30-015-43414



United States Department of the Interior



BUREAU OF LAND MANAGEMENT New Mexico State Office 301 Dinosaur Trail Santa Fe, New Mexico 87508 www.blm.gov/new-mexico

IN REPLY REFER TO: IN REPLY REFER TO: NMNM138686 3105.2 (P0220)

NOV 0 1 2018

Reference:

Communitization Agreement Harroun Ranch Federal 4H Section 17: E2 Section 20: E2 T. 23 S., R. 29 E., N.M.P.M. Eddy County, NM

BTA OIL PRODUCERS, LLC 104 South Pecos Street Midland, Texas 79701

To Whom it May Concern:

Enclosed is an approved copy of Communitization Agreement NMNM138686 involving 80 acres of Federal land in lease NMNM119271, and 560 acres of Fee land, Eddy County, New Mexico, which comprise a 640 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Wolfcamp formation beneath the E2, Sec. 17, T. 23 S., R. 29 E. and the E2 Sec. 20, T. 23 S., R. 29 E., NMPM, Eddy County, NM, and is effective January 11, 2018. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases, which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.