

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

**APPLICATION OF BTA OIL PRODUCERS, LLC  
TO EXTEND TIME TO COMMENCE DRILLING  
OPERATIONS, LEA COUNTY, NEW MEXICO**

**Case No. 24851  
Order No. R-22852**

**HEARING EXHIBITS**

**Exhibit A                      Self-Affirmed Statement of Adams Davenport**

- A-1                      Application & Proposed Notice
- A-2                      Order No. R-22852

**Exhibit B                      Self-Affirmed Statement of Dana S. Hardy**

- B-1                      Sample Notice Letter sent September 16, 2024
- B-2                      Chart of Notice
- B-3                      Copies of Certified Mail Receipts and Returns
- B-4                      Affidavit of Publication for September 22, 2024

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

**APPLICATION OF BTA OIL  
PRODUCERS, LLC TO EXTEND  
TIME TO COMMENCE DRILLING  
OPERATIONS, LEA COUNTY, NEW MEXICO.**

**Case No. 24851  
Order No. R-22852**

**SELF-AFFIRMED STATEMENT  
OF ADAMS DAVENPORT**

1. I am a Landman with BTA Oil Producers, LLC ("BTA") and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division") and my qualifications as an expert in petroleum land matters were accepted and made a matter of record.

2. I am familiar with the land matters involved in the above-reference case. Copies of BTA's application and proposed hearing notice are attached as **Exhibit A-1**.

3. The Division issued Order No. R-22852 ("Order") in Case No. 23662 on September 11, 2023. The Order pooled all uncommitted interests in the Pennsylvanian Shale formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Sections 21 and 28, Township 16 South, Range 36 East, Lea County, New Mexico ("Unit"); dedicated the Unit to the Capitan 22301 28-21 State Com #17H well ("Well"); and designated Applicant as operator of the Unit and the Well. A copy of the Order is attached as **Exhibit A-2**.

4. The Order requires BTA to commence drilling the Well within one (1) year of the date of the Order unless BTA obtains a time extension from the Division Director for good cause shown.

**BTA Oil Producers, LLC  
Case No. 24851  
Exhibit A**

5. Good cause for an extension exists because BTA's ability to drill the Well has been delayed by limited gas takeaway capacity in the area. Additional gas takeaway capacity is estimated to be operational in Q2 2025.

6. BTA requests that the Division extend the deadline to commence drilling the Well to September 11, 2025.

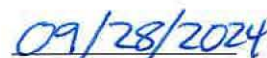
7. BTA further requests the other provisions of the Order remain in force and effect.

8. BTA is in good standing under the statewide rules and regulations.

9. In my opinion, the granting of BTA's application would best serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

10. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

  
Adams Davenport

  
Date

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

**APPLICATION OF BTA OIL PRODUCERS, LLC  
TO EXTEND TIME TO COMMENCE DRILLING  
OPERATIONS, LEA COUNTY, NEW MEXICO**

**Case No. 24851  
Order No. R-22852**

**APPLICATION**

BTA Oil Producers, LLC (OGRID No. 260297) (“BTA” or “Applicant”) files this application with the Oil Conservation Division (“Division”) requesting a one-year extension of time to commence drilling the well authorized by Order No. R-22852 (“Order”). In support of its application, Applicant states the following.

1. The Division issued the Order in Case No. 23662 on September 11, 2023, pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Sections 21 and 28, Township 16 South, Range 36 East, Lea County, New Mexico (“Unit”), dedicating the Unit to the **Capitan 22301 28-21 State Com #17H** well (“Well”), and designating Applicant as operator of the Unit and the Well.
2. The Order requires Applicant to commence drilling the Well within one (1) year of the date of the Order unless Applicant obtains a time extension from the Division Director for good cause shown.
3. BTA’s ability to commence drilling the Well has been delayed by gas takeaway constraints.
4. Good cause exists for the requested extension.

**BTA Oil Producers, LLC  
Case No. 24851  
Exhibit A-1**

5. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Well to September 11, 2025.

