of Authorized Agent)

RM D

### Acknowledgment in an Individual Capacity

State of \_\_\_\_\_ )  
 )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_

Date

By \_\_\_\_\_

Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
 Signature of Notarial Officer

My commission expires: \_\_\_\_\_

### Acknowledgment in an Representative Capacity

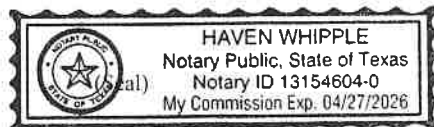
State of Texas )  
 )  
 County of Midland )

This instrument was acknowledged before me on \_\_\_\_\_

Date: 7/15/24

By: Robert M. Davenport, Jr., Member

Name(s) of Person(s)



Haven Whipple

Signature of Notarial Officer

My commission expires: 4/27/26

**EXHIBIT A**

Attached to and made a part of that Communitization Agreement dated March 1, 2024  
by and between BTA Oil Producers, LLC, (Operator) MRC Permian Company,  
BTA Oil Producers, LLC,  
, (Record Title Holders/Lessees of Record) covering  
the Subdivisions : W/2 E/2 of Section 11 and the W/2 E/2 of  
Sect(s): 14, Twnshp 22S, Rnge: 34E, NMPM Lea County, NM  
Limited in depth from        ft to        ft. (enter here what is granted in pooling order if  
applicable)  
OPERATOR of Communitized Area: BTA Oil Producers, LLC

**DESCRIPTION OF LEASES COMMITTED:****TRACT NO. 1**Lessor: State of New Mexico acting by and through its Commissioner of Public LandsLessee of Record: MRC Permian CompanySerial No. of Lease: VB-1831-0003 Date of Lease: 4/1/2010

Description of Lands Committed:

Subdivisions: W/2 E/2 ofSect(s): 11 Twnshp: 22S, Rng: 34E, NMPM, Lea County, NMNo. of Acres: 160.00**TRACT NO. 2**Lessor: State of New Mexico acting by and through its Commissioner of Public LandsLessee of Record: BTA Oil Producers, LLCSerial No. of Lease: V0-0698-0001 Date of Lease: 4/1/1983

Description of Lands Committed:

Subdivisions: NW/4 NE/4 and the NW/4 SE/4 ofSect(s): 14 Twnshp: 22S Rng: 34E NMPM Lea County, NMNo. of Acres: 80.00

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VERSION  
August, 2021

State/State

2024 SEP 18 AM 9:50

**TRACT NO. 3**Lessor: State of New Mexico acting by and through its Commissioner of Public LandsLessee of Record: BTA Oil Producers, LLCSerial No. of Lease: LG-6555-0002 Date of Lease: 5/1/1979

Description of Lands Committed:

Subdivisions: SW/4 NE/4 and the SW/4 SE/4 ofSect(s): 14 Twnshp: 22S Rng: 34E NMPM Lea County, NMNo. of Acres: 80.00**TRACT NO. 4**

Lessor: \_\_\_\_\_

Lessee of Record: \_\_\_\_\_

Serial No. of Lease: \_\_\_\_\_ Date of Lease: \_\_\_\_\_

Description of Lands Committed:

Subdivisions: \_\_\_\_\_

Sect(s): \_\_\_\_\_ Twnshp: \_\_\_\_\_ Rng: \_\_\_\_\_ NMPM \_\_\_\_\_ County, NM

