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

APPLICATION OF BTA OIL PRODUCERS, LLC FOR COMPULSORY POOLING AND APPROVAL OF NON-STANDARD SPACING UNIT, LEA COUNTY, NEW MEXICO

**CASE NO. 24488** 

## **EXHIBIT INDEX**

## **Compulsory Pooling Checklist**

Exhibi	it A	Self-Affirmed Statement of Adams Davenport
	A-1	Application & Proposed Notice of Hearing
	A-2	C-102s
	A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties
	A-4	Map of Non-Standard Spacing Unit
	A-5	Sample Well Proposal Letters & AFEs
	A-6	Chronology of Contact
Exhibi	t B	Self-Affirmed Statement of Darin Dolezal
	B-1	Project Location Map of Proposed Lost Mine 22302 26-23 Fed Com 5H, 6H, and 8H wells
	B-2	Third Bone Spring Carbonate Subsea Structure Map
	B-3	Stratigraphic Cross-Section
	B-4	First Bone Spring Sand Gross Isopach Map
	B-5	Second Bone Spring Sand Gross Isopach Map
Exhibi	it C	Self-Affirmed Statement of Dana S. Hardy
	C-1	Notice Letter to Interested Parties
	C-2	Chart of Notice to Interested Parties
	C-3	Copies of Certified Mail Receipts and Returns

C-4	Notice Letter to Parties Offsetting Non-Standard Spacing Unit
C-5	Chart of Notice to Parties Offsetting Non-Standard Spacing Unit
C-6	Copies of Certified Mail Receipts and Returns
C-7	Affidavit of Publication for May 14, 2024

# **COMPULSORY POOLING APPLICATION CHECKLIST**

## ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24488	APPLICANT'S RESPONSE
Date 6/13/24	
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 and Approval of Non-Standard Spacing Unit, Lea County, New Mexico.
Entries of Appearance/Intervenors:	N/A
Well Family	Lost Mine
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	Featherstone ; Bone Spring Pool (Code 24250)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640
Building Blocks:	quarter-quarter
Orientation:	South to North
Description: TRS/County	W/2 of Sections 26 and 23, Township 20 South, Range 35 East, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	No. BTA requests approval of a non-standard horizontal spacing unit.
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
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	Lost Mine 22302 26-23 Fed Com 5H (API # pending) SHL: 490' FSL & 730' FWL (Unit M), Section 26, T20S-R35E BHL: 50' FNL & 350' FWL (Unit D), Section 23, T20S-R35E Completion Target: Bone Spring (Approx. 10,330' TVD)

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Well #2	Lost Mine 23302 26023 Fed Com 6H (API # pending) SHL: 490' FSL & 760' FWL (Unit M), Section 26, T20S-R35E BHL: 50' FNL & 660' FWL (Unit D), Section 23, T20S-R35E Completion Target: Bone Spring (Approx. 9,400' TVD)
Well #3	Lost Mine 22302 26-23 Fed Com 8H (API # pending) SHL: 490' FSL & 820' FWL (Unit M), Section 26, T20S-R35E BHL: 50' FNL & 2146' FWL (Unit C), Section 23, T20S-R35E Completion Target: Bone Spring (Approx. 10,330' TVD)
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$12,000
Production Supervision/Month \$	\$1,200
Justification for Supervision Costs	Exhibit A-5
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibits C-1, C-2, C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners) If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	Exhibit A-3  Exhibit A-4
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-7
Overhead Rates In Proposal Letter	Exhibit A-5
Cost Estimate to Drill and Complete	Exhibit A-5
Cost Estimate to Equip Well	Exhibit A-5
Cost Estimate for Production Facilities	Exhibit A-5
Geology	
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 Released to Imaging: 6/6/2024 3:45:47 PM	Exhibit B-2

Page 3 01 90
N/A
Exhibit A-2
Exhibit A-3
Exhibit A-3
Exhibit B-1
Exhibit B-1
Exhibit B-2
Exhibit B-2
Exhibit B-3
N/A
ovided in this checklist is complete and accurate.
Dana S. Hardy
/s/ Dana S. Hardy
6/6/2024

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

APPLICATION OF BTA OIL PRODUCERS, LLC FOR COMPULSORY POOLING AND APPROVAL OF NON-STANDARD SPACING UNIT, LEA COUNTY, NEW MEXICO

**CASE NO. 24488** 

## SELF-AFFIRMED STATEMENT OF ADAMS DAVENPORT

- 1. I am a landman at 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 credentials as an expert in land matters were accepted as a matter of record.
- 2. I am familiar with the land matters involved in the above-referenced case. Copies of BTA's application and proposed hearing notice are attached as **Exhibit A-1**.
- 3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.
- 4. BTA seeks an order pooling all uncommitted mineral interests in the Bone Spring Formation underlying a 640-acre, more or less, non-standard horizontal spacing unit comprised of the W/2 of Sections 26 and 23, Township 20 South, Range 35 East, Lea County, New Mexico ("Unit").
  - 5. The Unit will be dedicated to the following proposed wells ("Wells"):
    - a. Lost Mine 22302 26-23 Fed Com 5H and Lost Mine 22302 26-23 Fed Com 6H, to be drilled from surface hole locations in the SW/4 SW/4 (Unit M) of Section 26 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 23; and

BTA Oil Producers, LLC Case No. 24488 Exhibit A

- b. Lost Mine 22302 26-23 Fed Com 8H, to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 26 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 23.
- 6. The Wells will be completed in the Featherstone; Bone Spring Pool (Code 24250).
- 7. The completed interval of the Wells will be orthodox.
- 8. **Exhibit A-2** contains the C-102s for the Wells.
- 9. **Exhibit A-3** contains a plat identifying ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests BTA seeks to pool highlighted in yellow. All of the parties are locatable.
- 10. BTA has conducted a diligent search of all county public records including phone directories and computer databases. BTA also used the Accurint subscription service to locate interest owners.
- 11. **Exhibit A-4** is a map that depicts the non-standard spacing unit in relation to the outline of a standard spacing unit. The map also identifies the interest owners in the tracts surrounding the proposed Unit, who were provided notice of BTA's application.
- 12. BTA's request for approval of a non-standard spacing unit will allow it to consolidate surface facilities and will consequently prevent surface, environmental, and economic waste. As a result, approval of a non-standard spacing unit is necessary to prevent waste and protect correlative rights.
- 13. **Exhibit A-5** contains sample well proposal letters and AFEs sent to working interest owners for the Wells. The estimated costs reflected on the AFEs are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

- Exhibit A-6 contains a sample ratification agreement that was sent to the overriding 14. royalty interest owners in the wells.
- In my opinion, BTA made a good-faith effort to reach voluntary joinder of 15. uncommitted interests in the Wells as indicated by the chronology of contact described in Exhibit A-7.
- BTA requests overhead and administrative rates of \$12,000 per month while the 16. Wells are being drilled and \$1,200 per month while the Wells are producing. These rates are fair and are comparable to the rates charged by BTA and other operators in the vicinity.
- The attached exhibits were either prepared by me or under my supervision or were 17. compiled from company business records.
- In my opinion, the granting of BTA's application will serve the interests of 18. conservation, the protection of correlative rights, and the prevention of waste.
- I understand this Self-Affirmed Statement will be used as written testimony in this 19. 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

Adams Davenport

5/30/2024 Date

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

APPLICATION OF BTA OIL PRODUCERS, LLC FOR COMPULSORY POOLING AND APPROVAL OF NON-STANDARD SPACING UNIT, LEA COUNTY, NEW MEXICO.

**CASE NO. 24488** 

### **APPLICATION**

Pursuant to NMSA 1978, Section 70-2-17 and NMAC 19.15.16.15(B)(5), BTA Oil Producers, LLC (OGRID No. 260297) ("BTA" or "Applicant") applies for an order: (1) establishing a 640-acre, more or less, non-standard horizontal spacing unit comprised of the W/2 of Sections 26 and 23, Township 20 South, Range 35 East, Lea County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Bone Spring formation underlying the Unit. In support of this application, BTA states the following.

- 1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
  - 2. The Unit will be dedicated to the following wells ("Wells"):
    - a. Lost Mine 22302 26-23 Fed Com 5H and Lost Mine 22302 26-23 Fed Com 6H, to be drilled from surface hole locations in the SW/4 SW/4 (Unit M) of Section 26 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 23; and
    - b. Lost Mine 22302 26-23 Fed Com 8H, to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 26 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 23.
  - 3. The completed intervals of the Wells will be orthodox.

BTA Oil Producers, LLC Case No. 24488 Exhibit A-1

- 4. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Wells but has been unable to obtain voluntary agreements from all interest owners.
- 5. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 6. Approval of a non-standard horizontal spacing unit is necessary to prevent waste and protect correlative rights.
- 7. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated as operator of the Wells and Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 13, 2024, and, after notice and hearing as required by law, the Division enter an order:

- A. Approving a non-standard horizontal spacing unit;
- B. Pooling all uncommitted interests in the Unit;
- C. Approving the Wells in the Unit;
- D. Designating Applicant as operator of the Unit and the Wells to be drilled thereon;
- E. Authorizing Applicant to recover its costs of drilling, equipping and completing the
   Wells;
- F. Approving the actual operating charged and costs of supervision while drilling and after completion, together with a provision adjusting the rated pursuant to the COPAS accounting procedures; and

G. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the Wells against any working 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
Jaclyn M. McLean
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
dhardy@hinklelawfirm.com
jmclean@hinklelawfirm.com
Counsel for BTA Oil Producers, LLC

Application of BTA Oil Producers, LLC for Compulsory Pooling and Approval of Non-Standard Spacing Unit, Lea County, New Mexico. Applicant seeks an order: (1) establishing a 640-acre, more or less, non-standard horizontal spacing unit comprised of the W/2 of Sections 26 and 23, Township 20 South, Range 35 East, Lea County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Bone Spring formation underlying the Unit. The Unit will be dedicated to the following wells ("Wells"): Lost Mine 22302 26-23 Fed Com 5H and Lost Mine 22302 26-23 Fed Com 6H, to be drilled from surface hole locations in the SW/4 SW/4 (Unit M) of Section 26 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 23; and Lost Mine 22302 26-23 Fed Com 8H, to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 26, to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 23. The completed intervals of the Wells will be orthodox. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Applicant as operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 16.5 miles northwest of Eunice, New Mexico.

Pisantest 1625 N. French Dt., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u> 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u>

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, NM 87505

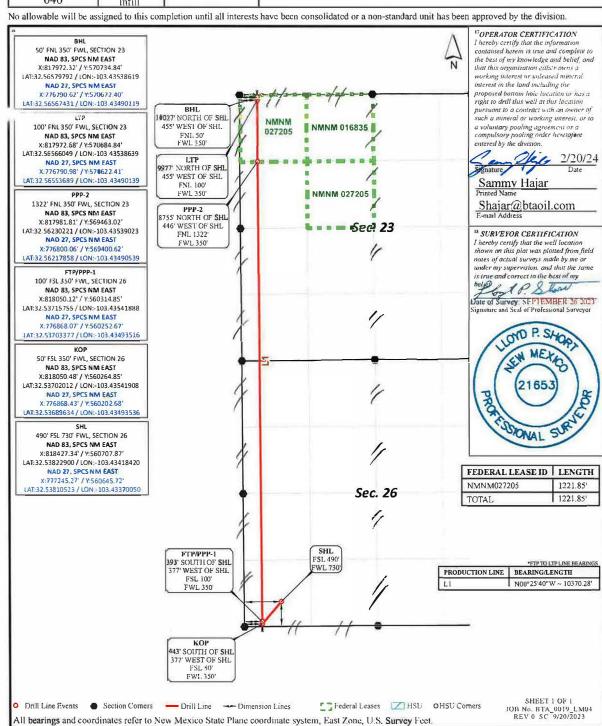
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

## BTA Oil Producers, LLC Case No. 24488 Exhibit A-2

API Number	24250	Featherstone; Bone	espring
* Property Code	LOST MINE 2230	<sup>1y Name</sup> 2 26-23 FED COM	*Well Number 5H
70GRID No. 260297		ODUCERS. LLC	*Elevation 3683'

Surface Location 26 205 490' M 35E SOUTH 730' WEST LEA 11 Bottom Hole Location If Different From Surface **20S** 35E 50' NORTH 350' WEST D LEA 640 Infill



| 1625 N, French Dr., Hobbs, NM 88240 | Phone: (575) 393-6161 Fax: (575) 393-0720 | District II | 811 S, First St., Artesia, NM 88210

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Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

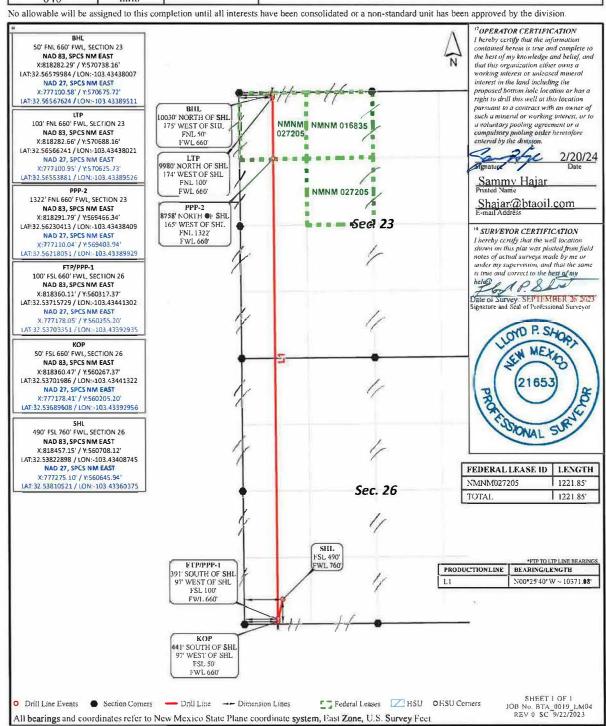
■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

6-23 FED COM 6-23 FED COM 6H
SECULTION SECULT SECURT SECULT SECULT SECULT SECULT SECULT SECULT SECULT SECULT SECURT SECULT SECULT SECULT SECURT SECULT SECURT
л

Surface Location

M	26	20S	35E	Lat idn	Feet from the 490¹	SOUTH	760'	WEST	LEA
			11 B	ottom H	ole Location	n If Different F	rom Surface		
Ul or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	EastWort lier	County
D	23	208	35E	17 63713	50'	NORTH	660'	WEST	LEA
Dedicated Acres	4.1	oint or lafill Infill	l* Cons	olidation Code	" Order No.				



M

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 111 1000 Rio Biazos 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

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**20S** 

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

WEST

■ AMENDED REPORT

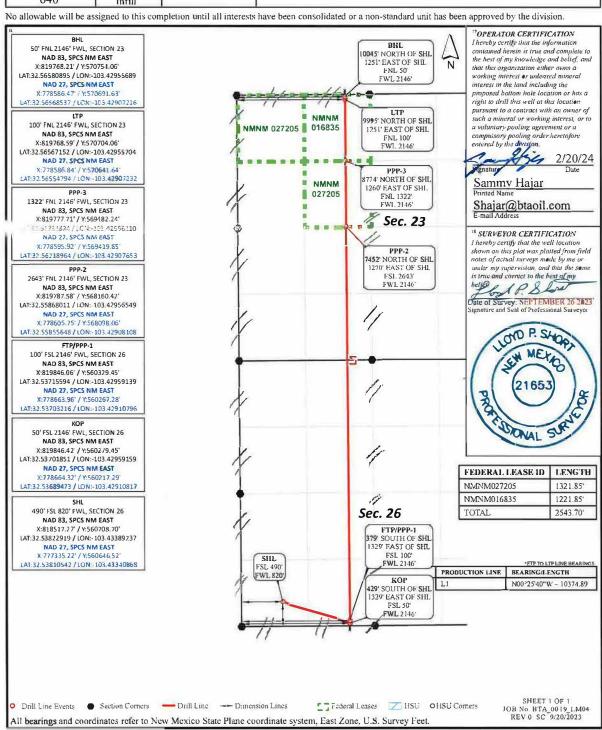
LEA

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

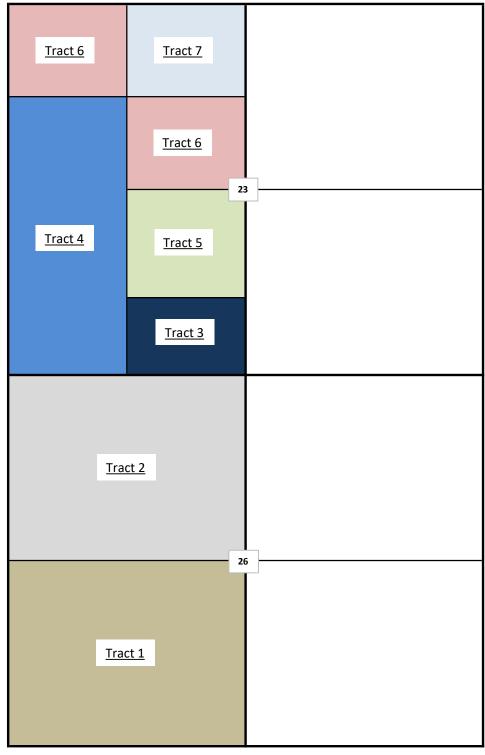
API Number	24250	Featherstone; Bones	spring	
* Property Code	LOST MINE 2230	t) Name 22 26-23 FED COM	Well Number 811	
10GRID No. 260297		*Operator Name BTA OIL PRODUCERS, LLC		
	<sup>10</sup> Surface l	Location		

35E 490' SOUTH 820'

CLur fot no.	Section	Township.	Range	Last Edm	Feet from the	North/South line	Peet from the	Euro/West line	County
C	23	20S	35E		50'	NORTH	2146'	WEST	LEA
Dedicated Acres	1 1	oint or Infell	14 Cuns	olidation Code	WOrder No.				



