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. 21404

BTA OIL PRODUCERS, LLC'S HEARING EXHIBITS

Compulsory Pooling Checklist

Exhibit A		Self-Affirmed Statement of Kristeen Ramos				
A-1		Application				
	A-2	Resume				
	A-3	Location Map				
	A-4	C-102s				
	A-5	Plat of Tracts and Ownership Interests				
	A-6	Unit Recapitulation				
	A-7	Tract Ownership				
	A-8	List of Pooled Parties				
	A-9	Well Proposal Letter				
	A-10	Summary of Communications				
	A-11	Unit Ownership				
	A-12	Proposed Notice of Hearing				
	A-13	Hearing Notice Letter and Return Receipts				
	A-14	Affidavit of Publication				
	A-15	Authorization for Expenditures				

Exhibit B		Self-Affirmed Statement of Darin Dolezal
]	B-1	General Location Map
]	B-2	Structure Map
]	B-3	Gross Isopach Map
]	B-4	Gunbarrel Schematic
]	B-5	Cross Section

B-6

Producing Formation Map and Table

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 21404	APPLICANT'S RESPONSE				
Date	September 8, 2020				
Applicant	BTA Oil Producers, LLC				
Designated Operator & OGRID (affiliation if applicable)	260297				
Applicant's Counsel:	Dana S. Hardy				
Case Title:	Application of BTA Oil Producers, LLC for Compulsory Pooling, Lea County, New Mexico				
Entries of Appearance/Intervenors:	COG Operating, LLC; Devon Energy Production Company, LP				
Well Family	White Wing				
Formation/Pool					
Formation Name(s) or Vertical Extent:	Bone Spring				
Primary Product (Oil or Gas):	Oil				
Pooling this vertical extent:	Third Bone Spring Sand, 10,596' MD to 11,416' MD				
Pool Name and Pool Code:	Antelope Ridge; West Pool, Code 2209				
Well Location Setback Rules:	Horizontal Well Rules, NMAC 19.15.16.15				
Spacing Unit Size:	40 acres				
Spacing Unit					
Type (Horizontal/Vertical)	Horizontal				
Size (Acres)	623.24 acres				
Building Blocks:	40-acre tracts				
Orientation:	South-North				
Description: TRS/County	Lots 1, 2, 3, and 4 and the E/2 W/2 of Sections 18 and 19, Township 23 South, Range 34 East				
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	yes				
Other Situations					
Depth Severance: Y/N. If yes, description	Yes - depths above 10,596' MD and below 11,416' MD, Exhibit A				
Proximity Tracts: If yes, description	n/a				
Proximity Defining Well: if yes, description	n/a				
Applicant's Ownership in Each Tract	Exhibit A-5				
Well(s)					
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	White Wing 7909 18-19 Fed Com #1H: SHL 530' FNL and 1340 FWL in Section 18; BHL 50' FSL and 600' FWL in Section 19, Standup, Standard
Well #2	White Wing 7909 18-19 Fed Com #2H: SHL 530' FNL and 1370 FWL in Section 18; BHL 50' FSL and 1980' FWL in Section 19, Standup, Standard
Horizontal Well First and Last Take Points	White Wing 7909 18-19 Fed Com #1H: FTP 100' FNL and 600' FWL in Section 18; LTP 100' FSL and 600' FWL in Section 19. 'White Wing 7909 18-19 Fed Com #2H well: FTP 100' FNL and 1,980' FWL in Section 18, LTP 100' FSL and 1,980' FWL in Section 19.
Completion Target (Formation, TVD and MD)	White Wing 7909 18-19 Fed Com #1H: TVD 11,400' and TMD 21,708'. 'White Wing 7909 18-19 Fed Com #2H: TVD 11,400' and TMD 21,708'.
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8000, Exhibit A
Production Supervision/Month \$	\$800, Exhibit A
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%, Exhibit A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-12
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit A-13
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit A-14
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-5
Tract List (including lease numbers and owners)	Exhibit A-5
Pooled Parties (including ownership type)	Exhibit A-8
Unlocatable Parties to be Pooled	None
Ownership Depth Severance (including percentage above & below)	Exhibit A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-9
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-7

Chronology of Contact with Non-Joined Working Interests	Exhibit A-10
Overhead Rates In Proposal Letter	Exhibit A-9
Cost Estimate to Drill and Complete	Exhibit A-15
Cost Estimate to Equip Well	Exhibit A-15
Cost Estimate for Production Facilities	Exhibit A-15
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-4
Well Orientation (with rationale)	Exhibit B
Target Formation	Third Bone Spring Sand
HSU Cross Section	Exhibit B-5
Depth Severance Discussion	Exhibit B
Forms, Figures and Tables	
C-102	Exhibit A-4
Tracts	Exhibit A-5
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-6
General Location Map (including basin)	Exhibit A-3
Well Bore Location Map	Exhibits B-2, B-3
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone) Additional Information	Exhibit B-5
Special Provisions/Stipulations	None
CERTIFICATION: I hereby certify that the information pro	vided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	Maria J. Houdy
Date:	9/8/2020

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. 21404

SELF-AFFIRMED STATEMENT OF KRISTEEN RAMOS

- 1. I am over 18 years of age and am competent to provide this Self-Affirmed Statement. I have personal knowledge of the matters addressed herein.
- 2. I am a landman for BTA Oil Producers, LLC ("BTA"). I have had direct involvement with BTA's development of the 623.24-acre, more or less, standard horizontal spacing unit ("HSU") that is the subject of BTA's application in this case. A copy of the application is attached as Exhibit A-1.
- 3. I have not previously testified before the Division. A copy of my resume is attached as Exhibit A-2.

A. Proposed Horizontal Spacing Unit

- 4. The proposed HSU is comprised of Lots 1, 2, 3, and 4 and the E/2 W/2 of Sections 18 and 19, Township 23 South, Range 34 East in Lea County, New Mexico. A general location map depicting the proposed HSU is attached as Exhibit A-3.
- 5. BTA seeks to pool all uncommitted interests in the Bone Spring formation underlying the HSU from the stratigraphic equivalent of 10,596' MD to 11,416' MD as observed on the Baker Hughes Compensated Z-Densilog/Compensated Neutron Log run on 12/3/2003 in the 7909 JV-P Bell Lake #2 wellbore (API No. 30-025-34827).

Case No. 21404
BTA OIL
Exhibit A

- 6. The HSU will be dedicated to the following wells:
 - (1) the White Wing 7909 18-19 Fed Com #1H well, which has a surface location in Unit C in Section 18 and a bottom hole location in Lot 4 in Section 19. The first take point is 100' FNL and 600' FWL and the last take point is 100' FSL and 600' FWL. The TVD is 11,400' and the TMD is 21,708'.
 - (2) the White Wing 7909 18-19 Fed Com #2H well, which has a surface location in Unit C in Section 18 and a bottom hole location in Lot 4 in Section 19. The first take point is 100' FNL and 1,980' FWL and the last take point is 100' FSL and 1,980' FWL. The TVD is 11,400' and the TMD is 21,708'.
- 7. The proposed wells will be completed from North to South, and the completed intervals of the wells will be orthodox.
- 8. The proposed wells are located in the Antelope Ridge; West Pool, Code 2209. With respect to well setback requirements, this pool is subject to the statewide horizontal well rules set out in NMAC 19.15.16.15. The primary product in the pool is oil. Spacing in this pool is based on quarter-quarter sections, and the HSU is constructed based on quarter-quarter sections.
 - 9. The C-102s for the proposed wells are attached as Exhibit A-4.

B. Ownership Determination

- 10. A plat of the tracts included in the HSU and the associated ownership interests is attached as Exhibit A-5, and a recapitulation is attached as Exhibit A-6.
 - 11. A list of the tract ownership is attached as Exhibit A-7.
 - 12. A list of the pooled parties is attached as Exhibit A-8.
 - 13. There are no unlocatable interests.

- 14. Depth severances in the HSU have been established by leases and assignments. The S/2 of Section 18 is covered by two federal leases and the N/2 is fee. A joint operating agreement ("JOA") governs all of Section 18 at depths from the top of the Bone Spring formation or 8,612' to the top of the Cisco formation or 12,104'. Some of the fee leases covered by this JOA have expired and are not subject to the JOA. Section 19 is covered by two federal leases, and a JOA governs the E/2 of Section 19 from 8,614' to the base of the Bone Spring formation. Various assignments of each of the federal leases also create depth severances. As a result of these depth severances, BTA seeks to pool uncommitted interests in the Bone Spring formation underlying the HSU from the stratigraphic equivalent of 10,596' MD to 11,416' MD as observed on the Baker Hughes Compensated Z-Densilog/Compensated Neutron Log run on 12/3/2003 in the 7909 JV-P Bell Lake #2 wellbore (API No. 30-025-34827).
 - 15. BTA has the right to pool any overriding royalty owners in the HSU.

C. Joinder

- 16. I sent well proposal letters to the uncommitted interests on June 22, 2020. I subsequently had follow-up communications with them. My well proposal letter is attached as Exhibit A-9. A summary of my follow-up contacts with the uncommitted interests is attached as Exhibit A-10.
 - 17. A list of interest owners is attached as Exhibit A-11.
 - 18. 53.499753% of the working interests are committed to the proposed well.
- 19. In my opinion, BTA has made a good faith effort to obtain the voluntary joinder of uncommitted interests in the proposed wells.

D. Notice of Hearing

20. BTA's proposed notice of hearing is attached as Exhibit A-12.

- 21. At my direction, notice of BTA's application and the Division hearing was provided to the uncommitted interests at least 20 days prior to the hearing date. The notice letter and associated receipts are attached as Exhibit A-13.
- 22. Notice of BTA's application and the Division hearing was published more than ten business days prior to the hearing date. The affidavits of publication are attached as Exhibit A-14.
- 23. BTA conducted a diligent, good-faith effort to identify the correct addresses of persons entitled to notice and has complied with the Division's notice requirements.