No. of Acres: \_\_\_\_\_

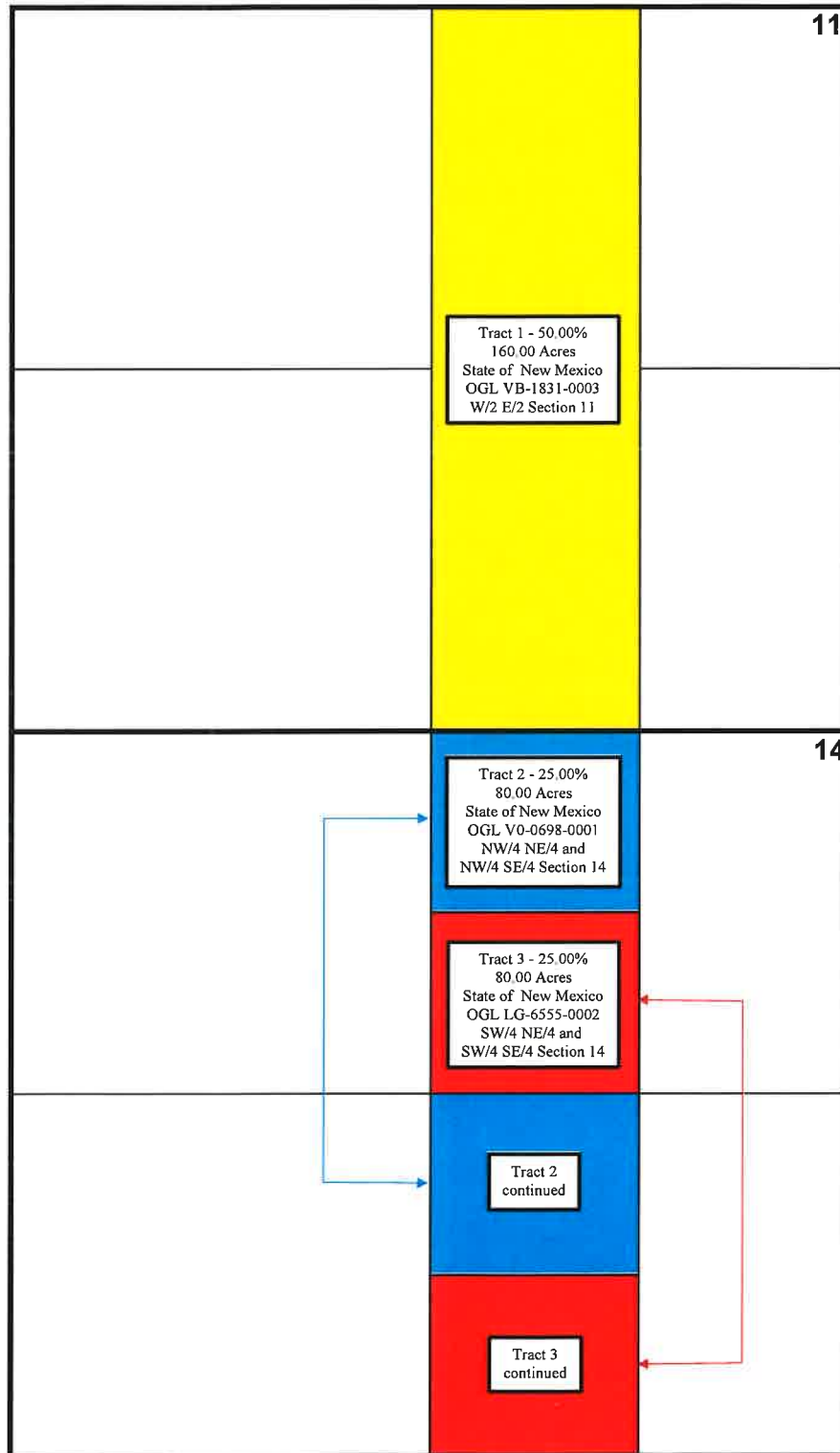
**RECAPITULATION**

Tract number	Number of Acres Committed	Percentage of Interest In Communitized Area (Must equal 100%)
No. 1	<u>160.00</u>	<u>50.00%</u>
No. 2	<u>80.00</u>	<u>25.00%</u>
No. 3	<u>80.00</u>	<u>25.00%</u>
No. 4	_____	_____
TOTALS	<u>320.00</u>	<u>100.00%</u>

2024 SEP 18 AM 9:50

**EXHIBIT "A"**

**Attached to Communitization Agreement dated March 1, 2024, by BTA Oil Producers, LLC, et al, covering the W/2 E/2 of Section 11 and the W/2 E/2 of Section 14, T-22-S, R-34-E, N.M.P.M., Lea County, New Mexico**



COM AGREEMENT #: NMNM205051



COMMISSIONER

Stephanie Garcia Richard

*State of New Mexico*  
*Commissioner of Public Lands*

310 OLD SANTA FE TRAIL  
P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760  
Fax (505) 827-5766  
www.nmstatelands.org

September 27<sup>th</sup>, 2024

Re: Communitization Agreement Approval  
Crazy Goat 8711 14 11 State Com #004H  
BTA Oil Producers, LLC

To Whom It May Concern,

The Commissioner of Public Lands has this date approved the Communitization Agreement as described in the submitted packet. Enclosed are three Certificates of Approval.

The agreement shall remain in effect for One Year, and as long thereafter as communitized substances are produced from the communitized area in paying quantities.

Approval of this agreement does not warrant or certify that the operator and/or other working interest owners hold legal or equitable title to the leases which are committed hereto, nor does the Commissioner's approval constitute adjudication of any federal or private interests, or warrant or certify that the information supplied by the operator regarding federal or private interests is accurate.

If we may be of further service, please contact Joseph Thompson at (505) 827-5750.

Sincerely,

*Joseph Thompson*

Joseph Thompson  
Petroleum Specialist

**NEW MEXICO STATE LAND OFFICE****CERTIFICATE OF APPROVAL****COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

**BTA Oil Producers, LLC**  
**Crazy Goat 8711 14 11 State Com #004H**  
**Bone Spring**  
**Township: 22 South, Range: 34 East, NMPM**  
**Section 11: E2E2**  
**Section 14: E2E2**

**Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **March 1, 2024**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 27<sup>th</sup> day of September, 2024.



**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico



**New Mexico State Land Office  
Oil, Gas, & Minerals Division**

**STATE/STATE OR  
STATE/FEE**

Revised August 2024

**COMMUNITIZATION AGREEMENT**

ONLINE Version

API #: 30-0 25 - 51284

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this 1st [day] of March [month], 2024, by and between the parties signing below ("Parties"):

WHEREAS, the Commissioner of Public Lands of the State of New Mexico ("Commissioner") is authorized by the Legislature, as set forth in Section 19-10-53, NMSA 1978, in the interest of development of oil and gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil and gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department ("OCD") where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner to be fair and equitable.

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Bone Spring formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well-spacing program established for such formation in and under said lands; and

WHEREAS, the Parties hereto desire to communitize and pool their respective interests in said leases subject to this Agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

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version

State/State

2024 SEP 19 AM 10:12

NOW THEREFORE, in consideration of the premises and the mutual advantages to the Parties, it is mutually covenanted and agreed by and between the undersigned as follows:

- I. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: E/2 E/2 of Section 11 and the E/2 E/2 of

Of Sect(s): 14 Twp: 22S Rng: 34E NMPM Lea County, NM

Containing 320.00 acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the Parties do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this Agreement for all purposes, is Exhibit A showing the acreage, depths communitized, and ownership (lessees of record) of all leases within the communitized area.

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

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State/State

2024 SEP 19 AM 10:12

4. BTA Oil Producers, LLC shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by BTA Oil Producers, LLC. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.

