



30-025-43476

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District

Carlsbad Field Office

620 E. Greene

Carlsbad, New Mexico 88220-6292

www.blm.gov/nm



IN REPLY REFER TO:

NM137181

3105.2 (P0220)

07/06/2017

Reference:

Communitization Agreement

Rojo AE 7811 JV-P Fed Com 1H

T. 25 S., R. 33 E.,

Section 27: W2W2

Section 34: W2NW, NWSW

Lea County, NM

BTA Oil Producers, LLC

104 South Pecos Street

Midland, TX 79701-5021

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM137181 involving 160 acres of Federal land in lease NMNM15091 and 120 acres of Federal land in lease NMNM05792, Lea County, New Mexico, which comprise a 280 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Bone Spring formation beneath the W2W2 of sec. 27 and the W2NW and NWSW of sec. 34, T. 25 S., R. 33 E., NMPM, and is effective 11/01/2016. 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.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
www.nm.blm.gov



In Reply Refer to
NM137181
3107 (P0220)

Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM137181

| | |
|--|---|
| Date of Completion: | 03/20/2017 |
| Date of First Production: | 03/20/2017 |
| Field: | Red Hills |
| Operator, Well Name & No, API Number: | BTA Oil Producers.; Rojo AE 7811 JV-P Fed Com 1H; 30-025-43476 |
| Surface Location: | Sec. 27, T. 25 S., R. 33 E. |
| Bottom Location: | Sec. 34, T. 25 S., R. 33 E. |
| Total Depth: | 18,118' MD; 9,311' TVD |
| Surface Elevation: | 3343 GR |
| Producing Formation: | Bone Spring |
| Well Capable of Production in Paying Quantities: | Yes |
| Initial Daily Production: | Oil 1400 BBL; 2500 MCF; Water 2100 BBL |
| Current Status: | Producing Oil Well |

Remarks: CA NM137181 effective 11/01/2016, communitizes production of all gas and fluid hydrocarbons in the Bone Spring formation beneath the W2W2 of sec. 27 and beneath the W2NW and NWSW of sec. 34, T. 25 S., R. 33E, NMPM, and comprises 160 acres of Federal land in lease NMNM15091, and 120 acres of Federal land in lease NMNM05792 for a 280-acre well spacing unit whose leases are held by actual production.

If you have any questions regarding this memorandum please call Deborah Ham at (575) 234-5965.

/S/ **Deborah Ham**
07/06/2017

cc:
ONRR-MS 63230B
First Production File
LLNM (P0220, File Room)