640 Acre Spacing Unit for the Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H Wells Covering the W/2 of Section 26 and W/2 of Section 23, T-20-S, R-35-E, N.M.P.M., Lea County, New Mexico



BTA Oil Producers, LLC Case No. 24488 Exhibit A-3

#### Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H Unit Recapitulation

Tract 1	Working Interest	WI	160 Acres
State of New Mexico OGL OG-3825	Marathon Oil Permian, LLC	69.2308%	110.7693
SW/4 Section 26, T20S-R35E	Permian Resources Operating, LLC	30.7692%	49.2307
Lea County, New Mexico	Marathon Oil Permian, LLC (Record Title Only)	0.0000%	0.0000
Tract 2	Working Interest	WI	160 Acres
State of New Mexico OGL OG-3826	BTA Oil Producers, LLC	69.2308%	110.7693
NW/4 Section 26, T20S-R35E	Marathon Oil Permian, LLC	30.7692%	49.2307
Lea County, New Mexico	Marathon Oil Permian, LLC (Record Title Only)	0.0000%	0.0000
Tract 3	Working Interest	WI	33 1/3 Acres
Fee	BTA Oil Producers, LLC	41.0363%	13.6788
South 33 1/3 acres of the SE/4 SW/4	Devon Energy Production Company, LP	57.2463%	19.0821
Section 23, T20S-R35E	Wildcat Energy, LLC	1.0000%	0.3333
Lea County, New Mexico	Westall Oil & Gas, LLC	0.7175%	0.2392
	Isramco Energy, LLC (Record Title Only)	0.0000%	0.0000
Tract 4	Working Interest	WI	120 Acres
Fee	BTA Oil Producers, LLC	41.0363%	49.2435
SW/4 NW/4, W/2 SW/4	Devon Energy Production Company, LP	57.2463%	68.6955
Section 23, T20S-R35E	Wildcat Energy, LLC	1.0000%	1.2000
Lea County, New Mexico	Westall Oil & Gas, LLC	0.7175%	0.8610
Tract 5	Working Interest	WI	46 2/3 Acres
Fee	DTA Oil Broducers LLC	41.02.620/	10.1502
NE/4 SW/4, North 6 2/3 acres of the SE/4 SW/4	BTA Oil Producers, LLC Devon Energy Production Company, LP	41.0363% 57.2463%	19.1503 26.7149
Section 23, T20S-R35E	Wildcat Energy, LLC	1.0000%	0.4667
Lea County, New Mexico	Westall Oil & Gas, LLC	0.7175%	0.3348
Tract 6	Working Interest	WI	80 Acres
Tract 0	working interest	**1	ou Acres
NMNM-27205	BTA Oil Producers, LLC	41.0363%	32.8290
NW/4 NW/4, SE/4 NW/4	Devon Energy Production Company, LP	57.2463%	45.7970
Section 23, T20S-R35E	Wildcat Energy, LLC	1.0000%	0.8000
	Westall Oil & Gas, LLC  Mewbourne Oil Company (Record Title Only)	0.7175% 0.0000%	0.5740 0.0000
Tract 7	Working Interest	WI	40 Acres
NMNM-16835	BTA Oil Producers, LLC	41.0363% 57.2463%	16.4145
			22.8985
NE/4 NW/4 Section 23 T20S P35E	Devon Energy Production Company, LP		0.4000
Section 23, T20S-R35E	Wildcat Energy, LLC	1.0000%	0.4000
			0.4000 0.2870 0.0000
Section 23, T20S-R35E Lea County, New Mexico	Wildcat Energy, LLC Westall Oil & Gas, LLC	1.0000% 0.7175%	0.2870
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest	1.0000% 0.7175% 0.0000% WI	0.2870 0.0000 <b>640 Acres</b>
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H,	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC	1.0000% 0.7175% 0.0000% WI 37.8258%	0.2870 0.0000 <b>640 Acres</b> 242.0853
Section 23, T20S-R35E Lea County, New Mexico	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000%	0.2870 0.0000 <b>640 Acres</b> 242.0853 160.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H,	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC	1.0000% 0.7175% 0.0000% WI 37.8258%	0.2870 0.0000 <b>640 Acres</b> 242.0853
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H,	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231%	0.2870 0.0000 <b>640 Acres</b> 242.0853 160.0000 183.1880
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H,	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H,	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only)	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H,	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only)	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H,	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only) Mewbourne Oil Company (Record Title Only)	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H,	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only)	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H  Total	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only) Mewbourne Oil Company (Record Title Only) XTO Holdings, LLC (Record Title Only)	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000% 0.0000%	0.2870 0.0000 <b>640 Acres</b> 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H  Total  Uncommittee	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only) Mewbourne Oil Company (Record Title Only)	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000 0.0000 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H  Total	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only) Mewbourne Oil Company (Record Title Only) XTO Holdings, LLC (Record Title Only)	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000 0.0000 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H  Total  Uncommittee  Noell Ross Jackson Wing Resources VII, LLC Charles A and Betty Moss Dean	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only) Mewbourne Oil Company (Record Title Only) XTO Holdings, LLC (Record Title Only)  d Royalty Owner  XTO Holdings, LLC Axis Energy Corporation Mewbourne Oil Company	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000 0.0000 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H  Total  Uncommittee  Noell Ross Jackson Wing Resources VII, LLC Charles A and Betty Moss Dean Sarah B. Schaffer Moss	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only) XTO Holdings, LLC (Record Title Only) XTO Holdings, LLC (Record Title Only)  d Royalty Owner XTO Holdings, LLC Axis Energy Corporation	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000 0.0000 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H  Total  Uncommittee  Noell Ross Jackson Wing Resources VII, LLC Charles A and Betty Moss Dean Sarah B. Schaffer Moss AmeriPermian Holdings, LLC	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only) Mewbourne Oil Company (Record Title Only) XTO Holdings, LLC (Record Title Only)  d Royalty Owner  XTO Holdings, LLC Axis Energy Corporation Mewbourne Oil Company Metis Lea, LLC	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000 0.0000 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H  Total  Uncommittee  Noell Ross Jackson Wing Resources VII, LLC Charles A and Betty Moss Dean Sarah B. Schaffer Moss AmeriPermian Holdings, LLC Edward K. Neuhaus, Trustee of the	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only) Mewbourne Oil Company (Record Title Only) XTO Holdings, LLC (Record Title Only)  d Royalty Owner  XTO Holdings, LLC Axis Energy Corporation Mewbourne Oil Company Metis Lea, LLC W.O. Neuhaus, Ill and Kay F.	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000 0.0000 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H  Total  Uncommittee  Noell Ross Jackson Wing Resources VII, LLC Charles A and Betty Moss Dean Sarah B. Schaffer Moss AmeriPermian Holdings, LLC Edward K. Neuhaus, Trustee of the W. Oscar Neuhaus Residuary Trust	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only) Mewbourne Oil Company (Record Title Only) XTO Holdings, LLC (Record Title Only)  d Royalty Owner XTO Holdings, LLC Axis Energy Corporation Mewbourne Oil Company Metis Lea, LLC W.O. Neuhaus, Ill and Kay F. Neuhaus, Co-Trustees of the	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000 0.0000 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H  Total  Uncommittee  Noell Ross Jackson Wing Resources VII, LLC Charles A and Betty Moss Dean Sarah B. Schaffer Moss AmeriPermian Holdings, LLC Edward K. Neuhaus, Trustee of the W. Oscar Neuhaus Residuary Trust for Edward K. Neuhaus, created by	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only) Mewbourne Oil Company (Record Title Only) XTO Holdings, LLC (Record Title Only)  d Royalty Owner  XTO Holdings, LLC Axis Energy Corporation Mewbourne Oil Company Metis Lea, LLC W.O. Neuhaus, Ill and Kay F.	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000 0.0000 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H  Total  Uncommittee  Noell Ross Jackson Wing Resources VII, LLC Charles A and Betty Moss Dean Sarah B. Schaffer Moss AmeriPermian Holdings, LLC Edward K. Neuhaus, Trustee of the	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only) Mewbourne Oil Company (Record Title Only) XTO Holdings, LLC (Record Title Only)  d Royalty Owner  XTO Holdings, LLC Avis Energy Corporation Mewbourne Oil Company Metis Lea, LLC  W.O. Neuhaus, Ill and Kay F. Neuhaus, Co-Trustees of the W.O. Ill and Kay F. Neuhaus	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000 0.0000 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H  Total  Uncommittee  Noell Ross Jackson Wing Resources VII, LLC Charles A and Betty Moss Dean Sarah B. Schaffer Moss AmeriPermian Holdings, LLC Edward K. Neuhaus, Trustee of the W. Oscar Neuhaus Residuary Trust for Edward K. Neuhaus, created by the LWT of W. Oscar Neuhaus, as amended by the Second and Third Codicil Laurance B. Neuhaus, Trustee of the	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only) Mewbourne Oil Company (Record Title Only) XTO Holdings, LLC (Record Title Only)  d Royalty Owner  XTO Holdings, LLC Axis Energy Corporation Mewbourne Oil Company Metis Lea, LLC  W.O. Neuhaus, Ill and Kay F. Neuhaus, Co-Trustees of the W.O. Ill and Kay F. Neuhaus Revocable Trust Houston Trust Company, Trustee	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000 0.0000 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H  Total  Uncommitted  Noell Ross Jackson Wing Resources VII, LLC Charles A and Betty Moss Dean Sarah B. Schaffer Moss AmeriPermian Holdings, LLC Edward K. Neuhaus, Trustee of the W. Oscar Neuhaus Residuary Trust for Edward K. Neuhaus, created by the LWT of W. Oscar Neuhaus, as amended by the Second and Third Codicil Laurance B. Neuhaus, Trustee of the W. Oscar Neuhaus Residuary Trust	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only) Mewbourne Oil Company (Record Title Only) XTO Holdings, LLC (Record Title Only)  d Royalty Owner  XTO Holdings, LLC Avis Energy Corporation Mewbourne Oil Company Metis Lea, LLC  W.O. Neuhaus, Ill and Kay F. Neuhaus, Co-Trustees of the W.O. Ill and Kay F. Neuhaus Revocable Trust  Houston Trust Company, Trustee of the Howard F. Smith, Jr. Trust	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000 0.0000 0.0000
Section 23, T20S-R35E Lea County, New Mexico  Recapitulation  Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H  Total  Uncommittee  Noell Ross Jackson Wing Resources VII, LLC Charles A and Betty Moss Dean Sarah B. Schaffer Moss AmeriPermian Holdings, LLC Edward K. Neuhaus, Trustee of the W. Oscar Neuhaus Residuary Trust for Edward K. Neuhaus, created by the LWT of W. Oscar Neuhaus, as amended by the Second and Third Codicil Laurance B. Neuhaus, Trustee of the	Wildcat Energy, LLC Westall Oil & Gas, LLC XTO Holdings, LLC (Record Title Only)  Working Interest  BTA Oil Producers, LLC Marathon Oil Permian, LLC Devon Energy Production Company, LP Permian Resources Operating, LLC Wildcat Energy, LLC Wildcat Energy, LLC Westall Oil & Gas, LLC Marathon Oil Permian, LLC (Record Title Only) Isramco Energy, LLC (Record Title Only) Mewbourne Oil Company (Record Title Only) XTO Holdings, LLC (Record Title Only)  d Royalty Owner  XTO Holdings, LLC Axis Energy Corporation Mewbourne Oil Company Metis Lea, LLC  W.O. Neuhaus, Ill and Kay F. Neuhaus, Co-Trustees of the W.O. Ill and Kay F. Neuhaus Revocable Trust Houston Trust Company, Trustee	1.0000% 0.7175% 0.0000% WI 37.8258% 25.0000% 28.6231% 7.6923% 0.5000% 0.3588% 0.0000% 0.0000% 0.0000%	0.2870 0.0000 640 Acres 242.0853 160.0000 183.1880 49.2307 3.2000 2.2960 0.0000 0.0000 0.0000 0.0000

# 640 Acre Spacing Unit for the Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H Wells Covering the W/2 of Section 26 and W/2 of Section 23, T-20-S, R-35-E, N.M.P.M., Lea County, New Mexico

(9) SE/4 15-T20S-R35E	(10) SW/4 14-T20S-R35E	(10) SE/4 14-T20S-R35E
(8) NE/4NE/4 22-T20S-R35E (7) SE/4, S/2NE/4, NW/4NE/4 22-T20S-R35E	W/2 Section 23, T20S-R35E	(1) E/2 23-T20S-R35E
(6) E/2 27-T20S-R35E	W/2 Section 26, T20S-R35E	(2) NE/4 26-T20S-R35E (3) SE/4 26-T20S-R35E
(5) NW/4 34-T20S-R35E	N	4) 1/2 IS-R35E

	NON STANDARD SPACING UNIT W/2 OF SECTIONS 26 & 23, T20S-R35E
BTA OIL PRO	20S-R35E; STATE (OG-3826) DUCERS, LLC - OPERATOR OIL PERMIAN, LLC - RECORD TITLE IS WELLS
BTA OIL PRO	.0S-R35E; STATE (OG-3825) DUCERS, LLC - OPERATOR OIL PERMIAN, LLC - RECORD TITLE IS WELLS
(4) N/2 35-T20 NO ACTIVE I	S-R35E; STATE (OPEN) IS WELLS
· /	20S-R35E; STATE (VB-2330) & WINSTON, INC RECORD TITLE
	S-R35E; STATE (VB-1220) SOURCES OPERATING, LLC - OPERATOR
	E/4, NW/4NE/4 22-T20S-R35E; FEE SOURCES OPERATING, LLC - OPERATOR
PERMIAN RE  (8) NE/4NE/4 PERMIAN RE	
PERMIAN RE  (8) NE/4NE/4 PERMIAN RE XTO HOLDIN  (9) SE/4 15-T. PERMIAN RE	SOURCES OPERATING, LLC - OPERATOR  22-T20S-R35E; FED (NMNM-16835)  SOURCES OPERATING, LLC - OPERATOR
PÉRMIÁN RE  (8) NE/4NE/4 PERMIAN RE XTO HOLDIN  (9) SE/4 15-T. PERMIAN RE PERMIAN RE (10) SW/4 14-	22-T20S-R35E; FED (NMNM-16835) SOURCES OPERATING, LLC - OPERATOR GS, LLC - RECORD TITLE  20S-R35E; FED (NMNM-132075) SOURCES OPERATING, LLC - OPERATOR SOURCES OPERATING, LLC - RECORD TITLE  120S-R35E; FED (NMNM-136225) OIL PERMIAN, LLC - RECORD TITLE

BTA Oil Producers, LLC Case No. 24488 Exhibit A-4



BTA OIL PRODUCERS, LLC

104 SOUTH PECOS STREET MIDLAND, TEXAS 79701-5021 432-682-3753 FAX 432-683-0314

**GULF COAST DISTRICT** 

TOTAL PLAZA 1201 LOUISIANA STREET, STE. 3375 HOUSTON, TEXAS 77002 713-658-0077

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

September 27, 2023

CARLTON BEAL, JR.

BARRY BFAL SPENCER BEAL

**KELLY BEAL** 

BARRY BEAL, IR.

HILL DAVENPORT

ROBERT DAVENPORT, JR. ASHLEY BEAL LAFEVERS

STUART BEAL

ALEX BEAL

TREY FUQUA

In re: Well Proposal

Lost Mine 22302 26-23 Fed Com #06H

SHL: 490' FSL & 760' FWL Section 26, T20S, R35E BHL: 50' FNL & 660' FWL Section 23, T20S, R35E

Lea County, New Mexico

BTA 22300 Arbor 2

Permian Resources Operating, LLC

Attn: Travis Macha

300 North Marienfeld Street, Suite 1000

Midland, Texas 79701

Mr. Macha:

BTA Oil Producers, LLC ("BTA") proposes to drill the Lost Mine 22302 26-23 Fed Com #06H (the "Well"), a horizontal, communitized, 1st Bone Spring Sand Well with a TVD of 9,400' and a MD of 19,655'. The Well will be drilled as a two-mile horizontal well at the above captioned location (the "Operation"). The Cumulative Well Cost of the Operation is estimated to be \$11,286,032.00 as detailed in our enclosed Authority for Expenditure ("AFE").