WHEREFORE, BTA requests that this application be set for hearing on October 10, 2024, and after notice and hearing, the Division extend the deadline for BTA to commence drilling the Well until September 11, 2025.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

Dylan M. Villescascas

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

dvillescascas@hinklelawfirm.com

*Counsel for BTA Oil Producers, LLC*

**Application of BTA Oil Producers, LLC to Extend Time to Commence Drilling Operations, Lea County, New Mexico.** BTA Oil Producers, LLC (“Applicant”) seeks an order extending the deadline to commence drilling the well authorized by Order No. R-22852 (“Order”) until September 11, 2025. The Division issued the Order in Case No. 23662 on September 11, 2023. The Order: pooled all uncommitted interests in the Pennsylvanian Shale formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Sections 21 and 28, Township 16 South, Range 36 East, Lea County, New Mexico (“Unit”); dedicated the Unit to the **Capitan 22301 28-21 State Com #17H** well (“Well”); and designated Applicant as operator of the Unit and the Well. The Order requires Applicant to commence drilling the Well within one year of the date of the Order. Applicant requests that the Division extend the deadline to commence drilling the Well until September 11, 2025. The Well is located approximately 3 miles south of Lovington, New Mexico.

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

**IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
BTA OIL PRODUCERS, LLC**

**CASE NO. 23662  
ORDER NO. R-22852**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on August 3, 2023, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

1. BTA Oil Producers, LLC (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

**CONCLUSIONS OF LAW**

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.

**BTA Oil Producers, LLC  
Case No. 24851  
Exhibit A-2**

11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

### **ORDER**

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
20. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
21. This Order shall terminate automatically if Operator fails to comply with Paragraph 20 unless Operator obtains an extension by amending this Order for good cause shown.
22. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
23. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
24. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled

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ORDER NO. R-22852

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Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

25. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
26. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
32. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
33. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
34. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
35. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



**DYLAN M FUGE**  
**DIRECTOR**  
DMF/hat

**Date:** 9/11/2023

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## Exhibit A

COMPULSORY POOLING APPLICATION CHECKLIST	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 23662</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>August 3, 2023</b>
Applicant	BTA Oil Producers, LLC
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 260297
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	Application of BTA Oil Producers, LLC for Compulsory Pooling, Lea County, New Mexico.
Entries of Appearance/Intervenors:	None
Well Family	Capitan
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Pennsylvanian Shale
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Pennsylvanian Shale
Pool Name and Pool Code:	WC025 G09 S173615C; Upper Penn Pool (Code 98333)
Well Location Setback Rules:	Statewide
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres
Building Blocks:	quarter-quarter
Orientation:	North/South
Description: TRS/County	W/2 E/2 of Sections 21 and 28, Township 16 South, Range 36 East, Lea County.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is</u> approval of non-standard unit requested in this application?	Yes.
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Capitan 22301 28-21 State Com #17H (API # ---) SHL: 250' FSL & 1330' FEL (Unit O), Section 28, T16S, R36E BHL: 50' FNL & 1980' FEL (Unit B), Section 21, T16S, R36E Completion Target: Pennsylvanian Shale (Approx. 11,515' TVD)
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$12,000.00
Production Supervision/Month \$	\$1,200.00
Justification for Supervision Costs	Exhibit A

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Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-1, Exhibit C-2, Exhibit C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
<b>Geology</b>	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-3
Cross Section (including Landing Zone)	Exhibit B-3
Gross Isopach Map	Exhibit B-4
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	

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<del>Printed Name (Attorney or Party Representative):</del>	<del>Dana S. Hardy</del>	<del>Page 4 of 40</del>
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Dana S. Hardy	
<b>Date:</b>		8/1/2023

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

**APPLICATION OF BTA OIL PRODUCERS, LLC  
TO EXTEND TIME TO COMMENCE DRILLING  
OPERATIONS, LEA COUNTY, NEW MEXICO**

**CASE NO. 24851  
ORDER NO. R-22852**

**SELF-AFFIRMED STATEMENT  
OF DANA S. HARDY**

1. I am attorney in fact and authorized representative of BTA Oil Producers, LLC, the Applicant herein.

2. I am familiar with the Notice Letter attached as **Exhibit B-1** and caused the Notice Letter, along with the Application in this case, to be sent to the parties set out in the chart attached as **Exhibit B-2**.

3. Exhibit B-2 also provides the date each Notice Letter was sent and the date each return was received.

4. Copies of the certified mail green cards and white slips are attached as **Exhibit B-3** as supporting documentation for proof of mailing and the information provided on Exhibit B-2.

5. On September 22, 2024, I caused a notice to be published to all interested parties in the Hobbs News-Sun. An Affidavit of Publication from the Legal Clerk of the Hobbs News-Sun along with a copy of the notice publication, is attached as **Exhibit B-4**.

6. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

/s/ Dana S. Hardy  
Dana S. Hardy

October 2, 2024  
Date

**BTA Oil Producers, LLC  
Case No. 24851  
Exhibit B**



hinklelawfirm.com

## HINKLE SHANOR LLP

ATTORNEYS AT LAW

P.O. BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER:  
Jaclyn M. McLean, Partner  
jmclean@hinklelawfirm.com

September 16, 2024

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

**TO ALL PARTIES ENTITLED TO NOTICE**

**Re: Case Nos. 24851, 24852, 24853 – Applications of BTA Oil Producers, LLC to  
Extend Time to Commence Drilling Operations, Lea County, New Mexico.**

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **October 10, 2024**, beginning at 8:30 a.m.

The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate virtually, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/oed/hearing-info/>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (<https://wwwapps.emnrd.nm.gov/oed/oedpermitting/>) or via e-mail to [oed.hearings@emnrd.nm.gov](mailto:oed.hearings@emnrd.nm.gov) and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

Please contact Adams Davenport, Landman with BTA Oil Producers, LLC, by e-mail at [adavenport@btaoil.com](mailto:adavenport@btaoil.com) if you have any questions regarding this matter.

Sincerely,

/s/ Jaclyn M. McLean

Jaclyn M. McLean

**BTA Oil Producers, LLC**  
**Case No. 24851**  
**Exhibit B-1**

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

**APPLICATION OF BTA OIL PRODUCERS, LLC  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 24851**

**NOTICE LETTER CHART**

<b>PARTY</b>	<b>NOTICE LETTER SENT</b>	<b>RETURN RECEIVED</b>
Bill Foran Broughton Petroleum Inc. 1125 N Loop W, Suite #1055 Houston, TX 77008	09/17/2024 9589071052701152549772	09/27/2024
John Albert Ellett 585 Duarte Rd, Unit #19 Arcadia, California 91007-7343	09/17/2024 9589071052701152549796	09/24/2024
Kevin Klein Slash Exploration P.O. Box 1973 Roswell, NM 88202-1973	09/17/2024 9589071052701152549765	09/23/2024
Norman L. Hay, Jr. & Louise Hay, Co-Trustees Hay Family Trust dated 06/24/2005 5901 Mount Rockwood Circle Waco Texas 76710	09/17/2024 958907105270115254977219	09/30/2024
Tom E. Jennings First Roswell Company P.O. Box 1797 Roswell, New Mexico 88202	09/17/2024 9589071052701152549702	09/23/2024

**BTA Oil Producers, LLC  
Case No. 24851  
Exhibit B-2**



**U.S. Postal Service™  
CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)™.

**OFFICIAL**

Certified Mail Fee  
\$

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

Postage  
\$

**Total Postage and Fees**  
\$

Sent To  
Street and Apt. No., or PO Box No.  
City, State, ZIP+4®

Bill Foran  
Broughton Petroleum Inc.  
1125 N Loop W, Suite #1055  
Houston, TX 77008  
24851 24852 28853 BTA - Capitan

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

**SANTA FE, NM 87501**  
**SEP 11 2024**  
**USPS**

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bill Foran  
Broughton Petroleum Inc.  
1125 N Loop W, Suite #1055  
Houston, TX 77008  
24851, 24852, 28853 BTA - Capitan

9590 9402 8912 4064 8971 01

2. Article Number (Transfer from service label)  
9589 0710 5270 1152 5497 72

PS Form 3811, July 2020 PSN 7530-02-000-9053

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
**X** *Willie* *S* ☐ Agent ☐ Addressee

B. Received by (Printed Name)  
C. Date of Delivery  
9/24/24

D. Is delivery address different from Item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

**RECEIVED**  
**SEP 27 2024**  
Shanor LLP

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery
<input type="checkbox"/> Collect on Delivery Restricted Delivery	
<input type="checkbox"/> Insured Mail	
<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	

Domestic Return Receipt

**BTA Oil Producers, LLC**  
**Case No. 24851**  
**Exhibit B-3**

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
 Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL RECEIPT**

Certified Mail Fee  
 \$

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

Postage  
 \$

Total Postage and Fees  
 \$

Sent To  
 Street and Apt. No., or PO Box No.  
 City, State, ZIP+4®

John Albert Ellett  
 585 Duarte Rd, Unit #19  
 Arcadia, California 91007-7343  
 24851, 24852, 28853 BTA - Capitan