E. Drilling and Operating Costs

- 24. The AFEs for the proposed wells are attached as Exhibit A-15. The estimated cost of the well is fair and reasonable and is comparable to the cost of other wells of similar depth and length drilled in Lea County.
- 25. BTA requests overhead and administrative rates of \$8,000 per month while the well is being drilled and \$800 per month while the well is producing. These rates are fair and are comparable to the rates charged by BTA and by other operators in the vicinity. They are also the rates set forth in the Joint Operating Agreement for the HSU. BTA further requests that the rates be adjusted periodically in accordance with the COPAS Accounting Procedure.
 - 26. BTA requests that it be designated the operator of the well.
- 27. BTA also requests that a 200% risk charge be assessed against the uncommitted interests if they are non-consenting working interest owners.
- 28. The attached exhibits attached were either prepared by me or under my supervision, or were compiled from company business records.
- 29. In my opinion, the granting of BTA's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

30. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 29 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.

9/4/20 Date

Case No. 21404 BTA OIL **Exhibit A-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. 21404

APPLICATION

Pursuant to NMSA § 70-2-17, BTA Oil Producers, LLC ("BTA") applies for an order pooling all uncommitted mineral interests in the Bone Spring formation (from the stratigraphic equivalent of 10,596' MD to 11,416' MD as observed on the Baker Hughes Compensated Z-Densilog/Compensated Neutron Log run on 12/3/2003 in the 7909 JV-P Bell Lake #2 wellbore (API No. 30-025-34827)) in a 623.24-acre, more or less, standard horizontal spacing unit comprised of Lots 1, 2, 3, and 4 and the E/2 W/2 of Sections 18 and 19, Township 23 South, Range 34 East in Lea County, New Mexico. In support of its application, BTA states:

- 1. BTA (OGRID No. 260297) is a working interest owner in the subject lands and has the right to drill wells thereon.
 - 2. The proposed horizontal spacing unit will be dedicated to the following wells:
 - the White Wing 7909 18-19 Fed Com #1H well, which has a surface location in Unit C in Section 18 and a bottom hole location in Lot 4 in Section 19; and
 - the White Wing 7909 18-19 Fed Com #2H well, which has a surface location in Unit C in Section 18 and a bottom hole location in Lot 4 in Section 19;
 - 3. The completed intervals for the wells will be orthodox.
- 4. BTA has undertaken diligent, good-faith efforts to obtain voluntary agreements from the mineral interest owners in the proposed horizontal spacing unit to participate in the wells but has been unable to obtain voluntary agreements from all of the mineral interest owners.

- 5. The pooling of all uncommitted mineral interests in the Bone Spring formation, as set forth above, underlying Lots 1, 2, 3, and 4 and the E/2 W/2 of Sections 18 and 19 will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 6. In order to allow BTA to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted mineral interests in the horizontal spacing unit should be pooled.

WHEREFORE, BTA requests that this application be set for hearing on September 10, 2020 and that, after notice and hearing, the Division enter an order:

- A. Pooling all uncommitted mineral interests in the Bone Spring formation, as set forth above, underlying Lots 1, 2, 3, and 4 and the E/2 W/2 of Sections 18 and 19, Township 23 South, Range 34 East;
- B. Designating BTA as the operator of the White Wing 7909 18-19 Fed Com #1H and #2H wells;
- C. Authorizing BTA to recover its costs of drilling, equipping, and completing the wells and allocating the costs among the working interest owners;
- D. Approving the actual operating charges and costs of supervision during drilling and after completion, together with a provision for adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Imposing a 200% penalty for the risk assumed by BTA in drilling and completing the White Wing 7909 18-19 Fed Com #1H and #2H wells against any mineral interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy Dioscorro "Andy" Blanco P.O. Box 2068 Santa Fe, NM 87504-2068

Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com dblanco@hinklelawfirm.com

Counsel for BTA Oil Producers, LLC

KRISTEEN RAMOS, RPL

4403 Westminister Midland, Texas 79707 Cell – (432) 634-1939

E-mail: krstnram@sbcglobal.net

PROFESSIONAL WORK EXPERIENCE

2007 - Current

BTA Oil Producers, LLC

Midland, TX

Landman (2011 - Current)

- Review, negotiate, and prepare land agreements, including Oil and Gas Leases, Operating Agreements, Farmout Agreements, Assignments, Surface Agreements, and various Letter Agreements, etc.
- Establish and maintain strong relationships with working interest parties, mineral owners, and surface owner
- Analyze and evaluate title and tile opinions and perform curative work
- Calculate oil and gas interest ownership, including working interests, net revenue interest, and royalty interest
- Communicate effectively with a multi-disciplined team including attorneys, geologists and engineers to prepare properties for drilling, recompletions, reworks, and P&As
- Assist with property sales and acquisitions

Administrative Landman (2007 - 2011)

- Review and process transfers of ownership
- Communicate with interest owners on documentation needed to transfer ownership
- Review Title Opinions to produce revenue and pay decks
- Create and distribute Division Orders
- Process changes of address

EDUCATION

1993-1998 Midland College

Midland, TX

PERSONAL DATA

- Registered Professional Landman
- Member of American Association of Professional Landmen
- Member of Permian Basin Landman Association
- Notary Public

Case No. 21404

BTA OIL
Exhibit A-2

- Proficient computer skills with ability to use Microsoft Office, Word, and Excel
- Excellent written and verbal communication skills

LEGEND:



· Horizontal Spacing Units



BTA Oil Producers, LLC

WHITE WING 7909 PROPOSED HORIZONTAL SPACING UNIT **LOCATION MAP**

Case No. 21404

BTA OIL Exhibit A-3

	Lea County, New Mexico							
T22S-1	R33E					T22S-	R34E	
28	27	26	25	30	29	28	27	26
33	34	35	36	31	32	33	34	35
4	3	2	1	6	5	4	3	2
9	10	11	12	7	8	9	10	11
			WHITE	WING 790	9 LEASE			
16 T23S -	15 D 2 2 E	14	13	1 1/8 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	17	¹⁶	15 R34F	14
21	22	23	24	 	20	21	22	23
28	Lots 1, 2,	Case No. 21404 623.24ac 3, and 4 and the ns 18 and 19, T2.	E/2 W/2	30		ase No. 21405 640ac ns 18 and 19, T2	3S-R34E	26
33	34	35	36	31	32	33	34	35
4	3	2	1	6	5	4	3	2
9 T24S- -	10 D 2 3 F	11	12	7 600	8	9 T24 S-	10 R34E	11

SEPTEMBER, 2020

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

Case No. 21404 **BTA OIL** Exhibit A-4

,2011 opriate District Office

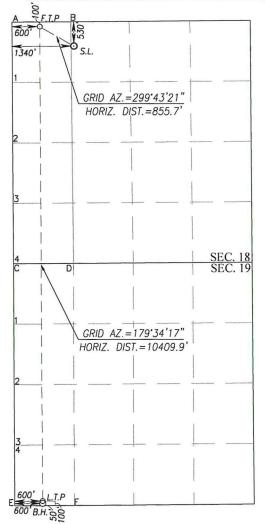
C-102

□AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number				Pool Code		Pool Name						
Property C	Code		Property Name WHITE WING 7909 18-19 FED COM						Well Number			
OGRID 1	No.		Operator Name BTA OIL PRODUCERS, LLC					1H Elevation 3507'				
Surface Location												
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/V	West line	County		
C	18	23-S	34-E		530	NORTH	1340	W	WEST 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/V	West line	County		
4	19	23-S	34-E		50	SOUTH	600	W	WEST LEA			
Dedicated Acres	Acres 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'

GEODETIC COORDINATES GEODETIC COORDINATES NAD 83 NME NAD 27 NME SURFACE LOCATION SURFACE LOCATION Y= 477574.3 N Y = 4776.33.9 NX= 794719.7 E X= 753536.4 E LAT.=32.310424° N LAT. = 32.310300° N LONG. = 103.513177° W LONG. = 103.512696° W FIRST TAKE POINT FIRST TAKE POINT NAD 27 NME NAD 83 NMF Y= 477998.5 N Y= 478058.1 N X= 752793.4 E X = 79.3976.7 FLAT.=32.311482° N LAT.=32.311605° N LONG.=103.515571° W LONG.=103.515091° W

CORNER COORDINATES TABLE

NAD 27 NME - Y= 478093.8 N, X= 752192.8 E

- Y= 478103.4 N, X= 753429.0 E

- Y= 472816.8 N, X= 752232.4 E

- Y= 472825.5 N, X= 753482.7 E

- Y= 467536.7 N, X= 752271.5 E

- Y= 467546.1 N, X= 753562.2 E

CORNER COORDINATES TABLE

NAD 83 NME

A - Y= 478153.5 N, X= 793376.1 E

B - Y= 478163.0 N, X= 794612.3 E - Y= 472876.4 N, X= 793415.9 E

D - Y= 472885.0 N, X= 794666.1 E

- Y= 467596.1 N, X= 793455.1 E

F - Y= 467605.5 N, X= 794745.7 E

LAST TAKE POINT NAD 83 NME Y= 467700.4 N

X= 794054.2 E

LAT.=32.283135° N LONG.=103.515576' W

BOTTOM HOLE LOCATION NAD 83 NME

Y= 467650.4 N X= 794054.6 E LAT. = 32.282997° N LONG. = 103.515576° W

LAST TAKE POINT NAD 27 NME Y= 467641.0 N X= 752870.6 E LAT.=32.283011° N

BOTTOM HOLE LOCATION NAD 27 NME Y= 467591.1 N

LONG. = 103.515096° W

X= 752871.0 E LAT.=32.282873° N LONG.=103.515096° 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.