BTA proposes drilling the Well under the terms of a new 2015 AAPL Form 610-2015 Model Form Operating Agreement with following general provisions:

- 300% / 100% / 300% non-consent penalty;
- \$12,000.00 / \$1,200.00 drilling and producing rates;
- Contract Area of 640 acres, being the W/2 of Section 26, T20S-R35E and W/2 of Section 23, T20S, R35E, limited to the Bone Spring formation; and
- BTA Oil Producers, LLC named as Operator.

Find enclosed two (2) copies of our AFE for the drilling of the Lost Mine 22302 26-23 Fed Com #06H Well. If you elect to participate in the drilling of the Well, please so indicate by returning a signed copy of this letter along with a signed copy of the AFE to this office using the enclosed envelope. Please note the Well is a horizontal well and there will not be a casing point election.

> **BTA Oil Producers, LLC** Case No. 24488 Exhibit A-5

Page 2

This well proposal is proposed concurrently with the one and one-half mile Lost Mine 22302 26-23 Fed Com #02H well proposal, dated July 6, 2023. In the event BTA receives the required approvals for both well proposals, BTA intends to pursue drilling the Lost Mine 22302 26-23 Fed Com #06H. In the event BTA receives the required approvals for only the Lost Mine 22302 26-23 Fed Com #02H well proposal, BTA will pursue drilling the Lost Mine 22302 26-23 Fed Com #02H.

Your election must be received by BTA within 30 days of your receipt of this letter. In the event that there has been no election after 30 days from your receipt of this letter, BTA will submit an application for a Compulsory Pooling Order with the New Mexico Oil Conservation Division.

Should you have any questions or require further information, please let me know.

		Sincerely,
		adams B. Davenport
		Adams B. Davenport
		Landman
	Elect to Participate in the Lost Mine 22	302 26-23 Fed Com #06H Well
	(Send well information requirements to	BTA)
	Elect to not to participate in the Lost M	ine 22302 26-23 Fed Com #06H Well
Permian Ro	Resources Operating, LLC	
By:		
Title:		
Data		

# BTA OIL PRODUCERS, LLC WELL COST ESTIMATE & AUTHORITY FOR EXPENDITURE

~9,400' TVD ~19,655' MD Well Name: Lost Mine 22302 26-23 Fed Com #06H Total Depth:

Location:

SHL: 490 FSL 760 FWL Section 26, T20S, R35E BHL: 50 FNL 660 FWL Section 23, T20S, R35E, Lea County, NM Formation: Bone Spring

Date Prepared: 9/5/2023

	Date Prepared: 9/5/2023				
		NE	Prepared By: NE	TW	
	INTANGIBLE COSTS	DRY	CASED HOLE	COMPLETION	TOTAL COSTS
CODE	FORMATION EVALUATION	\$	\$	\$	\$
2203 2204	Logs Cores	8,000		20,000	28,000
2205	DST LOCATION & ACCESS				
2211 2212	Survey & Stake Damages	5,000 60,000			5,000 60,000
2213	Road & Location	80,000		45,000	125,000
2214	Other Location  DRILLING RIG	150,000			150,000
2223 2225	Mobilization Daywork	140,000 649,000	88,500		140,000 737,500
2226	Footage	049,000	00,300		707,500
2227	Turnkey DRILLING SUPPLIES				
2232 2233	Bits BHA	90,000 55,000		65,000	90,000 120,000
2234	Fuel	209,000	28,500	55,555	237,500
2236	Other Supplies MUD RELATED				
2241 2242	Mud Purchase Mud Rental	55,000	5,000		60,000
2244 2245	Fresh Water Brine	55,000 45,000	1,000	800,000	856,000 45,000
2246	Solids Control (Closed Loop)	33,000	4,500		37,500
2247 2249	Mud Monitor Mud Related Other	28,000 8,000			28,000 8,000
2252	DRILLING SERVICES BOP Related	15,000	4,000		19,000
2253	Casing Related	38,000	105,000	40.000	143,000
2254 2255	Welding Trucking	8,000 22,500	2,000 10,000	10,000 65,000	20,000 97,500
2256 2257	Rental Equipment Other Services (Direction/GR Services)	82,000 326,700	8,000	375,000	465,000 326,700
	CEMENT	,	405.000		
2261 2262	Casing Cementing Other Cementing	90,000	185,000	120,000	275,000 120,000
2266	CONTRACT SERVICES Engineering	8,000			8,000
2267	Geological	22,000		65.000	22,000
2268 2269	Roustabout Wellsite Supervision	6,000 81,400	11,100	65,000 65,000	71,000 157,500
2270	Other Contract Services COMPLETION SERVICES	25,000			25,000
2272 2273	Pulling Unit Drilling Rig			20,000	20,000
2276	Perforate			345,000	345,000
2277 2278	Stimulation Other Compl. Services			3,100,000 200,000	3,100,000 200,000
2280	OVERHEAD Drilling & Administrative	10,000		10.000	20,000
2200	TOTAL INTANGIBLE COSTS	\$ 2,404,600	\$ 452,600	\$ 5,305,000	\$ 8,162,200
	TANGIBLE COSTS				
2311	TUBULARS Surface Casing	162,000			162,000
2312	Intermediate Casing	360,000			360,000
2313 2314	Drlg Liner & Hanger Production Casing		725,000		725,000
2315 2316	Production Liner & Hanger Other Tubulars				
	WELL EQUIPMENT	20.000	20.000	05.000	4.45.000
2321 2322	Well Head Flowline	30,000	30,000	85,000 105,000	145,000 105,000
2325 2326	Tubing Rods			120,000	120,000
2327 2328	Pumps Pumping Unit				
2329	Subsurface Equipment			35,000	35,000
2331	Other Well Equipment  LEASE EQUIPMENT	25,000	25,000	3,000	53,000
2361 2362	Tanks Separators			95,000 100,000	95,000 100,000
2363	Heater Treater			· -	
2364 2365	Pumps Electrical System			25,000 100,000	25,000 100,000
2366 2367	Meters Connectors			35,000 150,000	35,000 150,000
2368	Lact Equipment			150,000	150,000
2369	Other Lease Equipment			125,000	125,000
	SUBTOTAL - TANGIBLES	577,000	780,000	1,128,000	2,485,000
2353	SYSTEMS Gas Line Tangibles				
2353	Gas Line Intangibles				
2381 2382	Compresssor Gas Plant Tangibles				
2382 2384	Gas Plant Intangibles Dehydrator				
2304	·				
	SUBTOTAL - SYSTEMS				
	TOTAL TANGIBLE COSTS	\$ 577,000	\$ 780,000	\$ 1,128,000	\$ 2,485,000
	GENERAL CONTINGENCIES	178,896	73,956	385,980	638,832
	TOTALS BY PHASE	\$ 3,160,496	\$ 1,306,556	\$ 6,818,980	\$ 11,286,032
	CUMULATIVE WELL COSTS	\$ 3,160,496	\$ 4,467,052	\$ 11,286,032	
	Initial Routing Date:			<u>-</u>	
	NE RTW BMM, RB BRH, LJH, RMD, BBJ				
	Land Approval Block:				
	APPROVED BY:				
	COMPANY:				
	DATE:				

# BTA OIL PRODUCERS, LLC WELL COST ESTIMATE & AUTHORITY FOR EXPENDITURE

~9,400' TVD ~19,655' MD Well Name: Lost Mine 22302 26-23 Fed Com #06H Total Depth:

Location:

SHL: 490 FSL 760 FWL Section 26, T20S, R35E BHL: 50 FNL 660 FWL Section 23, T20S, R35E, Lea County, NM Formation: Bone Spring

	Date Prepared: 9/5/2023				
		NE	Prepared By: NE	TW	
	INTANGIBLE COSTS	DRY	CASED HOLE	COMPLETION	TOTAL COSTS
CODE	FORMATION EVALUATION	\$	\$	\$	\$
2203 2204	Logs Cores	8,000		20,000	28,000
2205	DST				
2211	LOCATION & ACCESS Survey & Stake	5,000			5,000
2212	Damages	60,000		45.000	60,000
2213 2214	Road & Location Other Location	80,000 150,000		45,000	125,000 150,000
0000	DRILLING RIG	440.000			440.000
2223 2225	Mobilization Daywork	140,000 649,000	88,500		140,000 737,500
2226	Footage				
2227	Turnkey DRILLING SUPPLIES				
2232 2233	Bits BHA	90,000 55,000		65,000	90,000 120,000
2234	Fue <b>l</b>	209,000	28,500	65,000	237,500
2236	Other Supplies MUD RELATED				
2241	Mud Purchase	55,000	5,000		60,000
2242 2244	Mud Rental Fresh Water	55,000	1,000	800,000	856,000
2245	Brine	45,000		000,000	45,000
2246 2247	Solids Control (Closed Loop) Mud Monitor	33,000 28,000	4,500		37,500 28,000
2249	Mud Related Other	8,000			8,000
2252	DRILLING SERVICES BOP Related	15,000	4,000		19,000
2253	Casing Related	38,000	105,000		143,000
2254 2255	Welding Trucking	8,000 22,500	2,000 10,000	10,000 65,000	20,000 97,500
2256	Rental Equipment	82,000	8,000	375,000	465,000
2257	Other Services (Direction/GR Services) CEMENT	326,700			326,700
2261	Casing Cementing	90,000	185,000		275,000
2262	Other Cementing  CONTRACT SERVICES			120,000	120,000
2266	Engineering	8,000			8,000
2267 2268	Geological Roustabout	22,000 6,000		65,000	22,000 71,000
2269	Wellsite Supervision	81,400	11,100	65,000	157,500
2270	Other Contract Services COMPLETION SERVICES	25,000			25,000
2272	Pulling Unit			20,000	20,000
2273 2276	Drilling Rig Perforate			345,000	345,000
2277	Stimulation			3,100,000	3,100,000
2278	Other Compl. Services  OVERHEAD			200,000	200,000
2280	Drilling & Administrative	10,000	450,000	10,000	20,000
	TOTAL INTANGIBLE COSTS	\$ 2,404,600	\$ 452,600	\$ 5,305,000	\$ 8,162,200
CODE	TANGIBLE COSTS				
2311	TUBULARS Surface Casing	162,000			162,000
2312	Intermediate Casing	360,000			360,000
2313 2314	Drlg Liner & Hanger Production Casing		725,000		725,000
2315 2316	Production Liner & Hanger Other Tubulars				
2310	WELL EQUIPMENT				
2321 2322	Well Head Flowline	30,000	30,000	85,000 105,000	145,000 105,000
2325	Tubing			120,000	120,000
2326 2327	Rods Pumps				
2328	Pumping Unit				
2329 2331	Subsurface Equipment Other Well Equipment	25,000	25,000	35,000 3,000	35,000 53,000
	LEASE EQUIPMENT	20,000	20,000		
2361 2362	Tanks Separators			95,000 100,000	95,000 100,000
2363	Heater Treater			· =	
2364 2365	Pumps Electrical System			25,000 100,000	25,000 100,000
2366	Meters			35,000	35,000
2367 2368	Connectors Lact Equipment			150,000 150,000	150,000 150,000
2369	Other Lease Equipment			125,000	125,000
	SUBTOTAL - TANGIBLES	577,000	780,000	1,128,000	2,485,000
		,	,	, ,	,
2353	SYSTEMS Gas Line Tangibles				
2353	Gas Line Intangibles				
2381 2382	Compresssor Gas Plant Tangibles				
2382	Gas Plant Intangibles				
2384	Dehydrator				
	SUBTOTAL - SYSTEMS				-
	TOTAL TANGIBLE COSTS	\$ 577,000	\$ 780,000	\$ 1,128,000	\$ 2,485,000
	GENERAL CONTINGENCIES	178,896	73,956	385,980	638,832
	TOTALS BY PHASE	\$ 3,160,496	\$ 1,306,556	\$ 6,818,980	\$ 11,286,032
	CUMULATIVE WELL COSTS	\$ 3,160,496	\$ 4,467,052	\$ 11,286,032	
	Initial Routing Date:				
	NE RTW BMM, RB BRH, LJH, RMD, BBJ				
	NE RTW BMM, RB BRH, LJH, RMD, BBJ				
	NE RTW BMM, RB BRH, LJH, RMD, BBJ  Land Approval Block:				
	NE RTW BMM, RB BRH, LJH, RMD, BBJ				
	NE RTW BMM, RB BRH, LJH, RMD, BBJ  Land Approval Block:				



BTA OIL PRODUCERS, LLC

104 SOUTH PECOS STREET MIDLAND, TEXAS 79701-5021 432-682-3753 FAX 432-683-0314

**GULF COAST DISTRICT** 

TOTAL PLAZA 1201 LOUISIANA STREET, STE. 3375 HOUSTON, TEXAS 77002 713-658-0077

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

September 27, 2023

CARLTON BEAL, JR.

BARRY BFAL

**KELLY BEAL** 

SPENCER BEAL

BARRY BEAL, IR.

HILL DAVENPORT

TREY FUQUA

ROBERT DAVENPORT, JR.

ASHLEY BEAL LAFEVERS ALEX BEAL

STUART BEAL

In re: Well Proposal

Lost Mine 22302 26-23 Fed Com #05H

SHL: 490' FSL & 730' FWL Section 26, T20S, R35E BHL: 50' FNL & 350' FWL Section 23, T20S, R35E

Lea County, New Mexico

BTA 22300 Arbor 2

Permian Resources Operating, LLC

Attn: Travis Macha

300 North Marienfeld Street, Suite 1000

Midland, Texas 79701

Mr. Macha:

BTA Oil Producers, LLC ("BTA") proposes to drill the Lost Mine 22302 26-23 Fed Com #05H (the "Well"), a horizontal, communitized, 2nd Bone Spring Sand Well with a TVD of 10,330' and a MD of 20,585'. The Well will be drilled as a two-mile horizontal well at the above captioned location (the "Operation"). The Cumulative Well Cost of the Operation is estimated to be \$11,307,232.00 as detailed in our enclosed Authority for Expenditure ("AFE").

BTA proposes drilling the Well under the terms of a new 2015 AAPL Form 610-2015 Model Form Operating Agreement with following general provisions:

- 300% / 100% / 300% non-consent penalty;
- \$12,000.00 / \$1,200.00 drilling and producing rates;
- Contract Area of 640 acres, being the W/2 of Section 26, T20S-R35E and W/2 of Section 23, T20S, R35E, limited to the Bone Spring formation; and
- BTA Oil Producers, LLC named as Operator.

Find enclosed two (2) copies of our AFE for the drilling of the Lost Mine 22302 26-23 Fed Com #05H Well. If you elect to participate in the drilling of the Well, please so indicate by returning a signed copy of this letter along with a signed copy of the AFE to this office using the enclosed envelope. Please note the Well is a horizontal well and there will not be a casing point election.

Page 2

This well proposal is proposed concurrently with the one and one-half mile Lost Mine 22302 26-23 Fed Com #01H well proposal, dated July 6, 2023. In the event BTA receives the required approvals for both well proposals, BTA intends to pursue drilling the Lost Mine 22302 26-23 Fed Com #05H. In the event BTA receives the required approvals for only the Lost Mine 22302 26-23 Fed Com #01H well proposal, BTA will pursue drilling the Lost Mine 22302 26-23 Fed Com #01H.

Your election must be received by BTA within 30 days of your receipt of this letter. In the event that there has been no election after 30 days from your receipt of this letter, BTA will submit an application for a Compulsory Pooling Order with the New Mexico Oil Conservation Division.

Should you have any questions or require further information, please let me know.