5. The Commissioner hereafter is entitled to the right to take in kind the Commissioner's share for the communitized substances allocated to such tract, and the Operator shall make deliveries of such royaltyshare taken in kind in conformity with applicable contracts, laws, and regulations.

6. There shall be no obligation upon the Parties to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the Parties shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.

9. This Agreement shall be effective as of the date hereinabove written upon execution by the Parties, notwithstanding the date of execution, and upon approval by the Commissioner, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all applicable State laws, rules, and regulations; provided, that this Agreement shall not expire if there is a well producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this Agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this Agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well located within the physical boundaries of that specific lease assignment. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

ONLINE  
version

State/State

3

SEP 19 AM 10:12

10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement

11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.

13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.

14. This Agreement may be executed in any number of counterparts, no one of which needs to be executed by all Parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all Parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. This Agreement shall be binding upon the Parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

ONLINE  
version


State/State

2024 SEP 19 AM 10:13

16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). **The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.**

17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

Operator	BTA Oil Producers, LLC	Lessees of Record	BTA Oil Producers, LLC
By	Robert M. Davenport, Jr.		MRC Permian Company
	Print name of person		
	Manager		Featherstone Development Corporation
	Type of authority		Prospector, LLC
			Big Three Energy Group, LLC
	Signature		Ray Westall
			Karen Westall
			Ross Duncan Properties, LLC

Attach additional page(s) if needed.

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version

State/State

2024 SEP 19 AM 10:13

OPERATOR: BTA Oil Producers, LLC

BY: Robert M. Davenport, Jr., Member (Name and Title of Authorized Agent)

Robert M. Davenport Jr (Signature of Authorized Agent)  
 RMD ABD

### Acknowledgment in an Individual Capacity

State of \_\_\_\_\_ )  
 )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_

Date

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: \_\_\_\_\_

### Acknowledgment in an Representative Capacity

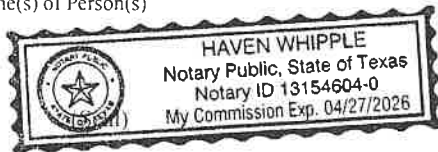
State of Texas )  
 )  
 County of Midland )

This instrument was acknowledged before me on \_\_\_\_\_

Date : 7/12/24

By: Robert M. Davenport, Jr., Member

Name(s) of Person(s)



Haven Whipple

Signature of Notarial Officer

My commission expires: 4/27/2026

ONLINE  
version

State/State

2024 SEP 19 AM 10:13  
6



Lease # and Lessee of Record: VB-1831-0003 BTA Oil Producers, LLC

BY: Robert M. Davenport, Jr., Member (Name and Title of Authorized Agent)

Robert M. Davenport (Signature of Authorized Agent)  
 RDH ABD

### Acknowledgment in an Individual Capacity

State of )  
 )  
 County of )

This instrument was acknowledged before me on

Date

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: \_\_\_\_\_

### Acknowledgment in an Representative Capacity

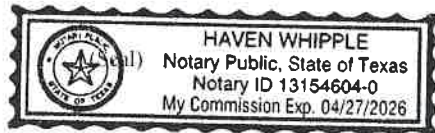
State of Texas )  
 )  
 County of Midland )

This instrument was acknowledged before me on

Date: 9/4/24

By: Robert M. Davenport, Jr., Member

Name(s) of Person(s)



Haven Whipple  
 Signature of Notarial Officer

My commission expires: 4/27/26

ONLINE  
 version

State/State

2024 SEP 19 AM 10:13



Lease # and Lessee of Record: VB-1831-0003 MRC Permian Company

BY: Kyle Perkins Its: SVP and Assistant General Counsel (Name and Title of Authorized Agent)

[Signature] (Signature of Authorized Agent)

[Signature]

Acknowledgment in an Individual Capacity

State of )  
SS)  
County of )

This instrument was acknowledged before me on

Date

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires:

Acknowledgment in an Representative Capacity

State of Texas )  
SS)  
County of Dallas )

This instrument was acknowledged before me on

Date: 8/22/2024

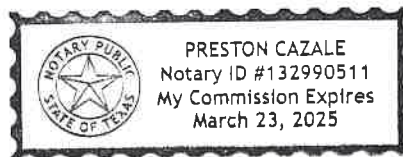
By: Kyle Perkins, as SVP & Assistant General Counsel for  
MRC Permian Company, a Texas corporation on behalf of  
said corporation.

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: 3/23/2025



ONLINE  
version

State/State

BY: Glen Forthstone III President (Name and Title of Authorized Agent)

 (Signature of Authorized Agent)

State of )  
County of )  
SS)

By

(Seal)

Signature of Notarial Officer

My commission expires: \_\_\_\_\_

State of New Mexico )  
 )  
 ) SS)  
County of Chaves )

By: Glenn Featherstone III

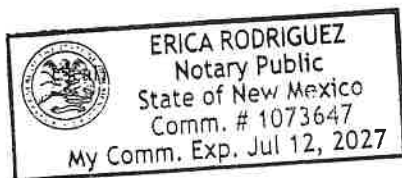
Name(s) of Person(s)

Date: 7/12/24

Signature of Notarial Officer

Signature of Notarial Officer

My commission expires: 7/12/27

ONLINE  
version

State/State

7

BY: Clay Featherstone II manager (Name and Title of Authorized Agent)

 (Signature of Authorized Agent)

State of )  
County of )  
SS)

This instrument was acknowledged before me on \_\_\_\_\_ Date \_\_\_\_\_  
By \_\_\_\_\_

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: \_\_\_\_\_


State of New Mexico )  
County of Chaves )  
SS)