Date

E-mail Address

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 belief.

APRIL 13, 2017

THE STATE OF THE S	
Date of Survey ALD J. EID	
Signature & Stal of Professional Surveyor:	
EQ. N MEXICO	
C	
0000	
3239) 会量	
D Whole D	
Now "Market San Son Son Son Son Son Son Son Son Son So	1000
1) DNAW PARZECULANO \$1021	2020
Certificate Number Gary G. Eidson	12641
Ronald J. Eidson	3239

Rel. W.O.: 17.11.0357 JWSC W.O.: 20.11.0266

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

		WEI	L LOC	ATION	AND ACRE	AGE DEDICA	ATION PLA	T		
A	PI Number			Pool Code Pool Name						
Property C	Code		W	/HITE	Property Na WING 7909	We	Well Number 2H			
OGRID No.				ВТА	Operator Na			Elevation 3507'		
					Surface Loca	ation				
UL or lot No.	Section	Township	Range	Lot Id	n Feet from the	North/South line	Feet from the	East/West line	County	
C	18	23-S	34-E		530	NORTH	1370	WEST	LEA	
			•	Bottom	Hole Location If Dit	ferent From Surface				
UL or lot No.	Section	Township	Range	Lot Id	n Feet from the	North/South line	Feet from the	East/West line	County	
4	19	23-S	34-E		50	SOUTH	1980	WEST	LEA	
Dedicated Acres	Joint or	r Infill (Consolidation	Code	Order No.					
O ALLOWABLE W	TLL BE ASSIG	NED TO THIS C	OMPLETION I	UNTIL ALL I	NTERESTS HAVE BEEN	CONSOLIDATED OR A N	ION-STANDARD UNI	Γ HAS BEEN APPROVE	D BY THE DIVISIO	
A 700	F.T.P B				SCALE: 1'	'=2000'				
1370'—OS.L.				SUI Y: XA LAT LONG FII Y X LAT	NAD 83 NME RFACE LOCATION = 477634.2 N = 794749.8 E .=32.310424* N .=103.513079* W RST TAKE POINT NAD 83 NME = 478068.8 N = 795356.4 E T.=32.311606* N G.=103.511105* W	NAD 27 NME SURFACE LOCATION Y= 477574.5 N X= 753566.5 E LAT.=32.310300° N LONG.=103.512599° FIRST TAKE POINT NAD 27 NME Y= 478009.1 N X= 754173.1 E LAT.=32.311482° N LONG.=103.510625°	I hereby cen complete to that this org unleased mi proposed bo well at this of such mi pooling ag heretofore	ATOR CERTIFICATION AT THE ATTENTION OF T	erein is true and and belief, and orking interest or acluding the a right to drill this ortract with an owner or to a voluntary	
			SEC. 18		CORNER COORD NAD 27 A - Y= 478103.4 N B - Y= 478113.5 N C - Y= 472825.5 N D - Y= 472834.5 N E - Y= 467546.1 N F - Y= 467555.5 N	NME I, X= 753429.0 E I, X= 754744.2 E I, X= 753482.7 E I, X= 754802.9 E I, X= 753562.2 E	Printed N E-mail A	Jame	Date	
c 		AZ. = 179°3.			CORNER COORD NAD 83 A - Y= 478163.0 B - Y= 478173.2 C - Y= 472885.0 D - Y= 472894.1 E - Y= 467605.5	DINATES TABLE 3 NME N, X= 794612.3 E	I hereby ce was plotted me or unde and correct	VEYOR CERTIF ertify that the well location if from field notes of actual er my supervision, and that to the best of my belief. APRIAMA, 2	shown on this plat surveys made by the same is true	
_		_ _ _ _		Y= X: LAT. LONG	ST TAKE POINT NAD 83 NME = 467710.5 N = 795433.9 E =32.283133* N =103.511111* W	LAST TAKE POINT NAD 27 NME Y= 467651.1 N X= 754250.4 E LAT.=32.283009* LONG.=103.510632*	N W	arvey LD J. E// & Sall of Professional ME J. 3239	ACA A CANAL THE ACA A CANAL TH	
					OM HOLE LOCATION NAD 83 NME = 467660.5 N	BOTTOM HOLE LOC NAD 27 NME Y= 467601.1	N con a	With and sois	* STO2/202	

Y= 467660.5 N

X= 795434.3 E LAT.=32.282996° N LONG.=103.511111° W Y= 467601.1 N X= 754250.7 E LAT.=32.282872* N

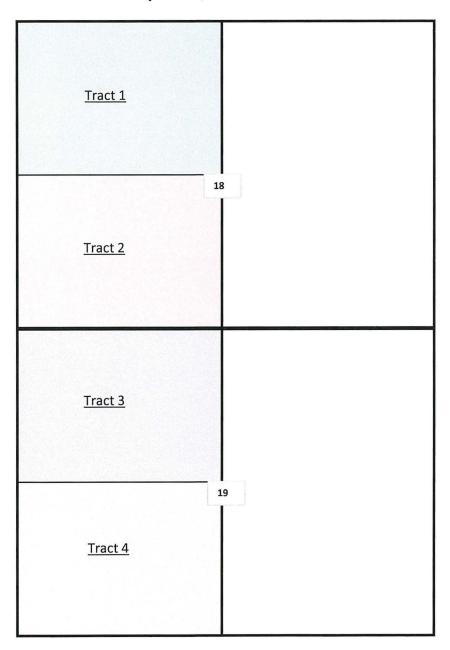
LONG. = 103.510632° W

Certificate Number IIIII (Rap G. Eidson Ronald J. Eidson

LSL Rel. W.O.: 17.11.0358 JWSC W.O.: 20.11.0267

SECTION PLAT

Lots 1, 2, 3, and 4 and the East Half of the West Half of Sections 18 and 19, Township 23 South, Range 34 East, County of Lea, State of New Mexico



Tract 1: Lots 1 and 2 and E/2 NW/4 of Section 18 (155.34 acres) - Fee

BTA Oil Producers, LLC Chevron U.S.A. Inc.

Case No. 21404

BTA OIL

Exhibit A-5

18.758321% WI 21.160414% WI COG Operating LLC 15.193762% WI MRC Permian Company 43.750000% WI Ray Westall 1.137503% WI

Total: 100.000000% WI

Tract 2: Lots 3 and 4 and E/2 SW/4 of Section 18 (155.62 acres) - USA Lease No. NMLC 06838

BTA Oil Producers, LLC	33.348126% WI
Chevron U.S.A. Inc.	37.618514% WI
COG Operating LLC	27.011133% WI
Ray Westall	2.022227% WI

Total: 100.000000% WI

Tract 3: Lots 1 and 2 and E/2 NW/4 of Section 19 (155.95 acres) - USA Lease No. NMLC 06519

Chevron U.S.A. Inc.	60.500000% WI
Devon Energy Production Co., L. P.	37.500000% WI
Primoris Resources, LLC	2.000000% WI

Total: 100.000000% WI

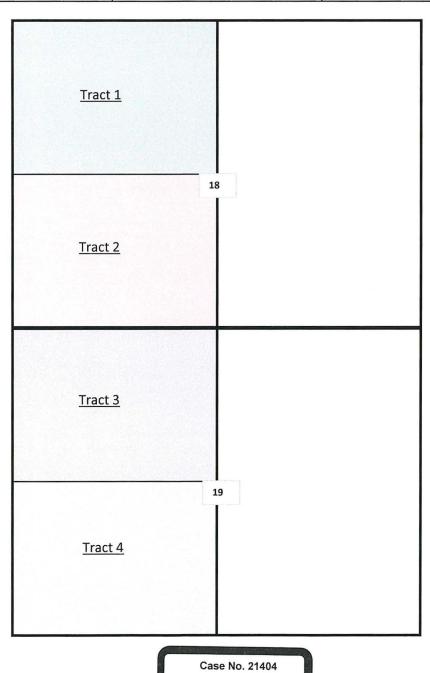
Tract 4: Lots 3 and 4 and E/2 SW/4 of Section 19 (156.33 acres) - USA Lease No. NMLC 06519

Chevron U.S.A. Inc.	35.000000% WI
Devon Energy Production Co., L. P.	37.500000% WI
ConocoPhillips Company	25.000000% WI
Primoris Resources, LLC	2.500000% WI

Total: 100.000000% WI

RECAPITULATION

		Percentage of
Tract Number	Number of Acres Committed	Interest in
1	155.34	24.924588%
2	155.62	24.969514%
3	155.95	25.022463%
4	156.33	25.083435%
TOTAL	623.24	100.000000%



BTA OIL
Exhibit A-6

White Wing 7909 – Lots 1, 2, 3, and 4 and the E/2 W/2 of Sections 18 and 19, T23S, R34E <u>Unit Ownership</u>

Total	100.000000% WI
Primoris Resources, LLC P. O. Box 9230, Wichita Falls, Texas 76308	1.127535% WI
Ray Westall 132447 Lovington Highway, Loco Hills, New Mexico 88255	0.788357% WI
ConocoPhillips Company 600 North Dairy Ashford, EC3 07 7-E305, Houston, Texas 770	6.270859% WI 79
MRC Permian Company One Lincoln Centre, 5400 LBJ Freeway, Suite 1500, Dallas, TX	10.909491% WI X 75240
Devon Energy Production Co., L. P. 333 West Sheridan Avenue, Oklahoma City, Oklahoma 73102	18.789712% WI
COG Operating LLC 600 West Illinois Avenue, Midland, Texas 79701	10.530185% WI
Chevron U.S.A. Inc. 6301 Deauville Boulevard, Midland, Texas 79706	38.583224% WI
BTA Oil Producers, LLC 104 S. Pecos, Midland, Texas 79701	13.000637% WI