		Sincerely,
		adams B. Davenport
		Adams B. Davenport
		Landman
	Elect to Participate in the Lost Mine 22	2302 26-23 Fed Com #05H Well
	(Send well information requirements to	BTA)
	Elect to not to participate in the Lost M	line 22302 26-23 Fed Com #05H Well
Permian Ro	Resources Operating, LLC	
By:		
Title:		
Data		

# BTA OIL PRODUCERS, LLC WELL COST ESTIMATE & AUTHORITY FOR EXPENDITURE

~10,330' TVD ~20,585' MD Well Name: Lost Mine 22302 26-23 Fed Com #05H Total Depth:

Location:

SHL: 490 FSL 730 FWL Section 26, T20S, R35E BHL: 50 FNL 350 FWL Section 23, T20S, R35E, Lea County, NM Formation: Bone Spring

Prepared By:

Date Prepared: 9/5/2023

			Prepared By:		
		NE DRY	NE CASED HOLE	TW COMPLETION	TOTAL COSTS
CODE	INTANGIBLE COSTS FORMATION EVALUATION	\$	\$	\$	\$
2203	Logs	8,000	\$	20,000	28,000
2204	Cores	0,000		20,000	20,000
2205	DST LOCATION & ACCESS				
2211	Survey & Stake	5,000			5,000
2212 2213	Damages Road & Location	60,000 80,000		45,000	60,000 125,000
2214	Other Location	150,000			150,000
2223	<b>DRILLING RIG</b> Mobilization	140,000			140,000
2225	Daywork	649,000	88,500		737,500
2226 2227	Footage Turnkey				
0000	DRILLING SUPPLIES	00.000			00.000
2232 2233	Bits BHA	90,000 55,000		65,000	90,000 120,000
2234 2236	Fuel Other Supplies	209,000	28,500		237,500
2230	Other Supplies MUD RELATED				
2241 2242	Mud Purchase Mud Rental	55,000	5,000		60,000
2244	Fresh Water	55,000	1,000	800,000	856,000
2245 2246	Brine Solids Control (Closed Loop)	45,000 33,000	4,500		45,000 37,500
2247	Mud Monitor	28,000	4,000		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 Welding	38,000 8,000	105,000 2,000	10,000	143,000 20,000
2255	Trucking	22,500	10,000	65,000	97,500
2256 2257	Rental Equipment Other Services (Direction/GR Services)	82,000 326,700	8,000	375,000	465,000 326,700
	CEMENT				
2261 2262	Casing Cementing Other Cementing	90,000	185,000	120,000	275,000 120,000
	CONTRACT SERVICES			,	
2266 2267	Engineering Geological	8,000 22,000			8,000 22,000
2268	Roustabout	6,000	44.400	65,000	71,000
2269 2270	Wellsite Supervision Other Contract Services	81,400 25,000	11,100	65,000	157,500 25,000
	COMPLETION SERVICES	,		00.000	
2272 2273	Pulling Unit Drilling Rig			20,000	20,000
2276	Perforate			345,000	345,000
2277 2278	Stimulation Other Compl. Services			3,100,000 200,000	3,100,000 200,000
	OVERHEAD	10.000			
2280	Drilling & Administrative TOTAL INTANGIBLE COSTS	10,000 \$ 2,404,600	\$ 452,600	10,000 \$ 5,305,000	20,000 \$ 8,162,200
CODE	TUBULARS				
2311	Surface Casing	162,000			162,000
2312 2313	Intermediate Casing Drlg Liner & Hanger	360,000			360,000
2314	Production Casing		745,000		745,000
2315 2316	Production Liner & Hanger Other Tubulars				
0004	WELL EQUIPMENT	20.000	00.000	05.000	445.000
2321 2322	Well Head Flowline	30,000	30,000	85,000 105,000	145,000 105,000
2325	Tubing			120,000	120,000
2326 2327	Rods Pumps				
2328	Pumping Unit			25.000	25 000
2329 2331	Subsurface Equipment Other Well Equipment	25,000	25,000	35,000 3,000	35,000 53,000
2361	<b>LEASE EQUIPMENT</b> Tanks			95,000	95,000
2362	Separators			100,000	100,000
2363 2364	Heater Treater Pumps			<del>-</del> 25,000	25,000
2365	Electrical System			100,000	100,000
2366 2367	Meters Connectors			35,000 150,000	35,000 150,000
2368	Lact Equipment			150,000	150,000
2369	Other Lease Equipment			125,000	125,000
	SUBTOTAL - TANGIBLES	577,000	800,000	1,128,000	2,505,000
	SYSTEMS				
2353	Gas Line Tangibles				
2353 2381	Gas Line Intangibles Compresssor				
2382	Gas Plant Tangibles				
2382 2384	Gas Plant Intangibles Dehydrator				
2004	·				
	SUBTOTAL - SYSTEMS	<del>.</del>		<del>-</del>	
	TOTAL TANGIBLE COSTS	\$ 577,000	\$ 800,000	\$ 1,128,000	\$ 2,505,000
	GENERAL CONTINGENCIES	178,896	75,156	385,980	640,032
	TOTALS BY PHASE	\$ 3,160,496	\$ 1,327,756	\$ 6,818,980	\$ 11,307,232
	CUMULATIVE WELL COSTS	\$ 3,160,496	\$ 4,488,252	\$ 11,307,232	
	Initial Routing Date:				
	NE RTW BMM, RB BRH, LJH, RMD, BBJ				
	Land Approval Block:				
	APPROVED BY:				
	COMPANY:				

# BTA OIL PRODUCERS, LLC WELL COST ESTIMATE & AUTHORITY FOR EXPENDITURE

~10,330' TVD ~20,585' MD Well Name: Lost Mine 22302 26-23 Fed Com #05H Total Depth:

Location:

SHL: 490 FSL 730 FWL Section 26, T20S, R35E BHL: 50 FNL 350 FWL Section 23, T20S, R35E, Lea County, NM Formation: Bone Spring

Date Prepared: 9/5/2023

	Date Prepared: 9/5/2023				
		NE	Prepared By: NE	TW	
	INTANGIBLE COSTS	DRY	CASED HOLE	COMPLETION	TOTAL COSTS
CODE	FORMATION EVALUATION	\$	\$	\$	\$
2203 2204	Logs Cores	8,000		20,000	28,000
2205	DST LOCATION & ACCESS				
2211 2212	Survey & Stake Damages	5,000 60,000			5,000 60,000
2213	Road & Location	80,000		45,000	125,000
2214	Other Location  DRILLING RIG	150,000			150,000
2223 2225	Mobilization Daywork	140,000 649,000	88,500		140,000 737,500
2226	Footage	043,000	00,500		707,500
2227	Turnkey DRILLING SUPPLIES				
2232 2233	Bits BHA	90,000 55,000		65,000	90,000 120,000
2234	Fuel	209,000	28,500	00,000	237,500
2236	Other Supplies MUD RELATED				
2241 2242	Mud Purchase Mud Rental	55,000	5,000		60,000
2244	Fresh Water	55,000 45,000	1,000	800,000	856,000 45,000
2245 2246	Brine Solids Control (Closed Loop)	45,000 33,000	4,500		37,500
2247 2249	Mud Monitor Mud Related Other	28,000 8,000			28,000 8,000
2252	DRILLING SERVICES BOP Related	15,000	4,000		19,000
2253	Casing Related	38,000	105,000		143,000
2254 2255	Welding Trucking	8,000 22,500	2,000 10,000	10,000 65,000	20,000 97,500
2256 2257	Rental Equipment Other Services (Direction/GR Services)	82,000 326,700	8,000	375,000	465,000 326,700
	CEMENT	,			
2261 2262	Casing Cementing Other Cementing	90,000	185,000	120,000	275,000 120,000
2266	CONTRACT SERVICES Engineering	8,000			8,000
2267	Geological	22,000			22,000
2268 2269	Roustabout Wellsite Supervision	6,000 81,400	11,100	65,000 65,000	71,000 157,500
2270	Other Contract Services COMPLETION SERVICES	25,000			25,000
2272	Pulling Unit			20,000	20,000
2273 2276	Drilling Rig Perforate			345,000	345,000
2277 2278	Stimulation Other Compl. Services			3,100,000 200,000	3,100,000 200,000
	OVERHEAD	40.000			
2280	Drilling & Administrative  TOTAL INTANGIBLE COSTS	10,000 \$ 2,404,600	\$ 452,600	10,000 \$ 5,305,000	\$ 8,162,200
	TANGIBLE COSTS				
<b>CODE</b> 2311	TUBULARS	162.000			162,000
2311	Surface Casing Intermediate Casing	162,000 360,000			162,000 360,000
2313 2314	Drlg Liner & Hanger Production Casing		745,000		745,000
2315 2316	Production Liner & Hanger Other Tubulars				
	WELL EQUIPMENT				
2321 2322	Well Head Flowline	30,000	30,000	85,000 105,000	145,000 105,000
2325 2326	Tubing Rods			120,000	120,000
2327	Pumps				
2328 2329	Pumping Unit Subsurface Equipment			35,000	35,000
2331	Other Well Equipment  LEASE EQUIPMENT	25,000	25,000	3,000	53,000
2361	Tanks			95,000	95,000
2362 2363	Separators Heater Treater			100,000 <del>-</del>	100,000
2364 2365	Pumps Electrical System			25,000 100,000	25,000 100,000
2366 2367	Meters Connectors			35,000 150,000	35,000 150,000
2368	Lact Equipment			150,000	150,000
2369	Other Lease Equipment			125,000	125,000
	SUBTOTAL - TANGIBLES	577,000	800,000	1,128,000	2,505,000
	SYSTEMS				
2353 2353	Gas Line Tangibles Gas Line Intangibles				
2381 2382	Compresssor Gas Plant Tangibles				
2382	Gas Plant Intangibles				
2384	Dehydrator				
	SUBTOTAL - SYSTEMS				<del></del>
	TOTAL TANGIBLE COSTS	\$ 577,000	\$ 800,000	\$ 1,128,000	\$ 2,505,000
	GENERAL CONTINGENCIES	178,896	75,156	385,980	640,032
	TOTALS BY PHASE	\$ 3,160,496	\$ 1,327,756	\$ 6,818,980	\$ 11,307,232
	CUMULATIVE WELL COSTS	\$ 3,160,496	\$ 4,488,252	\$ 11,307,232	
			.,,		
	Initial Routing Date: NE RTW BMM, RB BRH, LJH, RMD, BBJ				
	Land Approval Block:				
	APPROVED BY:				
	COMPANY:				
	DATE:				



BTA OIL PRODUCERS, LLC

104 SOUTH PECOS STREET BARRY BFAL SPENCER BEAL MIDLAND, TEXAS 79701-5021 **KELLY BEAL** 432-682-3753 BARRY BEAL, IR. FAX 432-683-0314 STUART BEAL ROBERT DAVENPORT, JR.

**GULF COAST DISTRICT** 

TOTAL PLAZA 1201 LOUISIANA STREET, STE. 3375 HOUSTON, TEXAS 77002 713-658-0077

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

September 27, 2023

CARLTON BEAL, JR.

ASHLEY BEAL LAFEVERS

ALEX BEAL

TREY FUQUA

HILL DAVENPORT

In re: Well Proposal

Lost Mine 22302 26-23 Fed Com #08H

SHL: 490' FSL & 820' FWL Section 26, T20S, R35E BHL: 50' FNL & 2,146' FWL Section 23, T20S, R35E

Lea County, New Mexico

BTA 22300 Arbor 2

Permian Resources Operating, LLC

Attn: Travis Macha

300 North Marienfeld Street, Suite 1000

Midland, Texas 79701

Mr. Macha:

BTA Oil Producers, LLC ("BTA") proposes to drill the Lost Mine 22302 26-23 Fed Com #08H (the "Well"), a horizontal, communitized, 2nd Bone Spring Sand Well with a TVD of 10,330' and a MD of 20,585'. The Well will be drilled as a two-mile horizontal well at the above captioned location (the "Operation"). The Cumulative Well Cost of the Operation is estimated to be \$11,307,232.00 as detailed in our enclosed Authority for Expenditure ("AFE").

BTA proposes drilling the Well under the terms of a new 2015 AAPL Form 610-2015 Model Form Operating Agreement with following general provisions:

- 300% / 100% / 300% non-consent penalty;
- \$12,000.00 / \$1,200.00 drilling and producing rates;
- Contract Area of 640 acres, being the W/2 of Section 26, T20S-R35E and W/2 of Section 23, T20S, R35E, limited to the Bone Spring formation; and
- BTA Oil Producers, LLC named as Operator.

Find enclosed two (2) copies of our AFE for the drilling of the Lost Mine 22302 26-23 Fed Com #08H Well. If you elect to participate in the drilling of the Well, please so indicate by returning a signed copy of this letter along with a signed copy of the AFE to this office using the enclosed envelope. Please note the Well is a horizontal well and there will not be a casing point election.

Page 2

This well proposal is proposed concurrently with the one and one-half mile Lost Mine 22302 26-23 Fed Com #04H well proposal, dated July 6, 2023. In the event BTA receives the required approvals for both well proposals, BTA intends to pursue drilling the Lost Mine 22302 26-23 Fed Com #08H. In the event BTA receives the required approvals for only the Lost Mine 22302 26-23 Fed Com #04H well proposal, BTA will pursue drilling the Lost Mine 22302 26-23 Fed Com #04H.

Your election must be received by BTA within 30 days of your receipt of this letter. In the event that there has been no election after 30 days from your receipt of this letter, BTA will submit an application for a Compulsory Pooling Order with the New Mexico Oil Conservation Division.

Should you have any questions or require further information, please let me know.

		Sincerely,
		adams B. Davenport
		Adams B. Davenport
		Landman
	Elect to Participate in the Lost Mine 22	2302 26-23 Fed Com #08H Well
	(Send well information requirements to	o BTA)
	Elect to not to participate in the Lost N	Mine 22302 26-23 Fed Com #08H Well
Permian R	Resources Operating, LLC	
Ву:		
Title:		
Date:		

# BTA OIL PRODUCERS, LLC WELL COST ESTIMATE & AUTHORITY FOR EXPENDITURE

~10,330' TVD ~20,585' MD Well Name: Lost Mine 22302 26-23 Fed Com #08H Total Depth:

Location:

SHL: 490 FSL 820 FWL Section 26, T20S, R35E BHL: 50 FNL 2146 FWL Section 23, T20S, R35E, Lea County, NM Formation: Bone Spring