This instrument was acknowledged before me on

By: Olen Featherstone Tu

Name(s) of Person(s)

Date: 7/12/24

 **ERICA RODRIGUEZ**  
Notary Public  
State of New Mexico  
Comm. # 1073647  
My Comm. Exp. Jul 12, 2027

Signature of Notarial Officer

My commission expires: 11/2/24

ONLINE  
version

State/State

2024 SEP 19 AM 10:13

Lease # and Lessee of Record: OGI 1897-594 Big Three Energy Group, LLC

BY: Glen Featherstone III, manager (Name and Title of Authorized Agent)

[Signature] (Signature of Authorized Agent)

**Acknowledgment in an Individual Capacity**

State of )  
SS)  
County of )

This instrument was acknowledged before me on \_\_\_\_\_ Date

By \_\_\_\_\_  
Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

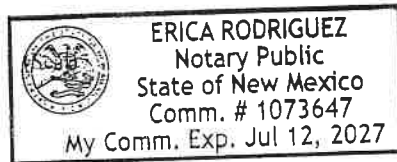
My commission expires: \_\_\_\_\_

**Acknowledgment in an Representative Capacity**

State of New Mexico )  
SS)  
County of Chaves )

This instrument was acknowledged before me on \_\_\_\_\_ Date: 7/12/24

By: Glen Featherstone III  
Name(s) of Person(s)



[Signature]  
Signature of Notarial Officer

My commission expires: 7/12/27

ONLINE  
version

State/State

2024 SEP 19 AM 10:13

Lease # and Lessee of Record: OGL 1897-594 Ray Westall

BY: Ray Westall (Name and Title of Authorized Agent)

[Signature] (Signature of Authorized Agent)

**Acknowledgment in an Individual Capacity**

State of New Mexico )  
 )  
County of )

This instrument was acknowledged before me on \_\_\_\_\_ Date

By

Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

My commission expires: \_\_\_\_\_

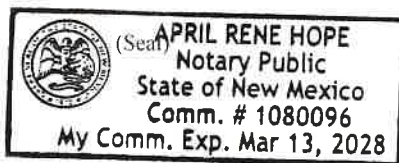
**Acknowledgment in an Representative Capacity**

State of New Mexico )  
 )  
County of Sandoval )

This instrument was acknowledged before me on \_\_\_\_\_

Date: 7/15/24

By: Ray Westall  
Name(s) of Person(s)



[Signature]  
Signature of Notarial Officer

My commission expires: 3/13/28

ONLINE  
version

State/State

2024 SEP 19 7 51 AM 10:13

Lease # and Lessee of Record: OGI 1897-594 Karen WestallBY: Karen Westall (Name and Title of Authorized Agent)

[Signature] (Signature of Authorized Agent)

**Acknowledgment in an Individual Capacity**

State of New Mexico )  
 )  
 County of )

This instrument was acknowledged before me on

Date

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: \_\_\_\_\_

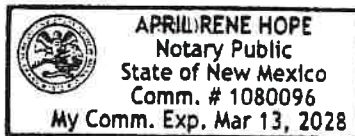
**Acknowledgment in an Representative Capacity**

State of New Mexico )  
 )  
 County of Eddy )

This instrument was acknowledged before me on

Date: 7/15/24By: Karen Westall

Name(s) of Person(s)



[Signature]  
 Signature of Notarial Officer

My commission expires: 3/13/28ONLINE  
version

State/State

7

2024 SEP 19 AM 10:13



Lease # and Lessee of Record: OGI 1897-594 Ross Duncan Properties, LLC

BY: Ross Duncan, Manager (Name and Title of Authorized Agent)

[Signature] (Signature of Authorized Agent)

**Acknowledgment in an Individual Capacity**

State of \_\_\_\_\_ )  
County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_ Date

By \_\_\_\_\_  
Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

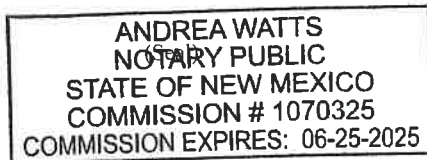
My commission expires: \_\_\_\_\_

**Acknowledgment in an Representative Capacity**

State of New Mexico )  
County of Eddy )

This instrument was acknowledged before me on \_\_\_\_\_ Date: 7/23/24

By: Ross Duncan, Manager  
Name(s) of Person(s)



Andrea Watts  
Signature of Notarial Officer

My commission expires: \_\_\_\_\_

ONLINE  
version

State/State

2024 SEP 19 AM 10:13

 (Signature of Authorized Agent)

### Acknowledgment in an Individual Capacity

State of )  
County of )  
SS)

This instrument was acknowledged before me on \_\_\_\_\_ Date \_\_\_\_\_  
By \_\_\_\_\_

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: \_\_\_\_\_

### Acknowledgment in an Representative Capacity

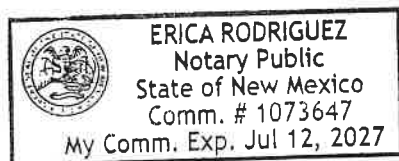
State of New Mexico )  
 )  
 ) SS)  
County of Chavez )

This instrument was acknowledged before me on

Date: 7/12/24

By: Olen Featherstone III

Name(s) of Person(s)



Signature of Notarial Officer

My commission expires: 7/12/27

ONLINE  
version

State/State

2024 SEP 4 9 AM 10:13

Lease # and Lessee of Record: OGL 1897-599 Prospector, LLC

BY Glen Featherstone III, manager (Name and Title of Authorized Agent)

 (Signature of Authorized Agent)