Case No. 21404
BTA OIL
Exhibit A-7

Tract Ownership

<u>Tract 1</u> – Lots 1 and 2 and the E/2 NW/4 of Section 18 (155.34 acres): BTA Oil Producers, LLC 104 S. Pecos, Midland, Texas 79701	18.758321% WI
Chevron U.S.A. Inc. 6301 Deauville Boulevard, Midland, Texas 79706	21.160414% WI
COG Operating LLC 600 West Illinois Avenue, Midland, Texas 79701	15.193762% WI
MRC Permian Company One Lincoln Centre, 5400 LBJ Freeway, Suite 1500, Dallas, TX 75240	43.750000% WI
Ray Westall 132447 Lovington Highway, Loco Hills, New Mexico 88255	1.137503% WI
Total	100.000000% WI
Tract 2 – Lots 3 and 4 and the E/2 SW/4 of Section 18 (155.62 acres): BTA Oil Producers, LLC 104 S. Pecos, Midland, Texas 79701	100.00000% WI 33.348126% WI
<u>Tract 2</u> – Lots 3 and 4 and the E/2 SW/4 of Section 18 (155.62 acres): BTA Oil Producers, LLC	
<u>Tract 2</u> – Lots 3 and 4 and the E/2 SW/4 of Section 18 (155.62 acres): BTA Oil Producers, LLC 104 S. Pecos, Midland, Texas 79701 Chevron U.S.A. Inc.	33.348126% WI
Tract 2 – Lots 3 and 4 and the E/2 SW/4 of Section 18 (155.62 acres): BTA Oil Producers, LLC 104 S. Pecos, Midland, Texas 79701 Chevron U.S.A. Inc. 6301 Deauville Boulevard, Midland, Texas 79706 COG Operating LLC	33.348126% WI 37.618514% WI

<u>Tract 3</u> – Lots 1 and 2 and the E/2 NW/4 of Section 19 (155.95 acres): Chevron U.S.A. Inc. 6301 Deauville Boulevard, Midland, Texas 79706	60.500000% WI
Devon Energy Production Co., L. P. 333 West Sheridan Avenue, Oklahoma City, Oklahoma 73102	37.500000% WI
TLW Investments, LLC 1001 Fannin, Suite 2020, Houston, Texas 77002	2.000000% WI
Total	100.000000% WI
Tract 4 – Lots 3 and 4 and the E/2 SW/4 of Section 19 (156.33 acres): Chevron U.S.A. Inc. 6301 Deauville Boulevard, Midland, Texas 79706	35.000000% WI
Devon Energy Production Co., L. P. 333 West Sheridan Avenue, Oklahoma City, Oklahoma 73102	37.500000% WI
ConocoPhillips Company 600 North Dairy Ashford, EC3 07 7-E305, Houston, Texas 77079	25.000000% WI
TLW Investments, LLC 1001 Fannin, Suite 2020, Houston, Texas 77002	2.500000% WI
Total	100.000000% WI

White Wing 7909 – Lots 1, 2, 3, and 4 and the E/2 W/2 of Sections 18 and 19, T23S, R34E Pooled Parties

Leasehold Interest:

COG Operating LLC 600 West Illinois Avenue Midland, Texas 79701

Devon Energy Production Co., L. P. 333 West Sheridan Avenue Oklahoma City, Oklahoma 73102

MRC Permian Company One Lincoln Centre 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240

ConocoPhillips Company 600 North Dairy Ashford EC3 07 7-E305 Houston, Texas 77079

Case No. 21404
BTA OIL
Exhibit A-8



BTA OIL PRODUCERS, LLC

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

104 SOUTH PECOS STREET MIDLAND, TEXAS 79701-5021 432-682-2753 FAX 432-683-0311 GULF COAST DISTRICT TOTAL PLAZA 1201 LOUISIANA STREET, STE. 570 HOUSTON, TEXAS 77002 713-658-0077 FAX 713-655-0346

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

June 22, 2020

FEDERAL EXPRESS OVERNIGHT DELIVERY

In re: Well Proposals

BTA White Wing 7909 18-19 Fed Com #1H (B3DM) BTA White Wing 7909 18-19 Fed Com #2H (B3CN) BTA White Wing 7909 18-19 Fed Com #3H (B3DM) BTA White Wing 7909 18-19 Fed Com #4H (B3AP)

Sections 18 and 19, T-23-S, R-34-E,

Lea County, New Mexico

Gentlemen:

BTA Oil Producers, LLC ("BTA") proposes to drill the following wells ("the Wells"):

- BTA White Wing 7909 18-19 Fed Com #1H (B3DM) ("the White Wing #1H"): The proposed well will be drilled as a horizontal well with a surface hole location at 530' FNL 1,340' FWL of Section 18, T23S, R34E, and a bottom hole location at 50' FSL 600' FWL of Section 19, T23S, R34E. The subject well will be drilled to a TVD of approximately 11,400' and a MD of approximately 21,708' to test the Bone Spring formation. The anticipated spud date of the White Wing #1H is in the first quarter of 2021
- BTA White Wing 7909 18-19 Fed Com #2H (B3CN) ("the White Wing #2H"): The proposed well will be drilled as a horizontal well with a surface hole location at 530' FNL 1,370' FWL of Section 18, T23S, R34E, and a bottom hole location at 50' FSL 1,980' FWL of Section 19, T23S, R34E. The subject well will be drilled to a TVD of approximately 11,400' and a MD of approximately 21,708' to test the Bone Spring formation. The anticipated spud date of the White Wing #2H is in the first quarter of 2021.
- BTA White Wing 7909 18-19 Fed Com #3H (B3BO) ("the White Wing #3H"): The proposed well will be drilled as a horizontal well with a surface hole location at 210' FNL 1,695' FEL of Section 18, T23S, R34E, and a bottom hole location at 50' FSL 1,980' FEL of Section 19, T23S, R34E. The subject well will be drilled to a TVD of approximately 11,355' and a MD of approximately 21,663' to test the Bone Spring formation. The anticipated spud date of the White Wing #3H is in the first quarter of 2021.

Case No. 21404

BTA OIL

Exhibit A-9

• BTA White Wing 7909 18-19 Fed Com #4H (B3AP) ("the White Wing #4H"): The proposed well will be drilled as a horizontal well with a surface hole location at 210' FNL 1,665' FEL of Section 18, T23S, R34E, and a bottom hole location at 50' FSL 600' FEL of Section 19, T23S, R34E. The subject well will be drilled to a TVD of approximately 11,355' and a MD of approximately 21,663' to test the Bone Spring formation. The anticipated spud date of the White Wing #4H is in the first quarter of 2021.

I am enclosing Authority for Expenditures ("AFEs") for each of the Wells. These AFEs itemize the estimated cost of drilling, testing, completing, and equipping each well.

BTA is proposing to drill the Wells under the terms of the attached modified 1989 A.A.P.L form of Operating Agreement dated June 15, 2020, by and between BTA Oil Producers, LLC, as Operator and COG Operating LLC, et al, as Non-Operators covering all of Section 18 and all of Section 19, Township 23 South, Range 34 East, Lea County, New Mexico, and has the following general provisions:

- 100/300/300 Non-consent penalty
- \$8,000.00/\$800 Drilling Well Rate/Producing Well Rate
- BTA Oil Producers, LLC named as Operator

Should you elect to participate in the drilling of the Wells, please so indicate in the spaces provided below and return a signed copy of this letter, the signed AFEs, and the executed Operating Agreement within 30 days of receipt. In the event that no election is received, BTA will submit an application for a Compulsory Pooling Order with the New Mexico Oil Conservation Division.

BTA reserves the right to modify the locations and drilling plans described above and will advise you should any modifications occur.

Should you have any questions, or wish to discuss, please contact me at (432) 682-3753.

Sincerely.

Kristeen Ramos

Landman

Chevron U.S	S.A. Inc.
	Elects to Participate for its proportionate share of costs to drill, test, compete, and equip the BTA White Wing 7909 18-19 Fed Com #1H (B3DM) well.
	Elects not to participate in the BTA White Wing 7909 18-19 Fed Com #1H (B3DM) well.
	Elects to Participate for its proportionate share of costs to drill, test, compete, and equip the BTA White Wing 7909 18-19 Fed Com #2H (B3CN) well.
	Elects not to participate in the BTA White Wing 7909 18-19 Fed Com #2H (B3CN) well.
	Elects to Participate for its proportionate share of costs to drill, test, compete, and equip the BTA White Wing 7909 18-19 Fed Com #3H (B3BO) well.
	Elects not to participate in the BTA White Wing 7909 18-19 Fed Com #3H (B3BO) well.
	Elects to Participate for its proportionate share of costs to drill, test, compete, and equip the BTA White Wing 7909 18-19 Fed Com #4H (B3AP) well.
	Elects not to participate in the BTA White Wing 7909 18-19 Fed Com #4H (B3AP) well.
Chevron U	.S.A. Inc.
Ву:	
Title:	
Date:	

Summary of Communications

Devon Energy Production Co., L. P.