Date Prepared: 9/5/2023

March   Marc		Date Prepared: 9/5/2023				
MON-MINE COORSE			NE		TW	
COOKE		INTANGIRI E COSTS				TOTAL COSTS
Company   Com				\$		
Color			8,000		20,000	28,000
2211   Survey & Shahe		DST				
250   Pout & Location   Pout						5,000
221					45 000	60,000 125,000
220		Other Location			40,000	150,000
Product	2223		140,000			140,000
Turkey			649,000	88,500		737,500
Best		Turnkey				
2252   Company	2232		90,000			90,000
March   Marc	2233			28 500	65,000	120,000 237,500
March   Provision   Sp.000		Other Supplies	209,000	20,500		237,300
2446	2241		55,000	5,000		60,000
246   Brine			55,000		800 000	856,000
2249	2245	Brine	45,000		800,000	45,000
Multi Rolland Other				4,500		37,500 28,000
2202   BOP Related		Mud Related Other				8,000
2554   Weeling		BOP Related				19,000
2256					10.000	143,000 20,000
2257	2255	Trucking	22,500	10,000	65,000	97,500
2261   Casing Cementing				8,000	375,000	465,000 326,700
2252   Cohe Centerlang	2261		90.000	185 000		275,000
2266   Engineering   8,000   22,200   65,000   22,2267   Geological   22,000   65,000   22,2268   Routation   6,000   11,100   65,000   12,2200   22,2268   Routation   6,000   11,100   65,000   12,2200   22,2270   Other Contract Services   25,000   22,000   22,2272   Delling Right   22,000   3,100,000		Other Cementing	30,000	100,000	120,000	120,000
2200	2266		8,000			8,000
Wellies Supervision	2267	Geological	22,000		65.000	22,000
COMPLETION SERVICES	2269		81,400	11,100		71,000 157,500
2272   Pulling Inth	2270		25,000			25,000
2276		Pulling Unit			20,000	20,000
278					345,000	345,000
OVERNEAD         COUD Infling & Administrative         10,000         2 decided         3 decided         <						3,100,000 200,000
TOTAL INTANCIBLE COSTS  **TANCIBLE COSTS**  **TANCIBLE COSTS**  **TUBULARS**  381,000  381,00		OVERHEAD				
TANGRILE COSTS  TUBULARS  Surface Casing 162,000 168, 360,000 30,000 350,000 169, 360,000 174, 3	2280	-		\$ 452.600		\$ 8,162,200
Surface Casing   162,000						
Intermediate Casing   360,000   386,000   745,000   74		TUBULARS				
2313						162,000 360,000
2315   Production Liner & Hanger	2313	Drlg Liner & Hanger		745.000		
Well Head   30,000   30,000   85,000   14.	2315	Production Liner & Hanger		745,000		745,000
Well Head   30,000   30,000   85,000   14,28,000   10,0	2316					
Tubing   120,000   122   122,000   122   122,000   122   122,000   122   122,000   122   122,000   122   122,000   122   122,000   122		Well Head	30,000	30,000		145,000
2327   Pumps	2325	Tubing				105,000 120,000
2228						
Check	2328	Pumping Unit			05.000	05.000
Tanks			25,000	25,000		35,000 53,000
Separators   100,000   1	2361				95 000	95,000
2364	2362	Separators				100,000
100,000   100,000   100,000   100,000   100,000   100,000   100,000   100,000   100,000   100,000   150,					25,000	25,000
2367   Connectors	2365	Electrical System			100,000	100,000
2369   Other Lease Equipment   125,000   126   SUBTOTAL - TANGIBLES   577,000   800,000   1,128,000   2,500   SYSTEMS     2353   Gas Line Intangibles     2381   Compressor     2382   Gas Plant Tangibles     2382   Gas Plant Intangibles     2384   Dehydrator     SUBTOTAL - SYSTEMS   577,000   \$800,000   \$1,128,000   \$2,500   GENERAL CONTINGENCIES   178,896   75,156   385,980   644   TOTALS BY PHASE   \$3,160,496   \$1,327,756   \$6,818,980   \$11,300   CUMULATIVE WELL COSTS   \$3,160,496   \$4,488,252   \$11,307,232     Initial Routing Date:	2367	Connectors			150,000	35,000 150,000
SUBTOTAL - TANGIBLES 577,000 800,000 1,128,000 2,500  SYSTEMS  2353 Gas Line Tangibles 2353 Gas Line Intangibles 2381 Compressor 2382 Gas Plant Intangibles 2382 Gas Plant Intangibles 2384 Dehydrator  SUBTOTAL - SYSTEMS  TOTAL TANGIBLE COSTS \$ 577,000 \$ 800,000 \$ 1,128,000 \$ 2,500  GENERAL CONTINGENCIES 178,896 75,156 385,980 644  TOTALS BY PHASE \$ 3,160,496 \$ 1,327,756 \$ 6,818,980 \$ 11,307  CUMULATIVE WELL COSTS \$ 3,160,496 \$ 4,488,252 \$ 11,307,232  Initial Routing Date:						150,000 125,000
\$Y\$TEM\$ 2353		• •				
Gas Line Tangibles   Gas Line Intangibles		SORIOTAL - TANGIBLES	577,000	800,000	1,128,000	2,505,000
2353 Gas Line Intangibles 2381 Compresssor 2382 Gas Plant Tangibles 2382 Gas Plant Intangibles 2384 Dehydrator  SUBTOTAL - SYSTEMS  TOTAL TANGIBLE COSTS \$ 577,000 \$ 800,000 \$ 1,128,000 \$ 2,500  GENERAL CONTINGENCIES 178,896 75,156 385,980 644  TOTALS BY PHASE \$ 3,160,496 \$ 1,327,756 \$ 6,818,980 \$ 11,300  CUMULATIVE WELL COSTS \$ 3,160,496 \$ 4,488,252 \$ 11,307,232  Initial Routing Date:	2353					
2382   Gas Plant Tangibles   Gas Plant Intangibles   Gas Plant Intangibles   Gas Plant Intangibles   Dehydrator	2353	Gas Line Intangibles				
Comparison						
SUBTOTAL - SYSTEMS  TOTAL TANGIBLE COSTS \$ 577,000 \$ 800,000 \$ 1,128,000 \$ 2,500  GENERAL CONTINGENCIES 178,896 75,156 385,980 644  TOTALS BY PHASE \$ 3,160,496 \$ 1,327,756 \$ 6,818,980 \$ 11,307  CUMULATIVE WELL COSTS \$ 3,160,496 \$ 4,488,252 \$ 11,307,232  Initial Routing Date:	2382	Gas Plant Intangibles				
TOTAL TANGIBLE COSTS   \$ 577,000   \$ 800,000   \$ 1,128,000   \$ 2,500	2304	·				
GENERAL CONTINGENCIES 178,896 75,156 385,980 641  TOTALS BY PHASE \$ 3,160,496 \$ 1,327,756 \$ 6,818,980 \$ 11,307  CUMULATIVE WELL COSTS \$ 3,160,496 \$ 4,488,252 \$ 11,307,232  Initial Routing Date:		SUBTOTAL - SYSTEMS				
TOTALS BY PHASE \$ 3,160,496 \$ 1,327,756 \$ 6,818,980 \$ 11,307  CUMULATIVE WELL COSTS \$ 3,160,496 \$ 4,488,252 \$ 11,307,232  Initial Routing Date:		TOTAL TANGIBLE COSTS	\$ 577,000	\$ 800,000	\$ 1,128,000	\$ 2,505,000
CUMULATIVE WELL COSTS  \$ 3,160,496  \$ 4,488,252  Initial Routing Date:  NE RTW BMM, RB BRH, LJH, RMD, BBJ  Land Approval Block:  APPROVED BY:		GENERAL CONTINGENCIES	178,896	75,156	385,980	640,032
CUMULATIVE WELL COSTS  \$ 3,160,496  \$ 4,488,252  \$ 11,307,232  Initial Routing Date:  NE RTW BMM, RB BRH, LJH, RMD, BBJ  Land Approval Block:  APPROVED BY:		TOTALS BY PHASE	\$ 3,160,496	\$ 1,327,756	\$ 6,818,980	\$ 11,307,232
Initial Routing Date:  NE RTW BMM, RB BRH, LJH, RMD, BBJ  Land Approval Block:  APPROVED BY:						
NE RTW BMM, RB BRH, LJH, RMD, BBJ  Land Approval Block:  APPROVED BY:			Ψ 3,100,490	₩ 4,400,202	¥ 11,501,232	
Land Approval Block:  APPROVED BY:		- <u> </u>				
APPROVED BY:						
		Land Approval Block:				
COMPANY:		APPROVED BY:				
		COMPANY:				
DATE:		DATE:				

# BTA OIL PRODUCERS, LLC WELL COST ESTIMATE & AUTHORITY FOR EXPENDITURE

~10,330' TVD ~20,585' MD Well Name: Lost Mine 22302 26-23 Fed Com #08H Total Depth:

Location:

SHL: 490 FSL 820 FWL Section 26, T20S, R35E BHL: 50 FNL 2146 FWL Section 23, T20S, R35E, Lea County, NM Formation: Bone Spring

	Date Prepared: 9/5/2023				
		NE	Prepared By: NE	TW	
	INTANGIBLE COSTS	DRY	CASED HOLE	COMPLETION	TOTAL COSTS
CODE	FORMATION EVALUATION	\$	\$	\$	\$
2203 2204	Logs Cores	8,000		20,000	28,000
2205	DST				
2211	LOCATION & ACCESS Survey & Stake	5,000			5,000
2212 2213	Damages Road & Location	60,000 80,000		45,000	60,000 125,000
2214	Other Location	150,000		40,000	150,000
2223	<b>DRILLING RIG</b> Mobilization	140,000			140,000
2225 2226	Daywork Footage	649,000	88,500		737,500
2227	Turnkey				
2232	DRILLING SUPPLIES Bits	90,000			90,000
2233 2234	BHA Fuel	55,000 209,000	28,500	65,000	120,000 237,500
2236	Other Supplies	209,000	20,500		237,300
2241	MUD RELATED  Mud Purchase	55,000	5,000		60,000
2242	Mud Rental			000 000	,
2244 2245	Fresh Water Brine	55,000 45,000	1,000	800,000	856,000 45,000
2246 2247	Solids Control (Closed Loop) Mud Monitor	33,000 28,000	4,500		37,500 28,000
2249	Mud Related Other	8,000			8,000
2252	DRILLING SERVICES BOP Related	15,000	4,000		19,000
2253	Casing Related	38,000	105,000	10.000	143,000
2254 2255	Welding Trucking	8,000 22,500	2,000 10,000	10,000 65,000	20,000 97,500
2256 2257	Rental Equipment Other Services (Direction/GR Services)	82,000 326,700	8,000	375,000	465,000 326,700
	CEMENT				
2261 2262	Casing Cementing Other Cementing	90,000	185,000	120,000	275,000 120,000
	CONTRACT SERVICES			120,000	
2266 2267	Engineering Geological	8,000 22,000			8,000 22,000
2268	Roustabout	6,000	44.400	65,000	71,000
2269 2270	Wellsite Supervision Other Contract Services	81,400 25,000	11,100	65,000	157,500 25,000
2272	COMPLETION SERVICES Pulling Unit			20,000	20,000
2273	Drilling Rig				
2276 2277	Perforate Stimulation			345,000 3,100,000	345,000 3,100,000
2278	Other Compl. Services  OVERHEAD			200,000	200,000
2280	Drilling & Administrative	10,000		10,000	20,000
	TOTAL INTANGIBLE COSTS	\$ 2,404,600	\$ 452,600	\$ 5,305,000	\$ 8,162,200
	TANGIBLE COSTS				
2311	TUBULARS Surface Casing	162,000			162,000
2312	Intermediate Casing Drlg Liner & Hanger	360,000			360,000
2313 2314	Production Casing		745,000		745,000
2315 2316	Production Liner & Hanger Other Tubulars				
	WELL EQUIPMENT				
2321 2322	Well Head Flowline	30,000	30,000	85,000 105,000	145,000 105,000
2325 2326	Tubing Rods			120,000	120,000
2327	Pumps				
2328 2329	Pumping Unit Subsurface Equipment			35,000	35,000
2331	Other Well Equipment	25,000	25,000	3,000	53,000
2361	<b>LEASE EQUIPMENT</b> Tanks			95,000	95,000
2362 2363	Separators			100,000	100,000
2364	Heater Treater Pumps			25,000	25,000
2365 2366	Electrical System Meters			100,000 35,000	100,000 35,000
2367	Connectors			150,000	150,000
2368 2369	Lact Equipment Other Lease Equipment			150,000 125,000	150,000 125,000
	SUBTOTAL - TANGIBLES	577,000	800,000	1,128,000	2,505,000
		577,000	800,000	1,120,000	2,505,000
2353	SYSTEMS Gas Line Tangibles				
2353	Gas Line Intangibles				
2381 2382	Compresssor Gas Plant Tangibles				
2382	Gas Plant Intangibles				
2384	Dehydrator				
	SUBTOTAL - SYSTEMS				
		\$ 577,000	\$ 800,000	\$ 1,128,000	\$ 2,505,000
	TOTAL TANGIBLE COSTS	\$ 577,000			
		178,896	75,156	385,980	640,032
	TOTAL TANGIBLE COSTS  GENERAL CONTINGENCIES	178,896			
	TOTAL TANGIBLE COSTS  GENERAL CONTINGENCIES  TOTALS BY PHASE	178,896 \$ 3,160,496	\$ 1,327,756	\$ 6,818,980	\$ 11,307,232
	TOTAL TANGIBLE COSTS  GENERAL CONTINGENCIES	178,896			
	TOTAL TANGIBLE COSTS  GENERAL CONTINGENCIES  TOTALS BY PHASE  CUMULATIVE WELL COSTS  Initial Routing Date:	178,896 \$ 3,160,496	\$ 1,327,756	\$ 6,818,980	
	TOTAL TANGIBLE COSTS  GENERAL CONTINGENCIES  TOTALS BY PHASE  CUMULATIVE WELL COSTS	178,896 \$ 3,160,496	\$ 1,327,756	\$ 6,818,980	
	TOTAL TANGIBLE COSTS  GENERAL CONTINGENCIES  TOTALS BY PHASE  CUMULATIVE WELL COSTS  Initial Routing Date:	178,896 \$ 3,160,496	\$ 1,327,756	\$ 6,818,980	
	TOTAL TANGIBLE COSTS  GENERAL CONTINGENCIES  TOTALS BY PHASE  CUMULATIVE WELL COSTS  Initial Routing Date:  NE RTW BMM, RB BRH, LJH, RMD, BBJ	178,896 \$ 3,160,496 \$ 3,160,496	\$ 1,327,756	\$ 6,818,980	
	TOTAL TANGIBLE COSTS  GENERAL CONTINGENCIES  TOTALS BY PHASE  CUMULATIVE WELL COSTS  Initial Routing Date:  NE RTW BMM, RB BRH, LJH, RMD, BBJ  Land Approval Block:	178,896 \$ 3,160,496 \$ 3,160,496	\$ 1,327,756	\$ 6,818,980	

## **RATIFICATION OF COMMUNITIZATION AGREEMENTS**

Lost Mine 22302 26-23 Fed Com Unit Bone Spring Formation Sections 26 & 23: W/2 T20S-R35E Lea County, New Mexico

STATE OF NEW MEXICO	)
	)
COUNTY OF LEA	)

BTA OIL PRODUCERS, LLC ("BTA"), as Operator, executed a Federal Communitization Agreement ("Federal CA") & a State Communitization Agreement ("State CA"), both effective as of May 1, 2024 or onset of production of communitized substances, whichever is earlier, designating the Lost Mine 22302 26-23 Fed Com Unit ("Unit"), and pooling, communitizing, and combining the oil and gas leases set forth therein, insofar as they cover the 640 acres, more or less, communitized area comprised of the W/2 of Sections 26 & 23, T20S-R35E, Lea County, New Mexico, as to the Bone Spring Formation.

**WING RESOURCES VII, LLC**, whose address is 2100 McKinney Avenue, Suite 1540 Dallas, TX 75201, is an owner of an interest located in the Unit.

WING RESOURCES VII, LLC desires to adopt, ratify and confirm the Federal CA & State CA, and any future amendments thereof, insofar as it covers the right, title, and interest in and to the oil and gas leases and the Subject Lands included in the Unit referenced above; and

NOW THEREFORE, in consideration of the premises the undersigned, does hereby adopt, ratify and confirm the above-described Federal CA & State CA, and any future amendments thereof, insofar as it covers its right, title and interest in the oil and gas leases and Subject Lands included in the Unit, and agrees that his/her/its interest is subject to all of the terms and provisions therein. Furthermore, the undersigned hereby grants BTA, its successor and assigns, authority to pool and/or communitize their interest located in the Subject Lands into voluntary units, or into units as established by any governmental authority having jurisdiction, and if such interest is pooled and/or communitized accordingly, the interest shall be reduced in the proportion that the acreage burdened by the interest bears to all the acreage included in any such pooled and/or communitized unit.

This Ratification is effective as of the effective date of the above-referenced Federal CA & State CA.

### WING RESOURCES VII, LLC

	By: Name:
	Title:
Ack	nowledgement
STATE OF)	
COUNTY OF)	
This instrument was acknowledged before	me on the day of, 2024
	of WING RESOURCES VII, LLC, on behalf of said
	Notomy Dublic State of
	Notary Public - State of

BTA Oil Producers, LLC Case No. 24488 Exhibit A-6

#### CHRONOLOGY OF CONTACT

Lost Mine 22302 26-23 Fed Com #5H, #6H, and #8H Wells

## Marathon Oil Permian, LLC (Record Title Interest Only)

Marathon Oil Permian, LLC has signed a JOA committing its contractual interest to the proposed unit. Emailed the Federal Communitization Agreement and State Communitization Agreement for the proposed unit and requested that they be executed in triplicate and returned to BTA.

## **Isramco Energy, LLC** (Record Title Interest Only)

5/28/2024 Sent via Certified Mail (9214 8969 0099 9790 1652 3524 38) the Federal Communitization Agreement and State Communitization Agreement for the proposed unit and requested that they be executed in triplicate and returned to BTA.

### Mewbourne Oil Company (Record Title Interest and Overriding Royalty Interest Only)

05/28/2024 Emailed the Federal Communitization Agreement and State Communitization Agreement for the proposed unit and requested that they be executed in triplicate and returned to BTA. Mewbourne indicated that they would execute and return the Communitization Agreements.

#### **XTO Holdings, LLC** (Record Title Interest and Overriding Royalty Interest Only)

05/28/2024 Emailed the Federal Communitization Agreement and State Communitization Agreement for the proposed unit and requested that they be executed in triplicate and returned to BTA.

#### **Noell Ross Jackson** (Overriding Royalty Interest Only)

O5/28/2024 Sent via Certified Mail (9214 8969 0099 9790 1836 3394 84) the BTA executed Federal Communitization Agreement and State Communitization Agreement for the proposed unit along with a proposed Ratification of Communitization Agreements and requested that the Ratification of Communitization Agreements be executed and returned to BTA.

BTA Oil Producers, LLC Case No. 24488 Exhibit A-6

### Wing Resources VII, LLC (Overriding Royalty Interest Only)

O5/28/2024 Sent via Certified Mail (9214 8969 2299 9790 1836 3395 69) the BTA executed Federal Communitization Agreement and State Communitization Agreement for the proposed unit along with a proposed Ratification of Communitization Agreements and requested that the Ratification of Communitization Agreements be executed and returned to BTA.

#### Charles A and Betty Moss Dean (Overriding Royalty Interest Only)

O5/28/2024 Sent via Certified Mail (9214 8969 0099 9790 1652 3491 62) the BTA executed Federal Communitization Agreement and State Communitization Agreement for the proposed unit along with a proposed Ratification of Communitization Agreements and requested that the Ratification of Communitization Agreements be executed and returned to BTA.

#### Sarah B. Schaffer Moss (Overriding Royalty Interest Only)

O5/28/2024 Sent via Certified Mail (9214 8969 0099 9790 1652 3470 14) the BTA executed Federal Communitization Agreement and State Communitization Agreement for the proposed unit along with a proposed Ratification of Communitization Agreements and requested that the Ratification of Communitization Agreements be executed and returned to BTA.

#### AmeriPermian Holdings, LLC (Overriding Royalty Interest Only)

O5/28/2024 Sent via Certified Mail (9214 8969 0099 9790 1836 3400 46) the BTA executed Federal Communitization Agreement and State Communitization Agreement for the proposed unit along with a proposed Ratification of Communitization Agreements and requested that the Ratification of Communitization Agreements be executed and returned to BTA.

#### **Axis Energy Corporation** (Overriding Royalty Interest Only)

O5/28/2024 Sent via Certified Mail (9214 8969 0099 9790 1836 3400 53) the BTA executed Federal Communitization Agreement and State Communitization Agreement for the proposed unit along with a proposed Ratification of Communitization Agreements and requested that the Ratification of Communitization Agreements be executed and returned to BTA.