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

**SANTA ANA, CA 92701-507**  
**SEP 17 2024**  
 Postmark Here  
**USPS**

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature  <b>X</b> <i>Gayle McQuinn</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p>
<p>1. Article Addressed to:</p> <p>John Albert Ellett            585 Duarte Rd, Unit #19            Arcadia, California 91007-7343            24851, 24852, 28853 BTA - Capitan</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes            If YES, enter delivery address below: <input type="checkbox"/> No</p> <p><b>RECEIVED</b>  <b>SEP 24 2024</b></p>
<p>2. Article Number (Transfer from service label)  <b>9589 0710 5270 1152 5497 96</b></p>	<p>3. Service Type <i>Hinkle Shanor</i> <input type="checkbox"/> Priority Mail Express®  <input type="checkbox"/> Adult Signature <input type="checkbox"/> Registered Mail™  <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail Restricted Delivery  <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Signature Confirmation™  <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery  <input type="checkbox"/> Collect on Delivery  <input type="checkbox"/> Collect on Delivery Restricted Delivery  <input type="checkbox"/> Insured Mail  <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
 Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL RECEIPT**

Certified Mail Fee \$  
 Extra Services & Fees (check box, add fee as appropriate)  
☐ Return Receipt (hardcopy) \$  
☐ Return Receipt (electronic) \$  
☐ Certified Mail Restricted Delivery \$  
☐ Adult Signature Required \$  
☐ Adult Signature Restricted Delivery \$  
 Postage \$  
 Total Postage and Fees \$  
 Sent To  
 Street and Apt. No., or PO Box  
 City, State, ZIP+4®  
 Kevin Klein  
 Slash Exploration  
 P.O. Box 1973  
 Roswell, NM 88202-1973  
 24851, 24852, 28853 BTA - Capitan

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
 Kevin Klein  
 Slash Exploration  
 P.O. Box 1973  
 Roswell, NM 88202-1973  
 24851, 24852, 28853 BTA - Capitan

2. Article Number (Transfer from service label)  
 9590 9402 8912 4064 8970 95

PS Form 3811, July 2020 PSN 7530-02-000-9053

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
☒ Agent  
☐ Addressee

B. Received by (Printed Name)  
 Ethel

C. Date of Delivery  
 SEP 23 2024

D. Is delivery address different from item 1? ☐ Yes  
 If YES, enter delivery address below: ☐ No

3. Service Type  
☐ Adult Signature  
☐ Adult Signature Restricted Delivery  
☐ Certified Mail®  
☐ Certified Mail Restricted Delivery  
☐ Collect on Delivery  
☐ Collect on Delivery Restricted Delivery  
☐ Insured Mail  
☐ Insured Mail Restricted Delivery (over \$500)

☐ Priority Mail Express®  
☐ Registered Mail™  
☐ Registered Mail Restricted Delivery  
☐ Signature Confirmation™  
☐ Signature Confirmation Restricted Delivery

RECEIVED  
 SEP 25 2024  
 Santa Fe NM 87504

Domestic Return Receipt



**U.S. Postal Service™  
CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL**

Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

**Total Postage and Fees** \$

Sent To

Street and Apt. No., or PO Box No. Norman L. Hay, Jr. & Louise Hay, Co-Trustees  
Hay Family Trust dated 06/24/2005  
5901 Mount Rockwood Circle  
Waco, Texas 76710

City, State, ZIP+4® 24851, 24852, 28853 BTA - Capitan

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

**SANTA FE, NM 87507**

**SEP 17 2024**

**USPS**

**SENDER: COMPLETE THIS SECTION**

■ Complete items 1, 2, and 3.  
■ Print your name and address on the reverse so that we can return the card to you.  
■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Norman L. Hay, Jr. & Louise Hay,  
Co-Trustees  
Hay Family Trust dated 06/24/2005  
5901 Mount Rockwood Circle  
Waco, Texas 76710  
24851, 24852, 28853 BTA - Capitan

2. Article Number (Transfer from service label)  
9589 0710 5270 1152 5498 19

PS Form 3811, July 2020 PSN 7530-02-000-9053

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
X *Christi Goldstein* ☐ Agent ☐ Addressee