### Acknowledgment in an Individual Capacity

State of )  
County of )  
SS)

This instrument was acknowledged before me on \_\_\_\_\_ Date \_\_\_\_\_

By

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: \_\_\_\_\_

### Acknowledgment in an Representative Capacity

State of New Mexico )  
County of Albuquerque )  
SS)

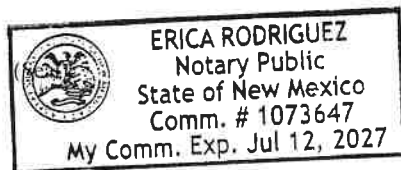
This instrument was acknowledged before me on

By: Olen Featherstone III  
Name(s) of Person(s)

Date: 7/12/24

Signature of Notarial Officer

My commission expires: 7/12/27



ONLINE  
version

State/State

2024 SEP 19 AM 10:13

Lease # and Lessee of Record: OGI 1897-599 Big Three Energy Group, LLC

BY: Olen Featherstone III, manager (Name and Title of Authorized Agent)

[Signature] (Signature of Authorized Agent)

### Acknowledgment in an Individual Capacity

State of \_\_\_\_\_ )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_

Date

By \_\_\_\_\_

Name(s) of Person(s)

(Seal)

Signature of Notarial Officer

My commission expires: \_\_\_\_\_

### Acknowledgment in an Representative Capacity

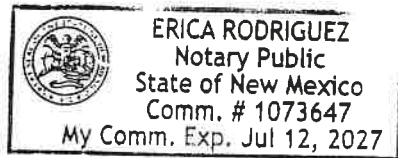
State of New Mexico )  
 County of Chaves )

This instrument was acknowledged before me on \_\_\_\_\_

Date: 7/12/24

By: Olen Featherstone III

Name(s) of Person(s)



[Signature]  
 Signature of Notarial Officer

My commission expires: 7/12/27

ONLINE  
version

State/State

2024 SEP 19 AM 10:13

Lease # and Lessee of Record: OGI 1897-599 Ray Westall

BY: Ray Westall (Name and Title of Authorized Agent)

[Signature] (Signature of Authorized Agent)

**Acknowledgment in an Individual Capacity**

State of New Mexico )  
 )  
 )  
County of )

This instrument was acknowledged before me on \_\_\_\_\_ Date

By \_\_\_\_\_  
Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

My commission expires: \_\_\_\_\_

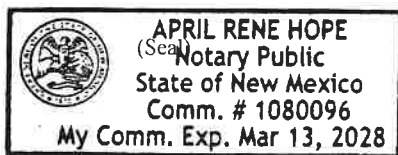
**Acknowledgment in an Representative Capacity**

State of New Mexico )  
 )  
 )  
County of Soldo )

This instrument was acknowledged before me on \_\_\_\_\_

Date: 7/15/24

By: Ray Westall  
Name(s) of Person(s)



[Signature]  
Signature of Notarial Officer

My commission expires: 3/13/28

ONLINE  
version

State/State

2024 SEP 19 7 AM 10:13

Lease # and Lessee of Record: OGI 1897-599 Karen Westall

BY: Karen Westall (Name and Title of Authorized Agent)

[Signature] (Signature of Authorized Agent)

**Acknowledgment in an Individual Capacity**

State of New Mexico )  
 )  
County of )

This instrument was acknowledged before me on \_\_\_\_\_ Date

By \_\_\_\_\_  
Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

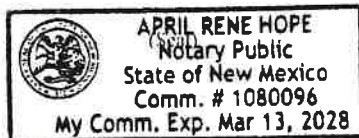
My commission expires: \_\_\_\_\_

**Acknowledgment in an Representative Capacity**

State of New Mexico )  
 )  
County of Eddy )

This instrument was acknowledged before me on \_\_\_\_\_ Date: 7/15/24

By: Karen Westall  
Name(s) of Person(s)



[Signature]  
Signature of Notarial Officer

My commission expires: 3/13/28

ONLINE  
version

State/State

7

2024 SEP 19 AM 10:13



 (Signature of Authorized Agent)

2024 SEP 19 AM 10:13

Lease # and Lessee of Record: OGL 1913-804 BTA Oil Producers, LLC

BY: Robert M. Davenport, Jr., Member (Name and Title of Authorized Agent)

Robert M. Davenport Jr (Signature of Authorized Agent)  
JMD ABO

**Acknowledgment in an Individual Capacity**

State of \_\_\_\_\_ )  
County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_ Date  
By \_\_\_\_\_

Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
Signature of Notarial Officer

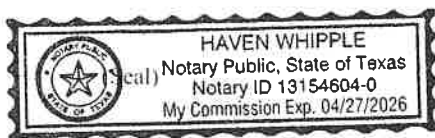
My commission expires: \_\_\_\_\_

**Acknowledgment in an Representative Capacity**

State of Texas \_\_\_\_\_ )  
County of Midland \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_ Date: 7/15/24  
By: Robert M. Davenport, Jr., Member

Name(s) of Person(s)



Haven Whipple  
Signature of Notarial Officer

My commission expires: 4/27/26

ONLINE  
version

State/State

2024 SEP 19 AM 10:13

Robert M. Long Jr. (Signature of Authorized Agent)  
123 ABC

2024 SEP 19 AM 10:13

**Lease # and Lessee of Record:** LG-6555-0002 BTA Oil Producers, LLC  
**BY:** Robert M. Davenport, Jr., Member (Name and Title of Authorized Agent)

 (Signature of Authorized Agent)  
 ihs ABO

### Acknowledgment in an Individual Capacity

State of \_\_\_\_\_ )  
 )  
 County of \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_ Date  
 By \_\_\_\_\_