### Metis Lea, LLC (Overriding Royalty Interest Only)

O5/28/2024 Sent via Certified Mail (9214 8969 0099 9790 1836 3395 21) the BTA executed Federal Communitization Agreement and State Communitization Agreement for the proposed unit along with a proposed Ratification of Communitization Agreements and requested that the Ratification of Communitization Agreements be executed and returned to BTA.

## W.O. III and Kay F. Neuhaus Revocable Trust (Overriding Royalty Interest Only)

O5/28/2024 Sent via Certified Mail (9214 8969 0099 9790 1836 3395 52) the BTA executed Federal Communitization Agreement and State Communitization Agreement for the proposed unit along with a proposed Ratification of Communitization Agreements and requested that the Ratification of Communitization Agreements be executed and returned to BTA.

### Howard F. Smith, Jr. Trust F/B/O Louise Smith Neuhaus (Overriding Royalty Interest Only)

O5/28/2024 Sent via Certified Mail (9214 8969 0099 9790 1836 3394 91) the BTA executed Federal Communitization Agreement and State Communitization Agreement for the proposed unit along with a proposed Ratification of Communitization Agreements and requested that the Ratification of Communitization Agreements be executed and returned to BTA.

# W. Oscar Neuhaus Residuary Trust for Edward K. Neuhaus, created by the LWT of W. Oscar Neuhaus, as amended by the Second and Third Codicil (Overriding Royalty Interest Only)

O5/28/2024 Sent via Certified Mail (9214 8969 0099 9790 1836 3395 45) the BTA executed Federal Communitization Agreement and State Communitization Agreement for the proposed unit along with a proposed Ratification of Communitization Agreements and requested that the Ratification of Communitization Agreements be executed and returned to BTA.

# W. Oscar Neuhaus Residuary Trust for Laurance B. Neuhaus, created by the LWT of W. Oscar Neuhaus, as amended by the Second and Third Codicil (Overriding Royalty Interest Only)

O5/28/2024 Sent via Certified Mail (9214 8969 0099 9790 1836 3395 07) the BTA executed Federal Communitization Agreement and State Communitization Agreement for the proposed unit along with a proposed Ratification of Communitization Agreements and requested that the Ratification of Communitization Agreements be executed and returned to BTA.

# 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. 24488

# SELF-AFFIRMED STATEMENT OF DARIN A. DOLEZAL

- 1. I am a geologist at 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 credentials as an expert in geologic matters were accepted as a matter of record.
  - 2. I am familiar with the geological matters that pertain to the above-referenced case.
- 3. Exhibit B-1 is a project location map that shows the location of the proposed Lost Mine 22302 26-23 Fed Com #5H, Lost Mine 22302 26-23 Fed Com #6H, and Lost Mine 22302 26-23 Fed Com #8H wells ("Wells").
- 4. BTA is targeting the 1<sup>st</sup> and 2<sup>nd</sup> Bone Spring formations. **Exhibit B-2** is a subsea structure map of the Third Bone Spring Carbonate that I prepared for this interval with 100-foot contours. The proposed horizontal well spacing unit is highlighted in red and the approximate wellbore path for each of the proposed wells are identified by the dashed black lines. The structure map shows the Bone Spring Formation appears consistent across the proposed spacing unit and I do not observe any faulting, pinch outs, or other geologic impediments to drilling horizontal wells in this area.

BTA Oil Producers, LLC Case No. 24488 Exhibit B

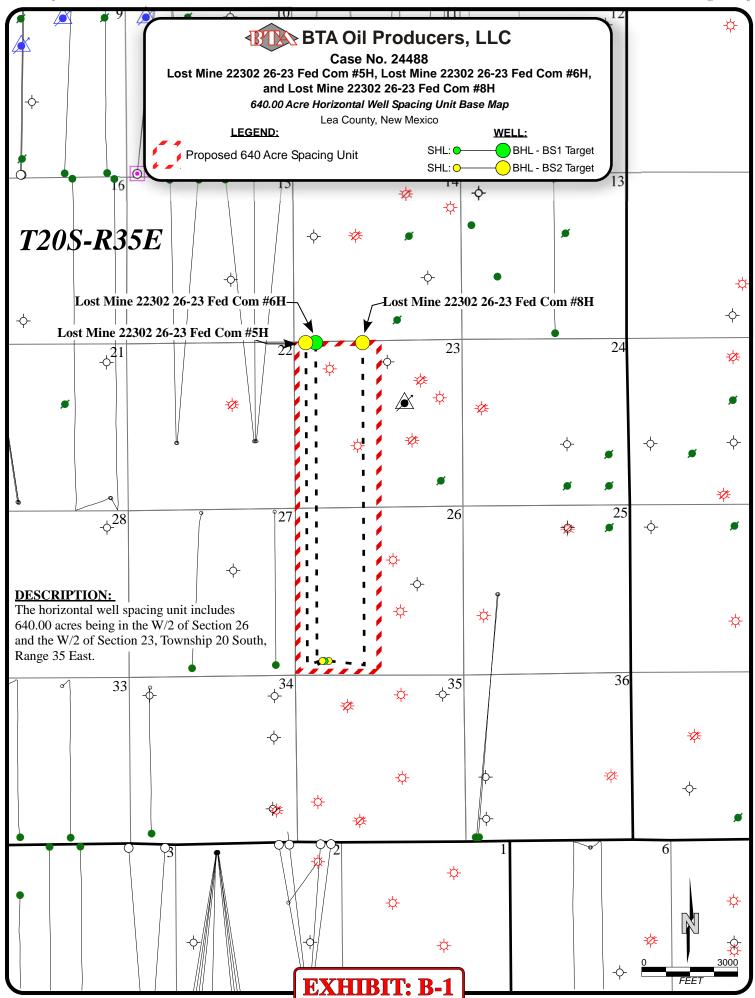
- 5. **Exhibit B-2** also shows a cross-section line in blue running North to South reflecting three wells penetrating the Bone Spring Formation. I have used these wells to construct a stratigraphic cross-section from A to A' with a datum on the top of Third Bone Spring Carbonate, in proximity to the proposed wells. These wells contain good logs and I consider them representative of the geology in the subject area.
- 6. **Exhibit B-3** is a stratigraphic cross-section that I prepared using the logs from the three wells noted on **Exhibit B-2**. Each well in the cross-section contains the gamma ray in the first track and resistivity in the second track. The target intervals are indicated in yellow. The cross-section demonstrates that both targeted intervals are continuous across the proposed spacing unit.
- 7. **Exhibit B-4** is a Gross Isopach map of the 1<sup>st</sup> Bone Spring Formation interval. The proposed horizontal well spacing unit is highlighted in red, and the initial well is depicted with a dashed black line. The anticipated average gross thickness of the 1<sup>st</sup> Bone Spring Formation interval is 300 feet. The Gross Isopach map demonstrates that the 1<sup>st</sup> Bone Spring Formation interval is present across the proposed spacing unit. The location of the previous cross-section from A to A' in **Exhibit B-3** is also shown as a blue line on these maps.
- 8. **Exhibit B-5** is a Gross Isopach map of the 2<sup>nd</sup> Bone Spring Formation interval. The proposed horizontal well spacing unit is highlighted in red, and the initial well is depicted with a dashed black line. The anticipated average gross thickness of the 2<sup>nd</sup> Bone Spring Formation interval is 500 feet. The Gross Isopach map demonstrates that the 2<sup>nd</sup> Bone Spring Formation interval is present across the proposed spacing unit. The location of the previous cross-section from A to A' in **Exhibit B-3** is also shown as a blue line on these maps.

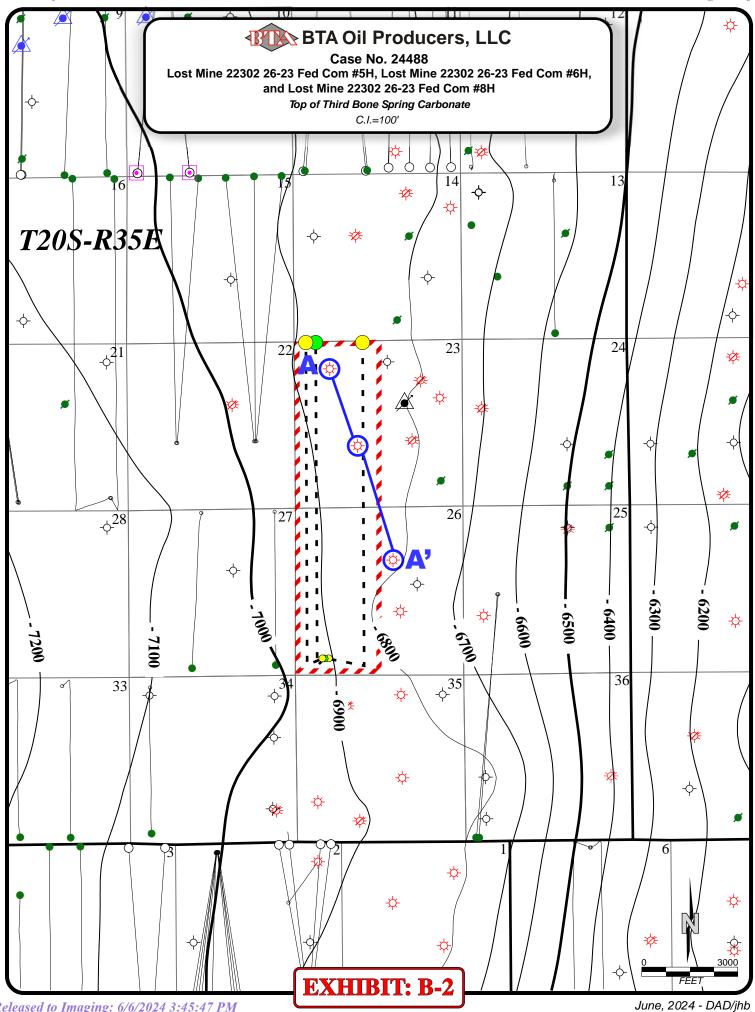
- 9. In my opinion, a stand-up orientation for the well is appropriate to properly develop the subject acreage because of consistent rock properties throughout the Unit and is the preferred fracture orientation in this portion of the trend.
- 10. Based on my geologic study, the Bone Spring Formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing unit will be productive and contribute proportionately to the production from the well.
- 11. 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.
- 12. The exhibits attached hereto were either prepared by me or under my supervision or were compiled from company business records.
- 13. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm 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 identified next to my

signature below

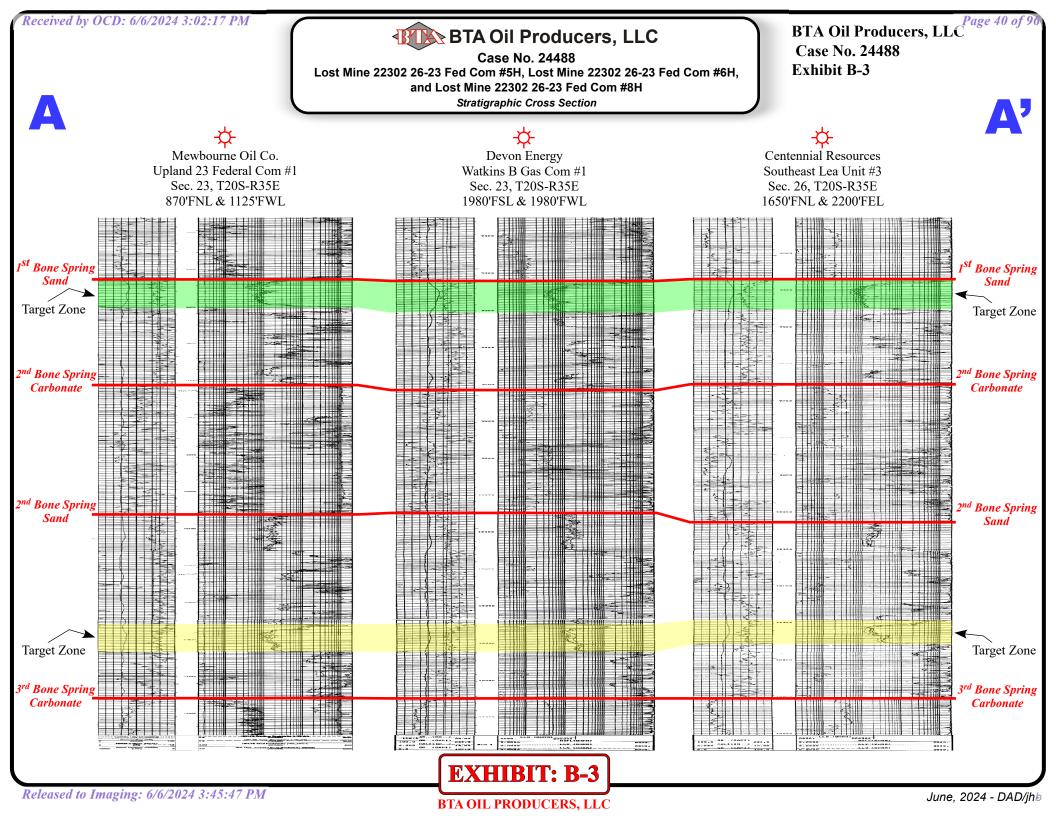
Darin Dolezal

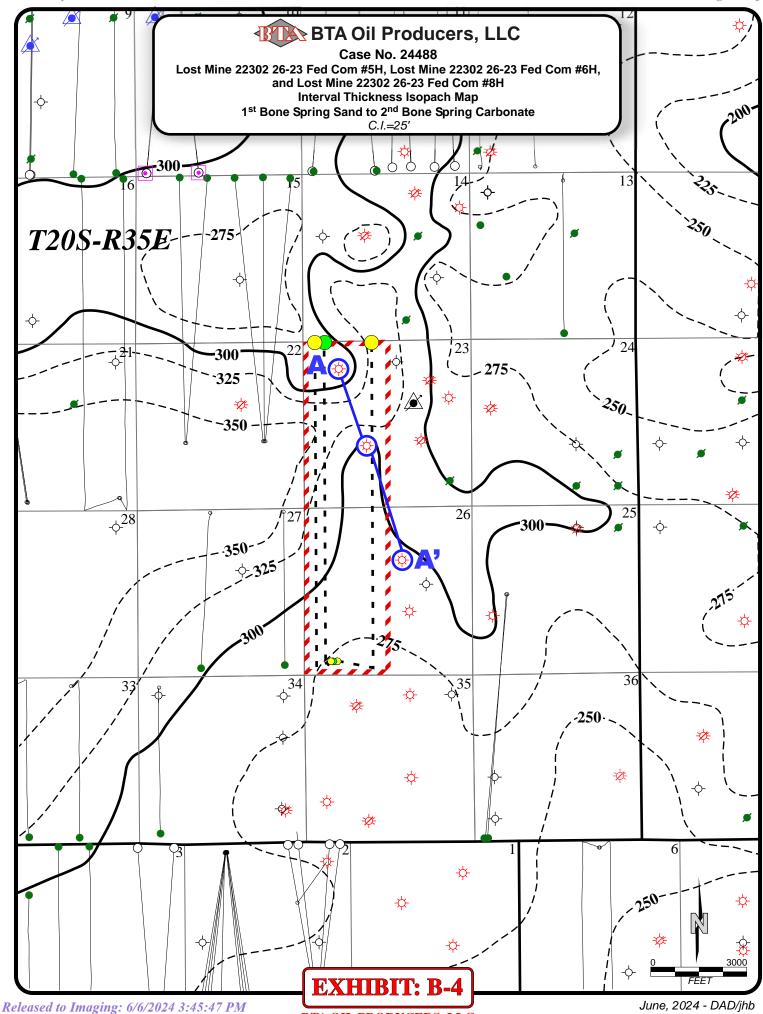
5/24/2024 Date



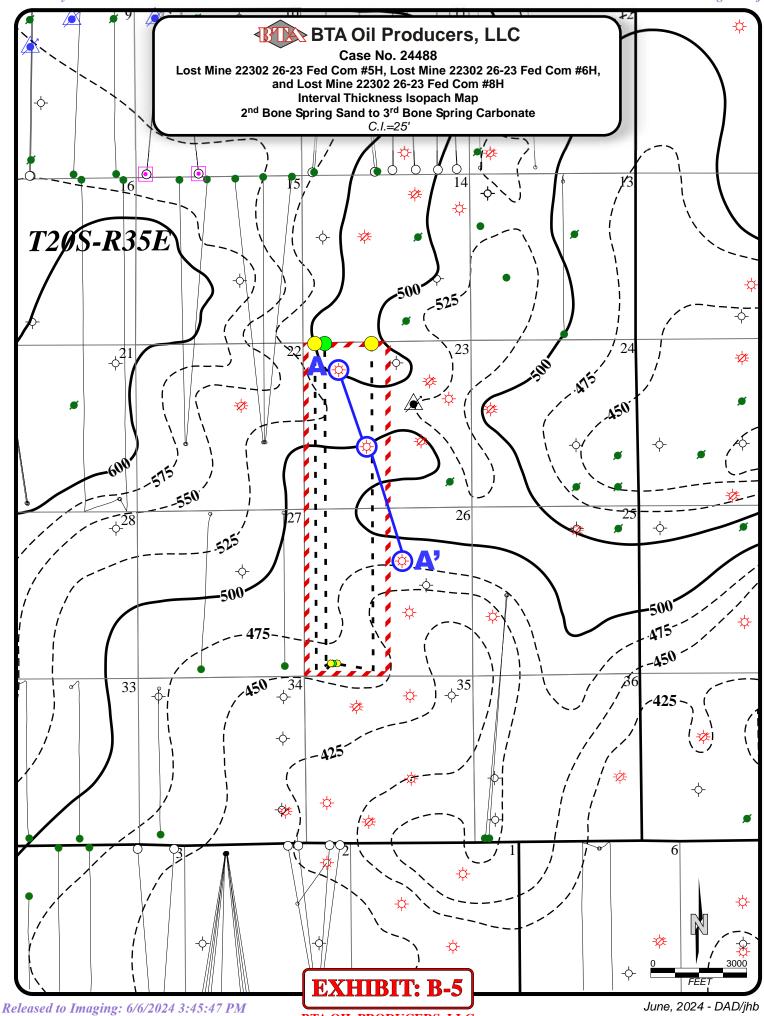


Released to Imaging: 6/6/2024 3:45:47 PM





BTA OIL PRODUCERS, LLC



APPLICATION OF BTA OIL PRODUCERS, LLC FOR COMPULSORY POOLING AND APPROVAL OF NON-STANDARD SPACING UNIT, LEA COUNTY, NEW MEXICO.