- 6/22/2020 Emailed and sent via Federal Express Overnight service the well proposals and proposed Operating Agreement to Andy Bennett
- 6/23/2020 Email correspondence with Andy Bennett discussing Devon's WI/NRI in the White Wing development
- 6/24/2020 Email correspondence with Andy Bennett regarding Devon's NRI in the White Wing development
- 6/30/2020 Email correspondence with Andy Bennett regarding Devon's NRI and the possibility of moving forward with pooling hearing
- 5) 6/30/2020 -Britton McQuien and Kristeen Ramos had a telephone meeting with Andy Bennett to discuss the intented target and timing
- 6) 7/16/20 Mailed a replacement Exhibit A to the JOA and discussed the Exhibit A by telephone with Andy Bennett
- 7) 8/6/2020 -Discussed our plans to file pooling applications with Andy Bennett via email
- 8) 8/27/20 -Emailed Andy Bennett a copy of the JOA that BTA and Chevron agreed upon
- 9) 8/27/2020 Emailed Andy Bennett to discuss timing and well permits
- 10) 8/31/20 -Telephone and email correspondence with Andy Bennett regarding Devon's proposed letter agreement exempting Devon from the cash call requirement in the potential pooling order in exchange for exempting Devon from cash call requirement
- 11) 9/3/20 Willis Price and Kristeen Ramos had a telephone conference with Andy Bennett and Jill Lee to discuss pre pooling letter agreement, proposed JOA, Devon's interest in the White Wing development, and the upcoming hearing

COG Operating LLC

- 6/22/2020 Emailed and sent via Federal Express Overnight service the well proposals and proposed Operating Agreement to Maggie McDaniel
- 7/9/2020 Email correspondence with Maggie discussing COG's interest in the White Wing development, BTA's plan for development, and responses from other parties in the JOA
- 7/13/2020 Email correspondence with Maggie offering a proposal to carry COG in the development
- 4) 7/16/20 Mailed a replacement Exhibit A to the JOA and discussed with Maggie via email
- 8/27/20 Email correspondence with Maggie providing spreadsheets and calculations for COG's interest in the development
- 6) 8/27/2020 -Emailed Maggie McDaniel to discuss timing and well permits
- 7) 9/1/20 -Email correspondence with Maggie regarding leases covered by proposed JOA
- 8) 9/4/20 -COG emailed BTA a proposed letter agreement
- 9) 9/8/20 -Emailed Maggie BTA's proposed amendment to letter agreement and received COG's approval. BTA executed and returned the letter agreement
- 10) 9/8/2020 -Emailed Maggie McDaniel the final version of the JOA that was agreed upon with Chevron

MRC Permian Company

- 1) 6/22/2020 -Emailed and sent via Federal Express Overnight service the well proposals and proposed Operating Agreement to Chris Carleton
- 7/8/2020 -Willis Price and Kristeen Ramos had a telephone conference with Chris Carleton and David Johns at MRC regarding BTA's timing, target, and proposed JOA
- 3) 7/16/20 -Mailed a replacement Exhibit A to the JOA
- 4) 8/10/20 -Email correspondence with Chris Carlenton discussing BTA's drilling plans and timing
- 5) 8/12/20 -Email correspondence with David Johns regarding frac design and geology
- 6) 8/27/2020 -Emailed Chris Carleton to discuss timing and well permits
- 7) 9/2/2020 -Emailed Chris Carleton and Nick Weeks the final version of the JOA that was agreed upon with Chevron

Case No. 21404
BTA OIL
Exhibit A-10

Summary of Communications

ConocoPhillips Company

- 1) 6/22/2020 -Emailed and sent via Federal Express Overnight service the well proposals and proposed Operating Agreement to Dennise Arzola
- 2) 7/9/2020 Emailed Dennise Arzola explaining our plans for development, the ownership breakdown in the sections, and responses received from other parties in the JOA
- 3) 7/16/20 Mailed a replacement Exhibit A to the JOA
- 4) 7/16/20 -Left voice message for Dennise Arzola to inform her that a replacement Exhibit A was being sent to her attention via mail
- 5) 8/11/20 Emailed Dennise Arzola to inform her that we filed the application for pooling and that she should receive notices by mail soon
- 6) 8/26/20 Emailed Dennise Arzola to inform her that Chevron and BTA were close to coming to an agreement on the JOA and offered to send that final version to her for review. Also discussed the fact that all other parties had either executed the JOA or were close to an agreement with BTA. Offered a possible drill to earn deal to ConocoPhillips.
- 7) 8/27/2020 Emailed Dennise Arzola to discuss timing and well permits

Case No. 21404 BTA OIL Exhibit A-11

White Wing 7909 – Lots 1, 2, 3, and 4 and the E/2 W/2 of Sections 18 and 19, T23S, R34E <u>Unit Ownership</u>

BTA Oil Producers, LLC 104 S. Pecos, Midland, Texas 79701	13.000637% WI
Chevron U.S.A. Inc. 6301 Deauville Boulevard, Midland, Texas 79706	38.583224% WI
COG Operating LLC 600 West Illinois Avenue, Midland, Texas 79701	10.530185% WI
Devon Energy Production Co., L. P. 333 West Sheridan Avenue, Oklahoma City, Oklahoma 73102	18.789712% WI
MRC Permian Company One Lincoln Centre, 5400 LBJ Freeway, Suite 1500, Dallas, TX 75240	10.909491% WI
ConocoPhillips Company 600 North Dairy Ashford, EC3 07 7-E305, Houston, Texas 77079	6.270859% WI
Ray Westall 132447 Lovington Highway, Loco Hills, New Mexico 88255	0.788357% WI
Primoris Resources, LLC P. O. Box 9230, Wichita Falls, Texas 76308	1.127535% WI
Total	100.000000% WI

Application of BTA Oil Producers, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in the Bone Spring formation (from the stratigraphic equivalent of 10,596' MD to 11,416' MD as observed on the Baker Hughes Compensated Z-Densilog/Compensated Neutron Log run on 12/3/2003 in the 7909 JV-P Bell Lake #2 wellbore (API No. 30-025-34827)) in a 623.24-acre, more or less, standard horizontal spacing unit comprised of Lots 1, 2, 3, and 4 and the E/2 W/2 of Sections 18 and 19, Township 23 South, Range 34 East in Lea County, New Mexico. The horizontal spacing unit will be dedicated to the following wells: (1) White Wing 7909 18-19 Fed Com #1H well, which has a surface location in Unit C in Section 18 and a bottom hole location in Lot 4 in Section 19; and (2) White Wing 7909 18-19 Fed Com #2H well, which has a surface location in Unit C in Section 18 and a bottom hole location in Lot 4 in Section 19. The completed intervals for the wells will be orthodox. Also to be considered will be the costs of drilling and completing the wells and the allocation of the costs, the designation of BTA Oil Producers LLC as the operator of the wells, and a 200% charge for the risk involved in drilling and completing the well. The wells are located approximately 26 miles northwest of Jal, New Mexico.

Case No. 21404 BTA OIL

Exhibit A-12



HINKLE SHANOR LLP

ATTORNEYS AT LAW
PO BOX 2068
SANTA FE, NEW MEXICO 87504
505-982-4554 (FAX) 505-982-8623

WRITER:

Case No. 21404

BTA OIL

Exhibit A-13

Dana S. Hardy, Partner dhardy@hinklelawfirm.com

August 18, 2020

VIA CERTIFIED MAIL

Chevron U.S.A. Inc. 6301 Deauville Blvd Midland, TX 79706 Attn: Kristen Hunter

Re: BTA Oil Producers, LLC NMOCD Application

Dear Ms. Hunter:

Enclosed are copies of two applications for compulsory pooling that BTA Oil Producers, LLC ("BTA") has filed with the New Mexico Oil Conservation Division ("the Division").

In Case No. 21404, BTA seeks an order pooling all uncommitted mineral interests in the Bone Spring formation (from the stratigraphic equivalent of 10,596' MD to 11,416' MD as observed on the Baker Hughes Compensated Z-Densilog/Compensated Neutron Log run on 12/3/2003 in the 7909 JV-P Bell Lake #2 wellbore (API No. 30-025-34827)) in a 623.24-acre, more or less, standard horizontal spacing unit comprised of Lots 1, 2, 3, and 4 and the E/2 W/2 of Sections 18 and 19, Township 23 South, Range 34 East in Lea County, New Mexico. The horizontal spacing unit will be dedicated to the following wells: (1) White Wing 7909 18-19 Fed Com #1H well, which has a surface location in Unit C in Section 18 and a bottom hole location in Lot 4 in Section 19; and (2) White Wing 7909 18-19 Fed Com #2H well, which has a surface location in Unit C in Section 18 and a bottom hole location in Lot 4 in Section 19.

In Case No. 21405, BTA seeks an order pooling all uncommitted mineral interests in the Bone Spring formation (from the stratigraphic equivalent of 10,596' MD to 11,416' MD as observed on the Baker Hughes Compensated Z-Densilog/Compensated Neutron Log run on 12/3/2003 in the 7909 JV-P Bell Lake #2 wellbore (API No. 30-025-34827)) in a 640-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 18 and 19, Township 23 South, Range 34 East in Lea County, New Mexico. The horizontal spacing unit will be dedicated to the following wells: (1) White Wing 7909 18-19 Fed Com #3H well, which has a surface location in Unit B in Section 18 and a bottom hole location in Unit B in Section 18 and a bottom hole location in Unit B in Section 18 and a bottom hole location in Unit P in Section 19.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on September 10, 2020 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: http://www.emnrd.state.nm.us/OCD/hearings.html. Chevron U.S.A. Inc. ("Chevron") is not required to attend the hearing, but as an owner of an interest that may be affected by BTA's

Enclosure

application, it may appear at the hearing and present testimony. If Chevron does not appear at that time and become a party of record, it will be precluded from contesting the matter at a later date.

A party appearing in a Division case is required by the Division's Rules to file a Pre-Hearing Statement, which in this matter must be filed no later than Thursday, September 3, 2020. The Pre-Hearing Statement must be filed with the Division and should include: the name of the party and the party's attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate amount of time the party will need to present the party's case; and an identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to me.