B. Received by (Printed Name) *Christi Goldstein*

C. Date of Delivery *9-25-24*

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below ☐ No

**RECEIVED**

**SEP 30 2024**

Hinkle Shanor LLP  
Santa Fe NM 87507

3. Service Type

☐ Adult Signature ☐ Registered Mail Express®  
☐ Adult Signature Restricted Delivery ☐ Registered Mail™  
☐ Certified Mail® ☐ Registered Mail Restricted Delivery  
☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™  
☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery  
☐ Collect on Delivery Restricted Delivery  
☐ Insured Mail  
☐ Insured Mail Restricted Delivery (over \$500)

**Domestic Return Receipt**

**U.S. Postal Service™  
CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

**OFFICIAL**

**SANTA FE, NM 87501**

**SEP 11 2024**

**USPS**

Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

Total Postage and Fees \$

Sent To

Tom E. Jennings  
First Roswell Company  
P.O. Box 1797  
Roswell, New Mexico 88202  
24851, 24852, 28853 BTA - Capitan

Street and Apt. No., or PO Box No.

City, State, ZIP+4®

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

■ Complete items 1, 2, and 3.  
■ Print your name and address on the reverse so that we can return the card to you.  
■ Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Tom E. Jennings  
First Roswell Company  
P.O. Box 1797  
Roswell, New Mexico 88202  
24851, 24852, 28853 BTA - Capitan

2. Article Number (Transfer from service label)

9590 9402 8912 4064 8971 25

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
**X** *[Signature]*

☐ Agent  
☐ Addressee

B. Received by (Printed Name)  
*Tom E. Jennings*

C. Date of Delivery  
*9/22*

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

**RECEIVED**  
**SEP 20 2024**  
**SEP 23 2024**

3. Service Type *Hinkle Shanor LLC* Priority Mail Express®  
☐ Adult Signature Restricted Delivery ☐ Registered Mail™  
☐ Certified Mail® ☐ Registered Mail Restricted Delivery  
☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™  
☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery  
☐ Collect on Delivery Restricted Delivery  
☐ Insured Mail  
☐ Insured Mail Restricted Delivery (over \$500)

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt



# 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  
September 22, 2024  
and ending with the issue dated  
September 22, 2024.

  
Publisher

Sworn and subscribed to before me this  
22nd day of September 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.

**LEGAL**

**LEGAL**

## LEGAL NOTICE September 22, 2024

This is to notify all interested parties, including Slash Exploration; Broughton Petroleum; Black Shale Minerals; John Albert Ellett; First Roswell Company; Norman L. Hay, Jr. & Louise Hay, Co-Trustees Hay Family Trust dated 06/24/2005; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on applications submitted by BTA Oil Producers, LLC ("Applicant"), in Case Nos. 24851 and 24853. The hearing will be conducted on October 10, 2024, in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/oed/hearing-info/>. In Case No. 24851, Applicant seeks an order extending the deadline to commence drilling the well authorized by Order No. R-22852 until September 11, 2025. The Division issued Order R-22852 in Case No. 23662 on September 11, 2023. The Order: pooled all uncommitted interests in the Pennsylvanian Shale formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Sections 21 and 28, Township 16 South, Range 36 East, Lea County, New Mexico; dedicated the Unit to the **Capitan 22301 28-21 State Com #17H** well; and designated Applicant as operator of the unit and the well. Order No. R-22852 requires Applicant to commence drilling the well within one year of the date of the Order. Applicant requests that the Division extend the deadline to commence drilling the Capitan 22301 28-21 State Com #17H well until September 11, 2025. In Case No. 24853, Applicant seeks an order extending the deadline to commence drilling the well authorized by Order No. R-22909 until October 6, 2025. The Division issued Order No. R-22909 in Case No. 23664 on October 6, 2023, and pooled all uncommitted interests in the Pennsylvanian Shale formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 22 and 27, Township 16 South, Range 36 East, Lea County, New Mexico; dedicated the unit to the **Capitan 22301 27-22 State Com #19H** well; and designated Applicant as operator of the unit and the well. Order No. R-22909 requires Applicant to commence drilling the well within one year of the date of the Order. Applicant requests that the Division extend the deadline to commence drilling the Capitan 22301 27-22 State Com #19H until October 6, 2025. The wells are located approximately 3 miles south of Lovington, New Mexico.  
**#00294275**

02107475

00294275

GILBERT  
HINKLE, SHANOR LLP  
PO BOX 2068  
SANTA FE, NM 87504

**BTA Oil Producers, LLC**  
**Case No. 24851**  
**Exhibit B-4**