**CASE NO. 24488** 

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

- I am attorney in fact and authorized representative of BTA Oil Producers, LLC, the Applicant herein.
- 2. I am familiar with the Notice Letters attached as **Exhibit C-1** and caused the Notice Letters, along with the Application in this case, to be sent to the parties set out in the chart attached as **Exhibit C-2**.
- 3. Exhibit C-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 C- 3** as supporting documentation for proof of mailing and the information provided on Exhibit C-2.
- 5. I also caused the Notice Letters attached as **Exhibit C-4**, along with the Application in this case, to be sent to the parties offsetting the non-standard spacing unit.
- 6. The chart attached as **Exhibit C-5** lists the parties who were sent the Notice Letters attached as Exhibit C-4.
- 7. Exhibit C-5 also provides the date each Notice Letter was sent and the date each return was received.
- 8. Copies of the certified mail green cards and white slips are attached as **Exhibit C-6** as supporting documentation for proof of mailing and the information provided on Exhibit C-5.

BTA Oil Producers, LLC Case No. 24488 Exhibit C

- 9. On May 14, 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 C-7**.
- 10. 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 it 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 June 5, 2024 Date



#### HINKLE SHANOR LLP

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

WRITER: Dana S. Hardy, Partner dhardy@hinklelawfirm.com

May 7, 2024

#### <u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

#### TO ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 24488 – Application of BTA Oil Producers, LLC for Compulsory Pooling and Approval of Non-Standard Spacing Unit, 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 **June 13, 2024**, beginning at 8:15 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: <a href="https://www.emnrd.nm.gov/ocd/hearing-info/">https://www.emnrd.nm.gov/ocd/hearing-info/</a>. 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 (<a href="https://www.apps.emnrd.nm.gov/ocd/ocdpermitting/">https://www.apps.emnrd.nm.gov/ocd/ocdpermitting/</a>) or via e-mail to ocd.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 at BTA Oil Producers, LLC, at 432-553-5049 if you have questions regarding these matters.

Sincerely,

/s/ Dana S. Hardy Dana S. Hardy

BTA Oil Producers, LLC Case No. 24488 Exhibit C-1

Enclosure

PO BOX 10 ROSWELL, NEW MEXICO 88202 (575) 622-6510 FAX (575) 623-9332 7601 JEFFERSON ST NE · SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321 PO BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623



#### HINKLE SHANOR LLP

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

WRITER: Dana S. Hardy, Partner dhardy@hinklelawfirm.com

May 9, 2024

#### <u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

#### TO ALL PARTIES ENTITLED TO NOTICE

Re: Case No. 24488 – Application of BTA Oil Producers, LLC for Compulsory Pooling and Approval of Non-Standard Spacing Unit, 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 **June 13, 2024**, beginning at 8:15 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: <a href="https://www.emnrd.nm.gov/ocd/hearing-info/">https://www.emnrd.nm.gov/ocd/hearing-info/</a>. 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 (<a href="https://www.apps.emnrd.nm.gov/ocd/ocdpermitting/">https://www.apps.emnrd.nm.gov/ocd/ocdpermitting/</a>) or via e-mail to ocd.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 at BTA Oil Producers, LLC, at 432-553-5049 if you have questions regarding these matters.

Sincerely,

/s/ Dana S. Hardy Dana S. Hardy

Enclosure

PO BOX 10 ROSWELL, NEW MEXICO 88202 (575) 622-6510 FAX (575) 623-9332 7601 JEFFERSON ST NE · SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321 PO BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623

APPLICATION OF BTA OIL PRODUCERS, LLC FOR COMPULSORY POOLING AND APPROVAL OF NON-STANDARD SPACING UNIT, LEA COUNTY, NEW MEXICO.

**CASE NO. 24488** 

#### **NOTICE LETTER CHART**

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
AmeriPermian Holdings, LLC	05/07/24	06/05/24
PO Box 1723		
Midland, Texas 79702		Return to sender.
Axis Energy Corporation	05/07/24	Per USPS Tracking
Attn: Land Department		(Last Checked 06/05/24):
121 W. 3rd Street		
Roswell, New Mexico 88201		05/10/24 – Delivered to
		individual at the address.
Charles A and Betty Moss Dean	05/07/24	06/05/24
PO Box 10728		<b>D</b>
Midland, Texas 79702		Return to sender.
Devon Energy Production Company, LP	05/07/24	05/13/24
Attn: Daniel Brunsman		
333 West Sheridan Avenue		
Oklahoma City, OK 73102-5015		
Houston Trust Company, Trustee of the	05/07/24	Per USPS Tracking
Howard F. Smith, Jr. Trust F/B/O Louise		(Last Checked 06/05/24):
Smith Neuhaus		
PO Box 56429		05/15/24 – Item in transit
Houston, Texas 77256-6429		to next facility.
Isramco Energy, LLC	05/07/24	05/28/24
Attn: Land Department		
1001 West Loop South, Suite 750		Return to sender.
Houston, Texas 77027		
Noell Ross Jackson	05/07/24	Per USPS Tracking
1874 Vine Street, Unit 101		(Last Checked 06/05/24):
Denver, Colorado 80206		
		05/11/24 – Delivered to
)	0.5 (0.5 (0.4	individual at the address.
Marathon Oil Permian, LLC	05/07/24	05/20/24
Attn: Samuel Cox		
990 Town & Country Blvd		
Houston, Texas 77024		

BTA Oil Producers, LLC Case No. 24488 Exhibit C-2

APPLICATION OF BTA OIL PRODUCERS, LLC FOR COMPULSORY POOLING AND APPROVAL OF NON-STANDARD SPACING UNIT, LEA COUNTY, NEW MEXICO.

**CASE NO. 24488** 

#### **NOTICE LETTER CHART**

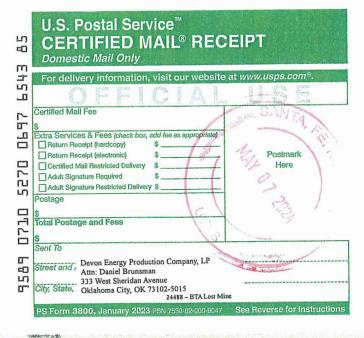
Metis Lea, LLC	05/07/24	05/13/24
PO Box 2078		
Abilene, Texas 79604		
Mewbourne Oil Company	05/07/24	Per USPS Tracking
Attn: Brad Dunn		(Last Checked 06/05/24):
500 West Texas, Suite 1020		
Midland, Texas 79701		05/10/24 – Delivered to
		front desk, reception
		area, or mail room.
Sarah B. Schaffer Moss	05/07/24	05/24/24
Turtle Creek Centre, Suite 700		
Turtle Creek Boulevard		Return to sender.
Dallas, Texas 75219		
Edward K. Neuhaus, Trustee of the W.	05/07/24	05/15/24
Oscar Neuhaus Residuary Trust for		
Edward K. Neuhaus, created by the		
LWT of W. Oscar Neuhaus, as amended		
by the Second and Third Codicil		
10906 Little Lisa Lane		
Houston, Texas 77024		
Laurance B. Neuhaus, Trustee of the W.	05/07/24	05/16/24
Oscar Neuhaus Residuary Trust for		
Laurance B. Neuhaus, created by the		
LWT of W. Oscar Neuhaus, as amended		
by the Second and Third Codicil		
10906 Little Lisa Lane		
Houston, Texas 77024		
W.O. Neuhaus, III and Kay F. Neuhaus,	05/07/24	05/13/24
Co-Trustees of the W.O. III and Kay F.		
Neuhaus Revocable Trust		
479 Camino Don Miguel		
Santa Fe, New Mexico 87505		
Permian Resources Operating, LLC	05/07/24	05/13/24
Attn: Travis Macha		
300 North Marienfeld St., Ste 1000		
Midland, Texas 79701		

APPLICATION OF BTA OIL PRODUCERS, LLC FOR COMPULSORY POOLING AND APPROVAL OF NON-STANDARD SPACING UNIT, LEA COUNTY, NEW MEXICO.

**CASE NO. 24488** 

#### **NOTICE LETTER CHART**

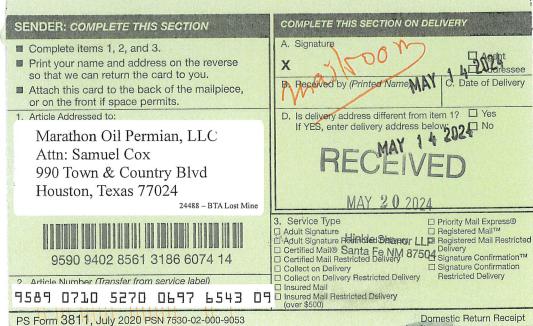
Platform Energy III, LLC	05/07/24	05/13/24
PO Box 2078		
Abilene, Texas 79604		
Westall Oil & Gas, LLC	05/07/24	05/15/24
Attn: Ray Westall		
PO Box 4		
Loco Hills, New Mexico 88255		
Wildcat Energy, LLC	05/07/24	05/13/24
Attn: Roger Becker		
PO Box 13323		
Odessa, Texas 79768		
Wing Resources VII, LLC	05/09/24	05/17/24
2100 McKinney Avenue, Suite 1540		
Dallas, TX 75201		
XTO Holdings, LLC	05/07/24	05/16/24
Attn: Ewell Schirmer		
22777 Springwoods Village Pkwy		
Spring, Texas 77389-1425		





BTA Oil Producers, LLC Case No. 24488 Exhibit C-3

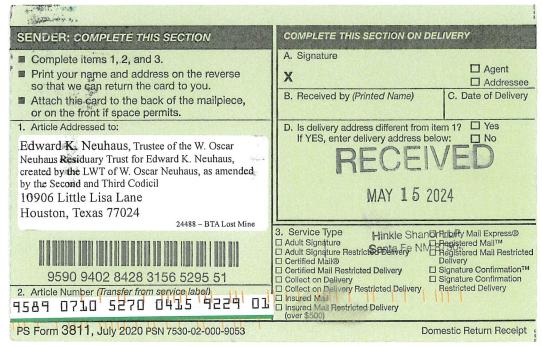




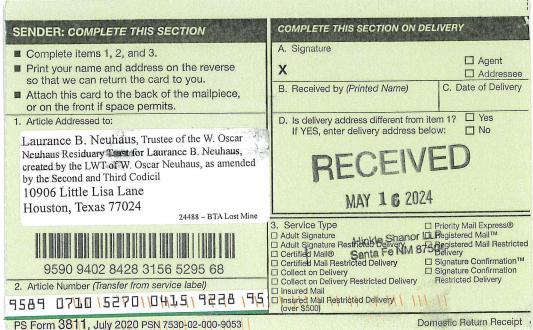
п 79	U.S. Postal Service <sup>™</sup> CERTIFIED MAIL <sup>®</sup> RECEIPT  Domestic Mail Only
L54	For delivery information, visit our website at www.usps.com®.
0710 5270 0697	Certified Mail Fee  \$ Extra Services & Fees (check box, add fee as appropriate)   Return Receipt (lardcopy)
9589	Street   Metis Lea, LLC   PO Box 2078   Abilene, Texas 79604   24488 - BTA Lost Mine   PS Form 3800, January 2023 PSN 7530-02-000-9047   See Reverse for Instructions



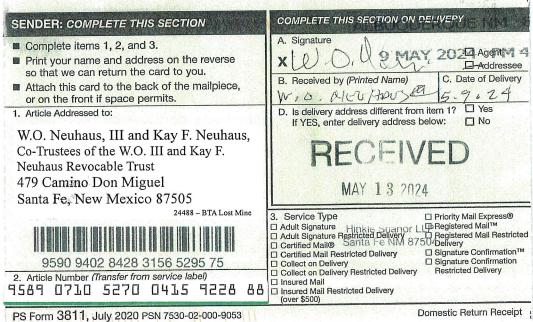




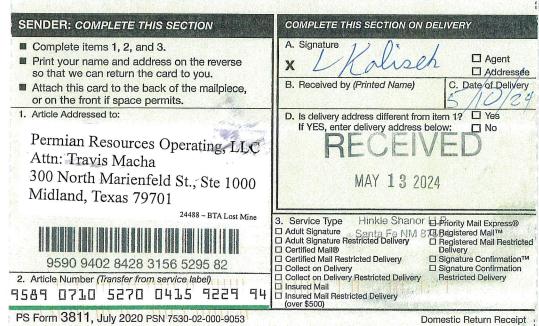




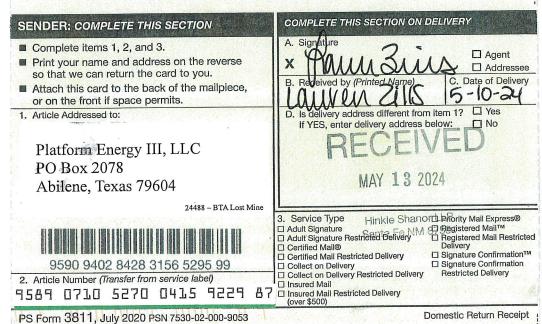




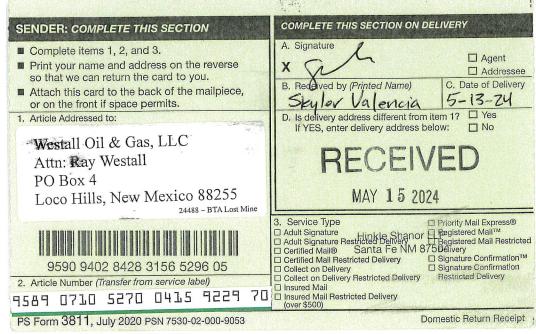








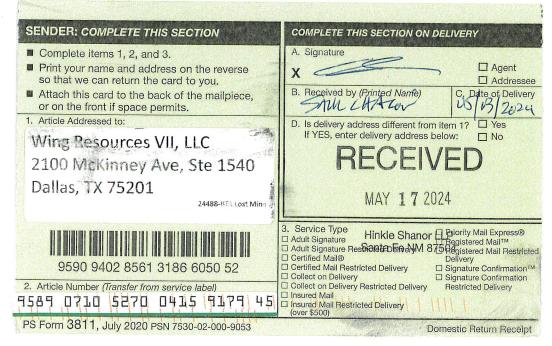
















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#### HINKLE SHANOR LLP ATTORNEYS AT LAW

POST OFFICE BOX 2068 SANTA FE, NEW MEXICO 87504



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JUN 05 2024

Hinkle Shanor LLP Santa Fe NM 87504 AmeriPermian Holdings, LLC PO Box 1723

Midland, Texas 79702

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Page 62 of 96

#### U.S. Postal Service™ **CERTIFIED MAIL® RECEIPT** ~ Domestic Mail Only 54 For delivery information, visit our website at www.usps.com Certified Mail Fee П Return Receipt (hardcopy) Return Receipt (electronic) Certified Mail Restricted Delivery Adult Signature Required Adult Signature Restricted Delivery 0770 Total Postage and Fees Sent To Charles A and Betty Moss Dean Street and PO Box 10728 L Midland, Texas 79702 П City, State, 24488 - BTA Lost Mine

#### HINKLE SHANOR LLP ATTORNEYS AT LAW

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Charles A and Betty Moss Dean PO Box 10728 Midland, Texas 79702

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Santa Fe NM 87504

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RETURN TO SENDER UNCLAIMED

Page 63 of 96

Hinkle Shanor LLP

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### CERTIFIED MAIL

HINKLE SHANOR LLP
ATTORNEYS AT LAW

POST OFFICE BOX 2068 SANTA FE, NEW MEXICO 87504



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Hinkle Shanor LLP Santa Fe NM 87504

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Isramco Energy, LLC

Attn: Land Department 1001 West Loop South, Suite 750

Houston, Texas 77027

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#### HINKLE SHANOR LLP

ATTORNEYS AT LAW

POST OFFICE BOX 2068 SANTA FE, NEW MEXICO 87504

#### **CERTIFIED MAIL**



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MAY 24 2024

Hinkle Shanor LLP Santa Fe NM 87504 Sarah B. Schaffer Moss

Turtle Creek Centre, Suite 700

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Turtle Creek Boul Dallas, Texas 752

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## **USPS Tracking®**

FAQs >

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#### **Tracking Number:**

#### 9589071052700697654439

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#### **Latest Update**

Your item was delivered to an individual at the address at 12:12 pm on May 10, 2024 in ROSWELL, NM 88201.