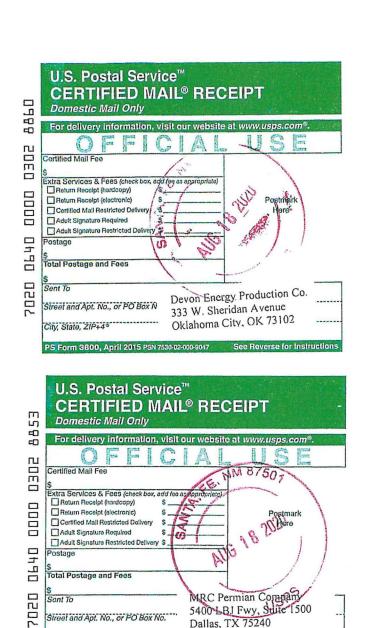
Thank you for your attention to this matter.

Dana S. Hardy











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

City, State, ZIP+45

PS Form 3800, April 2015 PSN 7530-02-000-9047

5400 LBJ Fwy, Stite 1500

Dallas, TX 75240



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 August 23, 2020 and ending with the issue dated August 23, 2020.

Sworn and subscribed to before me this 23rd day of August 2020.

Business Manager

My commission expires

OFFICIAL SEAL **GUSSIE BLACK** Notary Public State of New Mexico My Commission Expires

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

LEGAL

LEGAL

LEGAL NOTICE August 23, 2020

This is to notify all interested parties, including Chevron U.S.A. Inc., Devon Energy Production Co., L.P., COG Operating LLC, MRC Permian Company, ConocoPhillips Company, Ray Westall, TLW Investments, LLC, and their successors and assigns, that the New Mexico Oil Conservation assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by BTA Oil Producers, LLC (Case No. 21405). During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on September 10, 2020 beginning at 8:15 am. To participate in the beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: http://www.emnrd.state.nm.us/OCD/hearings.html. http://www.emnrd.state.nm.us/OCD/nearings.ntml. Applicant seeks an order pooling all uncommitted mineral interests in the Bone Spring formation (from the stratigraphic equivalent of 10,596' MD to 11,416' MD as observed on the Baker Hughes Compensated Z-Densilog/Compensated Neutron Log run on 12/3/2003 in the 7909 JV-P Bell Lake #2 wellbore (API No. 30-025-34827)) in a 640-acre, more or less standard horizontal spacing unit more or less, standard horizontal spacing unit comprised of the E/2 of Sections 18 and 19, Township 23 South, Range 34 East in Lea County, New Mexico. The horizontal spacing unit will be dedicated to the following wells: (1) White Wing 7909 18-19 Fed Com #3H well, which has a surface location in Unit B in Section 18 and a bottom hole location in Unit O in Section 19; and (2) White Wing 7909 18-19 Fed Com #4H well, which has a surface location in Unit B in Section 18 and a bottom hole location in Unit B in Section 18 and a bottom hole location in Unit P in Section 19. The completed intervals for the wells will be orthodox. Also to be considered will be the costs of drilling and completing the wells and the allocation of the costs, the designation of BTA Oil Producers LLC as the operator of the wells, and a 200% charge for the risk involved in drilling and completing the well. The wells are located approximately 26 miles northwest of Jal, New Mexico.

02107475

00245635

HINKLE, HENSLEY, SHANOR & MARTIN, LLP PO BOX 2068 SANTA FE, NM 87504

Case No. 21404

BTA OIL Exhibit A-14

BTA OIL PRODUCERS WELL COST ESTIMATE & AUTHORITY FOR EXPENDITURE

Well Name: Location:

White Wing 7909 18-19 Fed Com #1H (B3DM) SHL: 530 FNL 1340 FWL sec 18, 23S, 34E BHL: 50 FSL 600 FWL sec 19

Total Depth:

~11,400' TVD ~21,708' MD

Lea County, NM Date Prepared:

6/4/2020

Formation:

3rd Bone

	Date Prepared: 6/4/2020		Prepared By:		
		NE DRY	NE CASED HOLE	COMPLETION	TOTAL COSTS
	INTANGIBLE COSTS				
2203	FORMATION EVALUATION Logs	\$ 8,000	\$	\$ 20,000	\$ 28,000
2204	Cores	0,000		25,000	20,000
2205	DST LOCATION & ACCESS				
2211	Survey & Stake	5,000			5,000
2212 2213	Damages Road & Location	30,000 55,000		12,000	30,000 67,000
2214	Other Location	135,000			135,000
2223	DRILLING RIG Mobilization	80,000			80,000
2225	Daywork	481,000	74,000		555,000
2226 2227	Footage Turnkey				
2232	DRILLING SUPPLIES	55.000			55.000
2232	Bits BHA	55,000 65,000		65,000	55,000 130,000
2234	Fuel Other Supplies	94,380	14,520		108,900
2236	MUD RELATED				
2241 2242	Mud Purchase Mud Rental	115,000	5,000		120,000
2244	Fresh Water	35,000	1,000	900,000	936,000
2245 2246	Brine Solids Control (Closed Loop)	35,000 31,200	4.800		35,000
2247	Mud Monitor	28,000	4,800		36,000 28,000
2249	Mud Related Other DRILLING SERVICES	8,000			8,000
2252	BOP Related	15,000	4,000		19,000
2253 2254	Casing Related	31,000	25,000		56,000
2255	Welding Trucking	8,000 15,000	2,000 10,000	54,000	10,000 79,000
2256	Rental Equipment	95,000	8,000	310,000	413,000
2257	Other Services (Direction/GR Services) CEMENT	234,000			234,000
2261	Casing Cementing	115,000	45,000	450.000	160,000
2262	Other Cementing CONTRACT SERVICES			150,000	150,000
2266	Engineering	8,000			8,000
2267 2268	Geological Roustabout	22,000 6,000		15,000	22,000 21,000
2269	Wellsite Supervision	70,200	10,800	60,000	141,000
2270	Other Contract Services COMPLETION SERVICES	25,000			25,000
2272 2273	Pulling Unit			40,000	40,000
2276	Drilling Rig Perforate			350,000	350,000
2277 2278	Stimulation			2,600,000	2,600,000
	Other Compl, Services OVERHEAD			220,000	220,000
2280	Drilling & Administrative	10,000 \$ 1,914,780	004400	10,000	20,000
	TOTAL INTANGIBLE COSTS	\$ 1,914,780	\$ 204,120	\$ 4,806,000	\$ 6,924,900
CODE	TANGIBLE COSTS TUBULARS				
2311	Surface Casing (13 3/8" @ 1130')	40,000			40,000
2312 2313	Intermediate Casing (9 5/8" @ 5,000')	122,000			122,000
2314	Drig Liner & Hanger Production Casing (7" @ 11,600)	251,000			251,000
2315 2316	Production Liner & Hanger (11,000 - TD) Other Tubulars		109,000		109,000
2316	WELL EQUIPMENT				
2321 2322	Well Head	22,000	10,000	85,000	117,000
2325	Flowline Tubing			50,000 60,000	50,000 60,000
2326	Rods				
2327 2328	Pumps Pumping Unit				
2329	Subsurface Equipment		25.000	25,000	25,000
2331	Other Well Equipment LEASE EQUIPMENT		65,000	30,000	95,000
2361	Tanks				
2362 2363	Separators Heater Treater				
2364	Pumps			5,000	5,000
2365 2366	Electrical System Meters			5,000	5,000
2367	Connectors				
2368 2369	Lact Equipment Other Lease Equipment			450,000	450,000
	SUBTOTAL - TANGIBLES	435,000	184,000	705,000	1,324,000
	SOBTOTAL - TANGIBLES	433,000	104,000	703,000	1,324,000
2353	SYSTEMS				
2353	Gas Line Tangibles Gas Line Intangibles				
2381	Compressor				
2382 2382	Gas Plant Tangibles Gas Plant Intangibles				
2384	Dehydrator	•			
	SUBTOTAL - SYSTEMS		-		
	TOTAL TANGIBLE COSTS	\$ 435,000	\$ 184,000	\$ 705,000	\$ 1,324,000
	GENERAL CONTINGENCIES	140,987	23,287	330,660	494,934
	TOTALS BY PHASE	\$ 2,490,767	\$ 411,407	\$ 5,841,660	\$ 8,743,834
	CUMULATIVE WELL COSTS	\$ 2,490,767	\$ 2,902,174	\$ 8,743,834	
		2,100,101		1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1	
	Initial Routing Date: NE RTW BMM SB, CR, LJH, RMD, SEB, BBJ				
	1317 Dillin 30, ON, LON, NINO, 325, 553				Case No. 2

Case No. 21404

BTA OIL Exhibit A-15

Land Approval Block: APPROVED BY: _

COMPANY: __

DATE: _

BTA OIL PRODUCERS WELL COST ESTIMATE & AUTHORITY FOR EXPENDITURE

Well Name: Location:

White Wing 7909 18-19 Fed Com #2H (B3CN) SHL: 530 FNL 1370 FWL sec 18, 23S, 34E BHL: 50 FSL 1980 FWL sec 19

Total Depth:

~11,400' TVD ~21,708' MD

Lea County, NM 6/4/2020 Date Prepared:

Formation:

3rd Bone

	Date Propulse. United		Prepared By:		
		NE DRY	CASED HOLE	COMPLETION	TOTAL COSTS
CODE	INTANGIBLE COSTS FORMATION EVALUATION	s	\$	\$	s
2203	Logs	8,000		20,000	28,000
2204 2205	Cores DST				
2211	LOCATION & ACCESS Survey & Stake	5,000			5,000
2212	Damages	30,000			30,000
2213 2214	Road & Location Other Location	55,000 135,000		12,000	67,000 135,000
2223	DRILLING RIG Mobilization	80,000			80,000
2225	Daywork	481,000	74,000		555,000
2226 2227	Foolage Turnkey				
2232	DRILLING SUPPLIES Bits	FF 000			55,000
2233	ВНА	55,000 65,000		65,000	55,000 130,000
2234	Fuel Other Supplies	94,380	14,520		108,900
2241	MUD RELATED Mud Purchase	115,000	5,000		120,000
2242	Mud Rental				
2244 2245	Fresh Water Brine	35,000 35,000	1,000	900,000	936,000 35,000
2246 2247	Solids Control (Closed Loop) Mud Monitor	31,200 28,000	4,800		36,000 28,000
2249	Mud Related Other	8,000			8,000
2252	DRILLING SERVICES BOP Related	15,000	4,000		19,000
2253 2254	Casing Related Welding	31,000 8,000	25,000		56,000
2255	Trucking	15,000	2,000 10,000	54,000	10,000 79,000
2256 2257	Rental Equipment Other Services (Direction/GR Services)	95,000 234,000	8,000	310,000	413,000 234,000
2261	CEMENT		45 000		
2262	Casing Cementing Other Cementing	115,000	45,000	150,000	160,000 150,000
2266	CONTRACT SERVICES Engineering	8,000			8,000
2267	Geological	22,000		45.000	22,000
2268 2269	Roustabout Wellsite Supervision	6,000 70,200	10,800	15,000 60,000	21,000 141,000
2270	Other Contract Services COMPLETION SERVICES	25,000			25,000
2272	Pulling Unit			40,000	40,000
2273 2276	Drilling Rig Perforate			350,000	350,000
2277 2278	Stimulation Other Compl. Services			2,600,000 220,000	2,600,000
2280	OVERHEAD Drilling & Administrative	10,000		10,000	20,000
22.00	TOTAL INTANGIBLE COSTS	\$ 1,914,780	\$ 204,120	\$ 4,806,000	\$ 6,924,900
	TANGIBLE COSTS				
2311	TUBULARS	40,000			40,000
2312	Surface Casing (13 3/8" @ 1130') Intermediate Casing (9 5/8" @ 5,000')	40,000 122,000			122,000
2313 2314	Drig Liner & Hanger Production Casing (7" @ 11,600)	251,000			251,000
2315 2316	Production Liner & Hanger (11,000 - TD) Other Tubulars		109,000		109,000
	WELL EQUIPMENT				
2321 2322	Well Head Flowline	22,000	10,000	85,000 50,000	117,000 50,000
2325 2326	Tubing Rods			60,000	60,000
2327	Pumps				
2328 2329	Pumping Unit Subsurface Equipment			25,000	25,000
2331	Other Well Equipment LEASE EQUIPMENT		65,000	30,000	95,000
2361	Tanks				
2362 2363	Separators Heater Treater				
2364 2365	Pumps Electrical System			5,000	5,000
2366	Meters				10.
2367 2368	Connectors Lact Equipment				
2369	Other Lease Equipment			450,000	450,000
	SUBTOTAL - TANGIBLES	435,000	184,000	705,000	1,324,000
	SYSTEMS				
2353 2353	Gas Line Tangibles Gas Line Intangibles				
2381 2382	Compressor Gas Plant Tangibles				
2382	Gas Plant Intangibles				
2384	Dehydrator			-	
	SUBTOTAL - SYSTEMS				
	TOTAL TANGIBLE COSTS	\$ 435,000	\$ 184,000	\$ 705,000	\$ 1,324,000
	GENERAL CONTINGENCIES	140,987	23,287	330,660	494,934
	TOTALS BY PHASE	\$ 2,490,767	\$ 411,407	\$ 5,841,660	\$ 8,743,834
	CUMULATIVE WELL COSTS	\$ 2,490,767	\$ 2,902,174	\$ 8,743,634	
		2,400,101	- Louis, 174	0,170,004	
	Initial Routing Date: NE RTW BMM SB, CR, LJH, RMD, SEB, BBJ				
	Land Approval Block:				
	APPROVED BY:				
	COMPANY:				
	DATE:				

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. 21404

SELF-AFFIRMED STATEMENT OF DARIN A. DOLEZAL

- 1. I am over 18 years of age and am competent to provide this Self-Affirmed Statement. I have personal knowledge of the matters addressed herein.
- 2. I am a geologist with BTA Oil Producers, LLC ("BTA"). I am familiar with the geological matters that pertain to BTA's application.
- 3. I have previously testified before the New Mexico Oil Conservation Division as an expert in geology, and my qualifications were accepted.
- 4. A general location map of the proposed horizontal spacing unit ("HSU") is attached as Exhibit B-1.
- 5. A subsea TVD structure map of the Wolfcamp top (base of 3rd Bone Spring Sand) is attached as Exhibit B-2. This map shows that the structure is gently plunging to the south on the HSU. It also shows a line of cross section and the HSU for the proposed White Wing 7909 18-19 Fed Com #1H and #2H wells.
- 6. Attached as Exhibit B-3 is a gross sand isopach map of the 3rd Bone Spring Sand formation, which is the target zone for the proposed wells. It shows that the sand interval across the HSU is stratigraphically similar.
 - 7. A gunbarrel schematic is attached as Exhibit B-4.

Case No. 21404

BTA OIL

Exhibit B

- 8. Attached as Exhibit B-5 is a structural cross section. The well logs on the cross section provide a representative sample of the 3rd Bone Spring Sand formation in the area. The target zone for the proposed well is continuous across the HSU.
- 9. Attached as Exhibit B-6 is a table containing production data from other 3rd Bone Spring Sand wells drilled in the vicinity. The preference is for laydown wells north to south or south to north), and the completed wells in the area (recent completions) apparently are commercial.
- 10. There are no depth severances in the 3rd Bone Spring formation in the proposed HSU.
 - 11. Based on the information discussed above, I am able to conclude that:
 - a) The HSU is justified from a geologic standpoint;
- b) There is no faulting or other geologic impediment that could adversely affect the drilling of the proposed wells; and
- c) Each quarter-quarter section in the HSU will contribute more or less equally to production.
- 12. In my opinion, the granting of BTA's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.
- 13. Exhibits B-1 through B-6 were either prepared by me or compiled from company records.
- 14. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 14 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.

Darin A. Dolezal

9/z/2020 Date LEGEND:

Horizontal Spacing Units





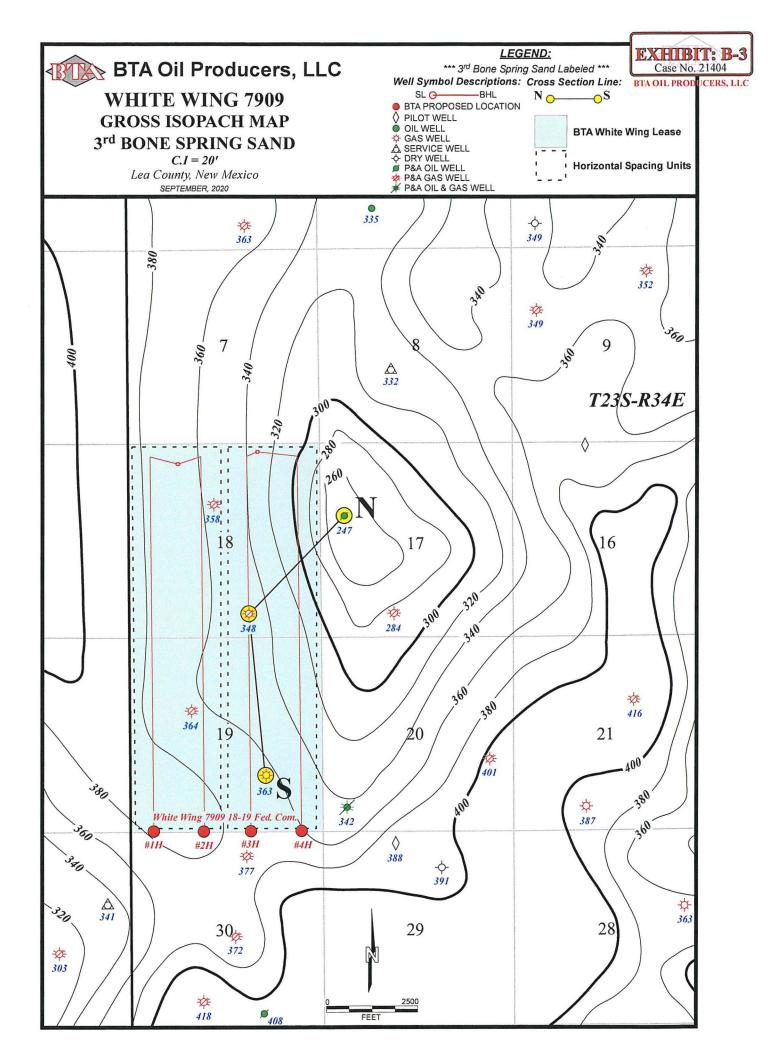
BTA Oil Producers, LLC



WHITE WING 7909 PROPOSED HORIZONTAL SPACING UNIT **LOCATION MAP**

Lea County, New Mexico

Lea County, New Mexico										
T22S-R33E						T22S-				
28	27	26	25	30	29	28	27	26		
33	34	35	36	31	32	33	34	35		
4	3	2	1	6	5	4	3	2		
9	10	11	WHITE	wing 790	9 LEASE	9	10	11		
16	15	14	13	1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1	17	16	15	14		
T23S-	22	23	24		20	T23S	- R34E	23		
28	Lots 1, 2	Case No. 21404 623.24ac 2, 3, and 4 and the ons 18 and 19, T2	E/2 W/2	30		ase No. 21405 640ac ons 18 and 19, T2	23S-R34E	26		
33	34	35	36	31	32	33	34	35		
4	3	2	1	6	5	4	3	2		
9 T24S -	10 - R33 E	11	12	7 600	8	9 T24S	10 - R34E	11		
	10 - R33E	11		7 600 FEET				- R34E		