Name(s) of Person(s)

(Seal)

\_\_\_\_\_  
 Signature of Notarial Officer

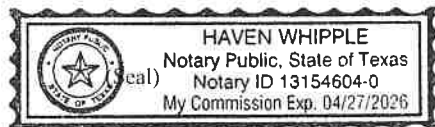
My commission expires: \_\_\_\_\_

### Acknowledgment in an Representative Capacity

State of Texas )  
 )  
 County of Midland )

This instrument was acknowledged before me on \_\_\_\_\_ Date: 7/19/24  
 By: Robert M. Davenport, Jr., Member

Name(s) of Person(s)



  
 Signature of Notarial Officer

My commission expires: 4/27/26

ONLINE  
 version

State/State

2024 SEP 19 AM 10:13  
 7

**EXHIBIT A**

Attached to and made a part of that Communitization Agreement dated March 1, 2024

by and between BTA Oil Producers, LLC, (Operator) BTA Oil Producers, LLC, MRC Permian Company, Featherstone Development Corporation, Prospector, LLC, Big Three Energy Group, LLC, Ray Westall and wife, Karen Westall, and Ross Duncan Properties, LLC,  
(Record Title Holders/Lessees of Record) covering the Subdivisions : E/2 E/2 of Section 11 and the E/2 E/2 of

Sect(s): 14, Twnshp 22S, Rnge: 34E, NMPM Lea County, NM

Limited in depth from \_\_\_\_\_ ft to \_\_\_\_\_ ft. (enter here what is granted in pooling order if applicable)

OPERATOR of Communitized Area: BTA Oil Producers, LLC

**DESCRIPTION OF LEASES COMMITTED:****TRACT NO. 1**

Lessor: State of New Mexico acting by and through its Commissioner of Public Lands

Lessee of Record: BTA Oil Producers, LLC, MRC Permian Company

Serial No. of Lease: VB-1831-0003 Date of Lease: 4/1/2010

Description of Lands Committed:

Subdivisions: NE/4 NE/4, E/2 SE/4

Sect(s): 11 Twnshp: 22S, Rng: 34E NMPM Lea County NM

No. of Acres: 120.00

**TRACT NO. 2**

Lessor: The Merchant Livestock Co., Inc.

Lessee of Record: Featherstone Development Corporation, Prospector, LLC,

Big Three Energy Group, LLC, Ray Westall and wife, Karen Westall, and Ross Duncan Properties, LLC,

Recorded: Book 1897, Page 594 Date of Lease: 5/20/2014

Description of Lands Committed:

Subdivisions: SE/4 NE/4 of

Sect(s): 11 Twnshp: 22S Rng: 34E NMPM Lea County, NM

No. of Acres: 40.00

2024 SEP 19 AM 10:13

Lessor: John E. Bosserman

Lessee of Record: Featherstone Development Corporation, Prospector, LLC.

Big Three Energy Group, LLC, Ray Westall and wife, Karen Westall, and Ross Duncan Properties, LLC

Recorded: 1897, Page 599 Date of Lease: 5/22/2014

Description of Lands Committed:

Subdivisions: SE/4 NE/4 of

Sect(s): 11 Twnshp: 22S Rng: 34E NMPM Lea County, NM

No. of Acres: 40.00

Lessor: Randall Harris and Teresa Harris, husband and wife

Lessee of Record: BTA Oil Producers, LLC, MRC Permian Company

Recorded: Book 1913, Page 804 Date of Lease: 8/15/2014

Description of Lands Committed:

Subdivisions: SE/4 NE/4 of

Sect(s): 11 Twnshp: 22S Rng: 34E NMPM Lea County, NM

No. of Acres: 40.00

2024 SEP 19 AM 10:13



**TRACT NO. 3**Lessor: State of New Mexico acting by and through its Commissioner of Public LandsLessee of Record: BTA Oil Producers, LLCSerial No. of Lease: V0-0698-0001 Date of Lease: 4/1/1983

Description of Lands Committed:

Subdivisions: NE/4 NE/4 and NE/4 SE/4 ofSect(s): 14 Twnshp: 22S Rng: 34E NMPM Lea County, NMNo. of Acres: 80.00**TRACT NO. 4**Lessor: State of New Mexico acting by and through its Commissioner of Public LandsLessee of Record: BTA Oil Producers, LLCSerial No. of Lease: LG-6555-0002 Date of Lease: 5/1/1979

Description of Lands Committed:

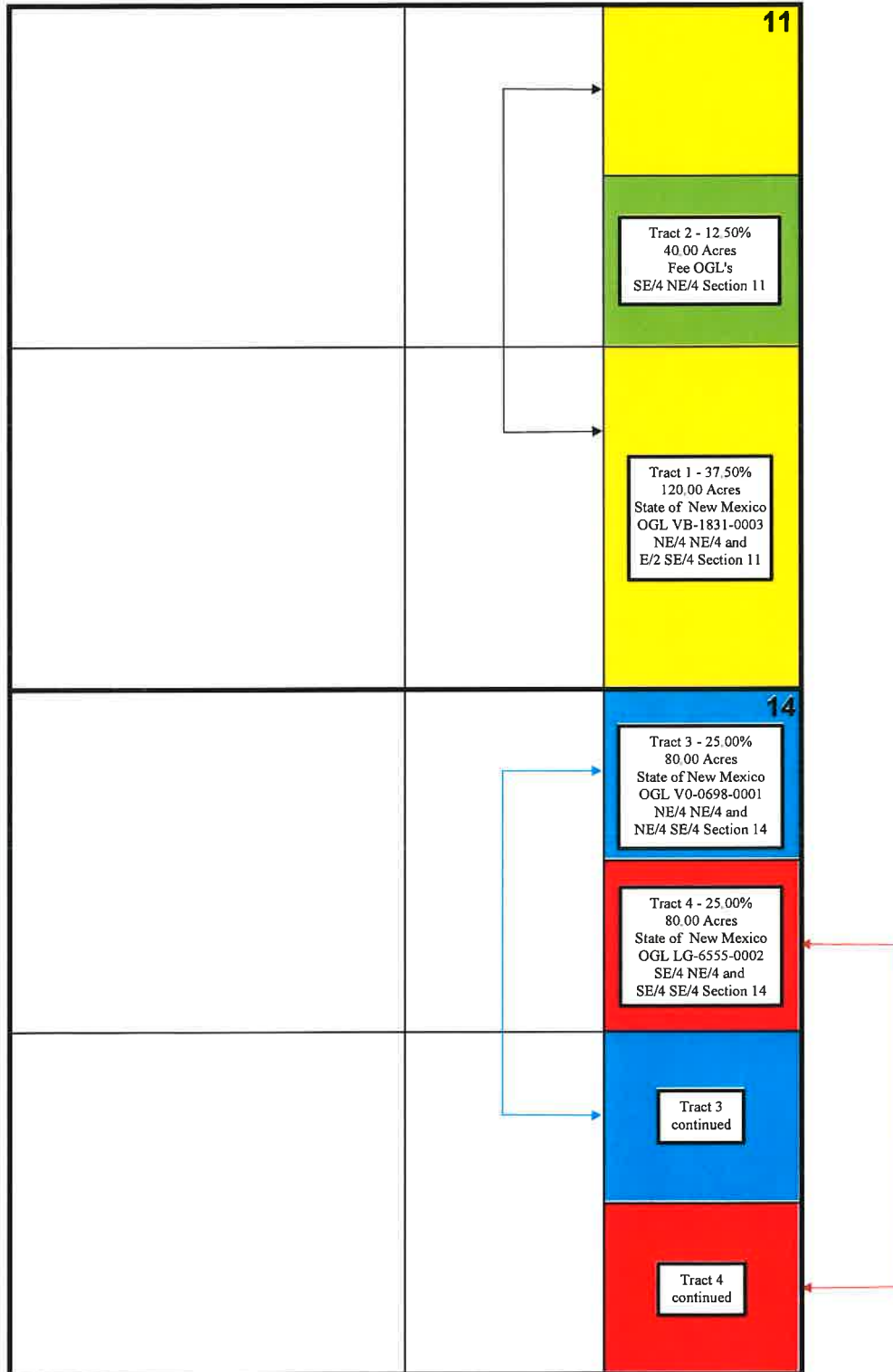
Subdivisions: SE/4 NE/4 and SE/4 SE/4 ofSect(s): 14 Twnshp: 22S Rng: 34E NMPM Lea County, NMNo. of Acres: 80.00**RECAPITULATION**

Tract number	Number of Acres Committed	Percentage of Interest In Communitized Area (Must equal 100%)
No. 1	<u>120.00</u>	<u>37.50%</u>
No. 2	<u>40.00</u>	<u>12.50%</u>
No. 3	<u>80.00</u>	<u>25.00%</u>
No. 4	<u>80.00</u>	<u>25.00%</u>
TOTALS	<u>320.00</u>	<u>100.00%</u>

2024 SEP 19 AM 10:13

**EXHIBIT "A"**

Attached to Communitization Agreement dated March 1, 2024, by BTA Oil Producers, LLC, et al, covering the E/2 E/2 of Section 11 and the E/2 E/2 of Section 14, T-22-S, R-34-E, N.M.P.M., Lea County, New Mexico



**Mailing List With Tracking #'s**

<b>TRACKING #</b>	<b>Name &amp; Address</b>
92148969009997901840341701	Clay Wooten, MRC Permian Company, 5400 LBJ Freeway, Suite 1500, Dallas, Texas, 75240
92148969009997901840341718	Ross Duncan, Ross Duncan Properties, LLC, PO Box 647, Artesia, New Mexico, 88211
92148969009997901840341725	Olen (Tres) Featherston, III, Featherstone Development Corporation, PO Box 429, Roswell, New Mexico, 88202
92148969009997901840341732	Olen (Tres) Featherston, III, Prospector, LLC, PO Box 429, Roswell, New Mexico, 88202
92148969009997901840341749	Olen (Tres) Featherston, III, Big Three Energy Group, LLC, PO Box 429, Roswell, New Mexico, 88202
92148969009997901840341756	Ray Westall and Wife Karen Westall, , PO Box 4, Loco Hills, New Mexico, 88255
92148969009997901840341763	Commingling Manager New Mexico State Land Office, Commissioner of Public Lands, PO Box 1148, Santa Fe, New Mexico, 87504

# Affidavit of Publication

STATE OF NEW MEXICO  
COUNTY OF LEA

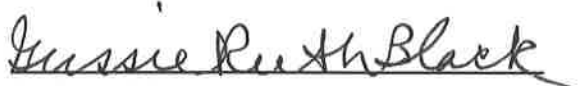
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated  
October 10, 2024  
and ending with the issue dated  
October 10, 2024.



Publisher

Sworn and subscribed to before me this  
10th day of October 2024.