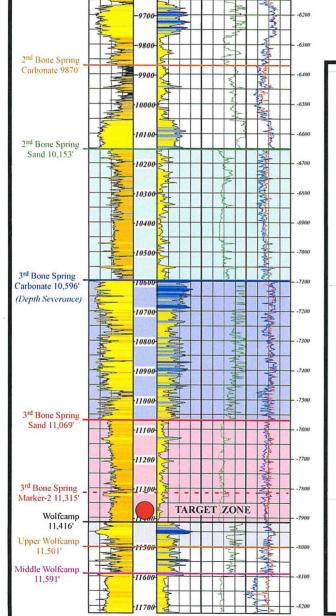
BTA Oil Producers, LLC



WHITE WING 7909

Development Spacing Pattern

All of Sec. 18 and 19, T23S-R34E Lea County, New Mexico



* Type Log *
7909 JV-P Bell Lake #2

5 0.2

GR

1st Bone Spring Sand 9586' 150

-0.1

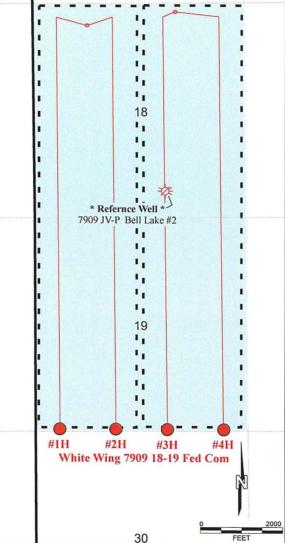
-0.1

Subsea

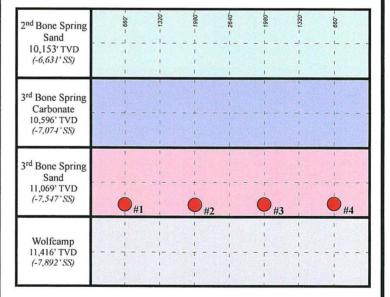
Depth(ft)

DPHI

2000 0.3



* Reference Well / Type Log *
BTA Oil Producers
7909 JV-P Bell Lake #2
API #: 30025348270000
660'FNL & 1980'FEL
Sec 18, T23S-R34E, Lea County, New Mexico



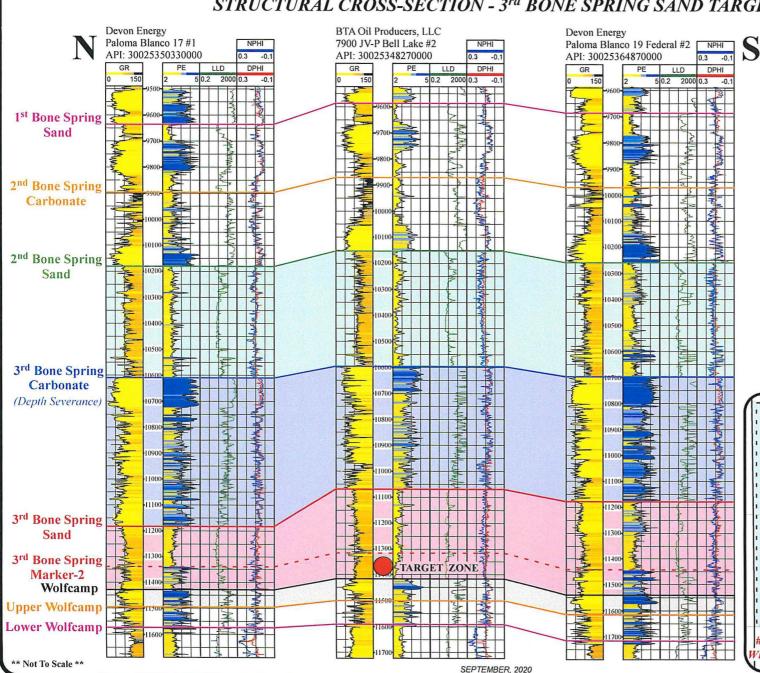


BTA Oil Producers, LLC

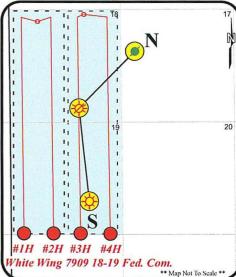
Case No. 21404 BTA OIL PRODUCERS, LLC

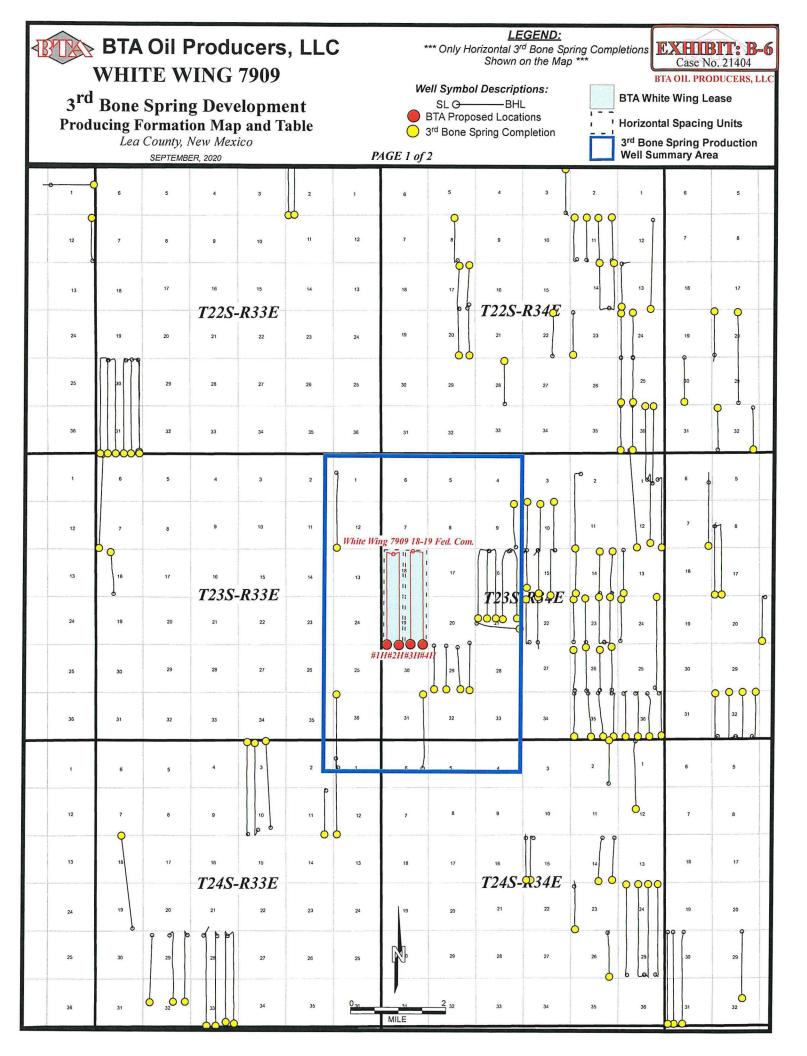
WHITE WING 7909

STRUCTURAL CROSS-SECTION - 3rd BONE SPRING SAND TARGET



BTA White Wing Acreage All Sec. 18 and 19, T23S-R34E & Lea County, New Mexico







Summary of 3rd Bone Spring Production										
<u>API</u>	<u>Operator</u>	Well Name	Well Number	Section	Township	Range	Completion Date	CUMOIL	<u>CUMGAS</u>	
30025446930000	KAISER-FRANCIS OIL	NORTH BELL LAKE UNIT	401H	1	23S	33E	3/30/2019	192,772	407,963	
30025426510000	MEWBOURNE OIL COMPANY	ANTELOPE 9 B3PA STATE	1H	9	23S	34E	9/24/2015	246,023	321,171	
30025445850000	MEWBOURNE OIL CO	IBEX 10 B3MD FEDERAL COM	1H	15	23S	34E	1/16/2019	228,116	276,227	
30025441590000	COG OPERATING LLC	GETTYSBURG STATE COM	11H	16	23S	34E	11/21/2018	432,750	935,653	
30025441600000	COG OPERATING LLC	GETTYSBURG STATE COM	12H	16	23S	34E	11/24/2018	408,048	630,242	
30025442300000	COG OPERATING LLC	GETTYSBURG STATE COM	13H	16	23S	34E	11/6/2018	287,216	415,620	
30025442310000	COG OPERATING LLC	GETTYSBURG STATE COM	14H	16	23S	34E	11/10/2018	285,580	426,954	
30025442320000	COG OPERATING LLC	GETTYSBURG STATE COM	15H	16	23S	34E	11/13/2018	376,629	597,108	
30025429540000	COG OPERATING LLC	BROADCASTER 29 FEDERAL	4H	20	23S	34E	6/9/2017	324,551	620,965	
30025412610000	MEWBOURNE OIL COMPANY	WILDCAT 21 LI FEDERAL COM	1H	21	23S	34E	10/13/2013	94,279	111,997	
30025415360000	CAZA OPERATING LLC	COPPERLINE WEST 29 COM	3H	29	23S	34E	3/10/2014	138,686	189,207	
30025418020000	CAZA OPERATING LLC	COPPERLINE WEST 29 COM	4H	29	23S	34E	7/15/2014	194,017	302,232	
30025419090000	COG OPERATING LLC	BROADCASTER 29 FEDERAL	3H	29	23S	34E	9/17/2014	308,035	555,862	
30025440210000	KAISER-FRANCIS OIL	SOUTH BELL LAKE UNIT	319H	1	24S	33E	9/19/2018	295,308	563,415	
30025455210000	KAISER-FRANCIS OIL	SOUTH BELL LAKE UNIT	401H	1	24S	33E	8/12/2019	302,041	611,044	
30025446180100	KAISER-FRANCIS OIL	BELL LAKE SOUTH UNIT	330H	6	245	34E	11/16/2018	327,103	765,162	