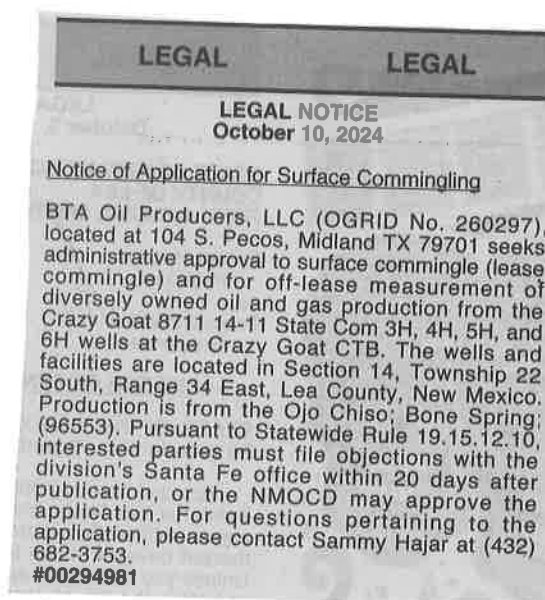
Business Manager

My commission expires  
January 29, 2027

(Seal)

STATE OF NEW MEXICO  
NOTARY PUBLIC  
GUSSIE RUTH BLACK  
COMMISSION # 1087526  
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.



01101299

00294981

PAM INSKEEP  
BTA OIL PRODUCERS  
104 SOUTH PECOS  
MIDLAND, TX 79701

92148969009997901840341763



Copy



Add to Informed Delivery

## Latest Update

Your item was picked up at a postal facility at 7:47 am on October 15, 2024 in SANTA FE, NM 87501.

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USPS Tracking Plus<sup>®</sup>



**Delivered**

**Delivered, Individual Picked Up at Postal Facility**

SANTA FE, NM 87501

October 15, 2024, 7:47 am

[See All Tracking History](#)

[What Do USPS Tracking Statuses Mean?](#)

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**APPLICATION FOR SURFACE COMMINGLING  
SUBMITTED BY BTA OIL PRODUCERS, LLC**

**ORDER NO. CTB-1144**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

**FINDINGS OF FACT**

1. BTA Oil Producers, LLC (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells as described in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
4. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
5. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools, leases, and wells in accordance with 19.15.12.10 C.(4)(g) NMAC.
6. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease as described in Exhibit A.

**CONCLUSIONS OF LAW**

7. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
8. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10 A.(2) NMAC, 19.15.12.10 C.(4)(c) NMAC, and 19.15.12.10 C.(4)(e) NMAC, as applicable.
9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9 A.(5) NMAC and 19.15.23.9 A.(6) NMAC, as applicable.

10. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10 B.(1) NMAC or 19.15.12.10 C.(1) NMAC, as applicable.
11. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10 B.(3) NMAC and 19.15.12.10 C.(4)(h) NMAC.
12. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10 C.(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
13. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

### **ORDER**

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells as described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
3. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
4. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
5. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and



regardless of the reason or authorization pursuant to 19.15.28.8 B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8 E. NMAC.

6. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.
7. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
8. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10 C.(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
9. If a well is not included in Exhibit A but produces from a pool and lease as described in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.
10. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
11. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
12. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



**ALBERT CHANG  
DIRECTOR**

**DATE:** 7/25/2025

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: **CTB-1144**

Operator: **BTA Oil Producers, LLC (260297)**

Central Tank Battery: **Crazy Goat Central Tank Battery**

Central Tank Battery Location: **UL P, Section 14, Township 22 South. Range 34 East**

Gas Title Transfer Meter Location: **UL P, Section 14, Township 22 South. Range 34 East**

### Pools

Pool Name	Pool Code
<b>OJO CHISO;BONE SPRING</b>	<b>96553</b>

### Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
<b>CA Bone Spring SLO 205050 PUN 1406281</b>	<b>W2E2</b>	<b>11-22S-34E</b>
	<b>W2E2</b>	<b>14-22S-34E</b>
<b>CA Bone Spring SLO 205051 PUN 1406294</b>	<b>E2E2</b>	<b>11-22S-34E</b>
	<b>E2E2</b>	<b>14-22S-34E</b>

### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
<b>30-025-51283</b>	<b>CRAZY GOAT 8711 14 11 STATE</b>	<b>W2E2</b>	<b>11-22S-34E</b>	<b>96553</b>
	<b>COM #003H</b>	<b>W2E2</b>	<b>14-22S-34E</b>	
<b>30-025-51284</b>	<b>CRAZY GOAT 8711 14 11 STATE</b>	<b>E2E2</b>	<b>11-22S-34E</b>	<b>96553</b>
	<b>COM #004H</b>	<b>E2E2</b>	<b>14-22S-34E</b>	
<b>30-025-51919</b>	<b>CRAZY GOAT 8711 14 11 STATE</b>	<b>W2E2</b>	<b>11-22S-34E</b>	<b>96553</b>
	<b>COM #005H</b>	<b>W2E2</b>	<b>14-22S-34E</b>	
<b>30-025-51920</b>	<b>CRAZY GOAT 8711 14 11 STATE</b>	<b>E2E2</b>	<b>11-22S-34E</b>	<b>96553</b>
	<b>COM #006H</b>	<b>E2E2</b>	<b>14-22S-34E</b>	

Sante Fe Main Office  
Phone: (505) 476-3441

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

CONDITIONS

Action 391779

CONDITIONS

Operator: BTA OIL PRODUCERS, LLC 104 S Pecos Midland, TX 79701	OGRID: 260297
	Action Number: 391779
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
sarah.clelland	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please email us at <a href="mailto:OCD.Engineer@emnrd.nm.gov">OCD.Engineer@emnrd.nm.gov</a> .	7/29/2025