#### **Get More Out of USPS Tracking:**

**USPS Tracking Plus®** 

#### **Delivered**

#### **Delivered, Left with Individual**

ROSWELL, NM 88201 May 10, 2024, 12:12 pm

#### **Notice Left (No Authorized Recipient Available)**

ROSWELL, NM 88201 May 10, 2024, 12:06 pm

#### **Departed USPS Regional Facility**

LUBBOCK TX DISTRIBUTION CENTER May 9, 2024, 8:52 pm

#### **Arrived at USPS Regional Facility**

LUBBOCK TX DISTRIBUTION CENTER May 9, 2024, 6:56 am

#### **Departed USPS Facility**

ALBUQUERQUE, NM 87101 May 8, 2024, 9:33 am

#### **Arrived at USPS Facility**

гееараск

ALBUQUERQUE, NM 87101 May 7, 2024, 10:22 pm

**Hide Tracking History** 

What Do USPS Tracking	Statuses Mean?	https://fag.usps.com	/s/article/Where-is-m	y-package)
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Text & Email Updates	~
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Enter tracking or barcode numbers	

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**FAQ**s



### **USPS Tracking®**

FAQs >

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#### 9589071052700697654392

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#### **Latest Update**

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

#### **Get More Out of USPS Tracking:**

USPS Tracking Plus®

**Delivered** 

**Out for Delivery** 

**Preparing for Delivery** 

#### **Moving Through Network**

In Transit to Next Facility

May 15, 2024

#### **Arrived at USPS Regional Facility**

NORTH HOUSTON TX DISTRIBUTION CENTER May 10, 2024, 6:12 am

#### **Departed USPS Facility**

ALBUQUERQUE, NM 87101 May 8, 2024, 9:33 am

#### **Arrived at USPS Facility**

ALBUQUERQUE, NM 87101 May 7, 2024, 10:23 pm Feedback

Hide Tracking History

What Do USPS Tracking	g Statuses Mean?	(https://faq.usp	os.com/s/article/\	Where-is-my-package)
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USPS Tracking Plus®	~
Product Information	~
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Enter tracking or barcode numbers	

### **Need More Help?**

Contact USPS Tracking support for further assistance.

**FAQ**s



# **USPS Tracking®**

FAQs >

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#### **Tracking Number:**

## 9589071052700697654361

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## **Latest Update**

Your item was delivered to an individual at the address at 10:57 am on May 11, 2024 in DENVER, CO 80206.

#### **Get More Out of USPS Tracking:**

**USPS Tracking Plus®** 

#### **Delivered**

Delivered, Left with Individual

DENVER, CO 80206 May 11, 2024, 10:57 am

#### **Departed USPS Regional Facility**

DENVER CO DISTRIBUTION CENTER May 10, 2024, 9:33 am

#### **Arrived at USPS Regional Facility**

DENVER CO DISTRIBUTION CENTER May 10, 2024, 9:02 am

#### **Departed USPS Facility**

ALBUQUERQUE, NM 87101 May 7, 2024, 8:37 pm

#### **Arrived at USPS Facility**

ALBUQUERQUE, NM 87101 May 7, 2024, 7:38 pm Hide Tracking History

What Do USPS Tracking	g Statuses Mean'	? (https://faq.us∣	ps.com/s/article/	Where-is-my-package
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USPS Tracking Plus®	~
Product Information	~
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Track Another Package	
Enter tracking or barcode numbers	

# **Need More Help?**

Contact USPS Tracking support for further assistance.

**FAQs** 



# **USPS Tracking®**

FAQs >

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#### **Tracking Number:**

## 9589071052700697654286

Copy Add to Informed Delivery (https://informeddelivery.usps.com/)

## **Latest Update**

Your item was delivered to the front desk, reception area, or mail room at 10:59 am on May 10, 2024 in MIDLAND, TX 79701.

#### **Get More Out of USPS Tracking:**

**USPS Tracking Plus®** 

#### **Delivered**

#### Delivered, Front Desk/Reception/Mail Room

MIDLAND, TX 79701 May 10, 2024, 10:59 am

#### **Arrived at USPS Regional Facility**

MIDLAND TX DISTRIBUTION CENTER May 9, 2024, 5:17 pm

#### In Transit to Next Facility

May 8, 2024

#### **Departed USPS Facility**

ALBUQUERQUE, NM 87101 May 7, 2024, 8:37 pm

#### **Arrived at USPS Facility**

ALBUQUERQUE, NM 87101 May 7, 2024, 8:03 pm Hide Tracking History

What Do USPS Tracking Statuses Mean? (https://faq.usps.com/s/article/Where-is-my-package)

Text & Email Updates	~
USPS Tracking Plus®	~
Product Information	~
See Less ^	
Track Another Package	
Enter tracking or barcode numbers	

# **Need More Help?**

Contact USPS Tracking support for further assistance.

**FAQ**s



### HINKLE SHANOR LLP

#### ATTORNEYS AT LAW

P.O. BOX 2068 SANTA FE, NEW MEXICO 87504 505-982-4554 (FAX) 505-982-8623

WRITER: Dana S. Hardy, Partner dhardy@hinklelawfirm.com

May 7, 2024

#### <u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

#### TO OFFSET PARTIES ENTITLED TO NOTICE

Re: Case No. 24488 – Application of BTA Oil Producers, LLC for Compulsory Pooling and Approval of Non-Standard Spacing Unit, 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 **June 13, 2024**, beginning at 8:15 a.m. You are receiving this letter because you have been identified as the owner of an interest in the acreage that offsets the proposed non-standard spacing unit.

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: <a href="https://www.emnrd.nm.gov/ocd/hearing-info/">https://www.emnrd.nm.gov/ocd/hearing-info/</a>. 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 (<a href="https://www.apps.emnrd.nm.gov/ocd/ocdpermitting/">https://www.apps.emnrd.nm.gov/ocd/ocdpermitting/</a>) or via e-mail to ocd.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 at BTA Oil Producers, LLC, at 432-553-5049 if you have questions regarding these matters.

Sincerely,

/s/ Dana S. Hardy Dana S. Hardy BTA Oil Producers, LLC Case No. 24488 Exhibit C-4

Enclosure

PO BOX 10 ROSWELL, NEW MEXICO 88202 (575) 622-6510 FAX (575) 623-9332 7601 JEFFERSON ST NE · SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321 PO BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623

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

APPLICATION OF BTA OIL PRODUCERS, LLC FOR COMPULSORY POOLING AND APPROVAL OF NON-STANDARD SPACING UNIT, LEA COUNTY, NEW MEXICO.

**CASE NO. 24488** 

#### OFFSET OWNERS NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED	
Bureau of Land Management	05/07/24	05/16/24	
620 E Greene Street			
Carlsbad, NM 88220			
Bursake, LLC	05/07/24	05/13/24	
Attn: Andrew B. Burleson			
PO Box 51407			
Midland, Texas 79710			
Devon Energy Production Company, LP	05/07/24	05/13/24	
Attn: Daniel Brunsman			
333 West Sheridan Avenue			
Oklahoma City, OK 73102-5015			
Hayes Land & Production, LP	05/07/24	05/13/24	
Attn: William H. Bennett			
PO Box 51407			
Midland, Texas 79710			
Marathon Oil Company	05/07/24	05/17/24	
Attn: Samuel Cox			
990 Town & Country Blvd.			
Houston, Texas 77024			
Marathon Oil Permian, LLC	05/07/24	05/17/24	
Attn: Samuel Cox			
990 Town & Country Blvd			
Houston, Texas 77024			
Marshall & Winston, Inc.	05/07/24	05/15/24	
P.O. Box 50880			
Midland, Texas 79710-0880			
NM State Land Office	05/07/24	05/13/24	
310 Old Santa Fe Trail			
Santa Fe, NM 87501			
OXY Y-1 Company	05/07/24	05/20/24	
Attn: Land Department			
5 Greenway Plaza, Suite 110			
Houston, Texas 77046			

BTA Oil Producers, LLC Case No. 24488 Exhibit C-5

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

APPLICATION OF BTA OIL PRODUCERS, LLC FOR COMPULSORY POOLING AND APPROVAL OF NON-STANDARD SPACING UNIT, LEA COUNTY, NEW MEXICO.

**CASE NO. 24488** 

#### OFFSET OWNERS NOTICE LETTER CHART

Permian Resources Operating, LLC	05/07/24	05/13/24
Attn: Travis Macha		
300 North Marienfeld St., Ste. 1000		
Midland, Texas 79701		
Sharbro Energy, LLC	05/07/24	Per USPS Tracking
Attn: Land Department		(Last Checked 06/05/24):
PO Box 840		
Artesia, New Mexico 88211		05/13/24 – Item in transit
		to next facility.
Vladin, LLC	05/07/24	05/20/24
Attn: Land Department		
PO Box 100		
Artesia, New Mexico 88211-0100		

Chevron USA, Inc. was notified by e-mail, a copy of which is attached to this chart.

From: Moss, Grace
To: Adams Davenport

Cc: <u>Jaclyn McLean</u>; <u>Dana Hardy</u>

Subject: RE: Case No. 24488 - Application of BTA Oil Producers, LLC for Compulsory Pooling and Approval of Non-

Standard Spacing Unit, Lea County, New Mexico

**Date:** Wednesday, May 29, 2024 2:35:05 PM

Some people who received this message don't often get email from grace.davenport@chevron.com. <u>Learn why</u> this is important

Thanks Adams. I'll share this with the applicable stakeholders and let you know if any questions arise.

Best,

#### **Grace Moss**

Land Representative- Transactions Tel 713-372-0575

From: Adams Davenport <adavenport@btaoil.com>

Sent: Wednesday, May 29, 2024 3:30 PM

To: Moss, Grace < Grace. Davenport@chevron.com>

**Cc:** Jaclyn McLean < JMcLean@hinklelawfirm.com>; Dana Hardy < DHardy@hinklelawfirm.com> **Subject:** [\*\*EXTERNAL\*\*] Case No. 24488 - Application of BTA Oil Producers, LLC for Compulsory

Pooling and Approval of Non-Standard Spacing Unit, Lea County, New Mexico

Be aware this external email contains an attachment and/or link.

Ensure the email and contents are expected. If there are concerns, please submit suspicious messages to the Cyber Intelligence Center using the Report Phishing button.

#### Good afternoon, Grace:

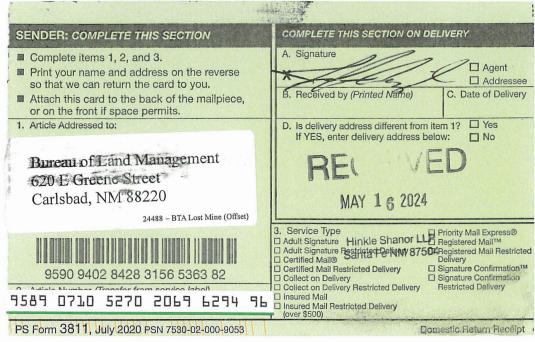
Chevron USA, Inc. ("CVX") is receiving the attached notice letter because CVX has been identified as the operator of the E/2 of Section 14, T20S-R35E, Lea County, NM, that offsets BTA Oil Producers, LLC's ("BTA") proposed non-standard spacing unit. BTA, though Hinkle Shanor LPP, has filed for compulsory pooling and approval of the non-standard spacing unit under New Mexico Oil Conservation Division Case No. 24488, and the hearing will be conducted on June 13, 2024.

Should you have any questions or need any additional information, please don't hesitate to contact me.

Thanks,

Adams Davenport C: 432-553-5049

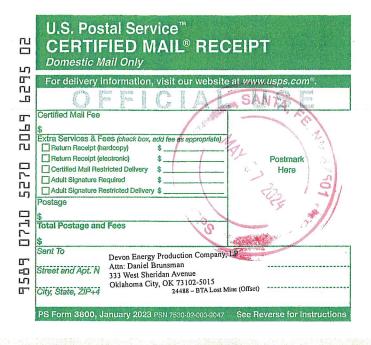




BTA Oil Producers, LLC Case No. 24488 Exhibit C-6

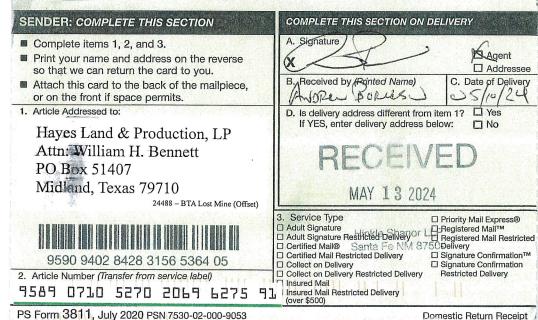








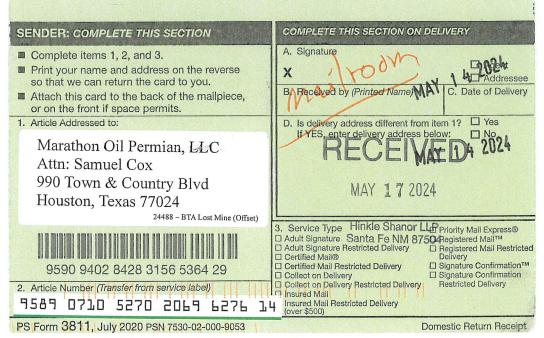














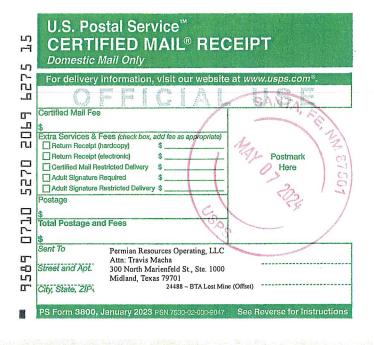




















# **USPS Tracking®**

FAQs >

Remove X

#### **Tracking Number:**

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Copy Add to Informed Delivery (https://informeddelivery.usps.com/)

### **Latest Update**

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

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**Out for Delivery** 

**Preparing for Delivery** 

## **Moving Through Network**

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May 13, 2024

#### **Departed USPS Regional Facility**

LUBBOCK TX DISTRIBUTION CENTER May 9, 2024, 8:52 pm

#### **Arrived at USPS Regional Facility**

LUBBOCK TX DISTRIBUTION CENTER May 9, 2024, 7:07 am

#### **Departed USPS Facility**

ALBUQUERQUE, NM 87101 May 7, 2024, 9:31 pm Feedbac

Arrived at USPS Facility ALBUQUERQUE, NM 87101 May 7, 2024, 9:06 pm

**Hide Tracking History** 

What Do USPS Tracking	Statuses Mean?	(https://fag.us	ps.com/s/article/	Where-is-my-	package)
	J - 10.10.000	(	00.00 0, 0 0.0.0,		P

Text & Email Updates	<b>\</b>
USPS Tracking Plus®	~
Product Information	~
See Less ^	
Track Another Package	
Enter tracking or barcode numbers	

# **Need More Help?**

Contact USPS Tracking support for further assistance.

**FAQs** 

# 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 May 14, 2024 and ending with the issue dated May 14, 2024.

Publisher

Sworn and subscribed to before me this 14th day of May 2024.

Business Manager

My commission expires January 29, 2027

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 NOTICE** May 14, 2024

LEGAL NOTICE May 14, 2024

This is to notify all interested parties, including AmeriPermian Holdings, LLC; Axis Energy Corporation; Bureau of Land Management; Bursake, LLC; Charles A and Betty Moss Dean; Devon Energy Production Company, IP; Hayes Land & Production, LP; Houston Trust Company, Trustee of the Howard F. Smith, Jr. Trust F/B/O Louise Smith Neuhaus; Isramco Energy, LLC; Noell Ross Jackson, Marathon Oil Company; Marathon Oil Permian, LLC; Marshall & Winston, Inc., Metis Lea, LLC; Mewbourne Oil Company; Sarah B. Schaffer Moss; N. M. State Land Office; Edward K. Neuhaus, Trustee of the W. Oscar Neuhaus Residuary Trust for Edward K. Neuhaus, created by the LWT of W. Oscar Neuhaus Residuary Trust for Edward K. Neuhaus, Co-Trustees B. Neuhaus, Trustee of the W. Oscar Neuhaus Residuary Trust for Laurance B. Neuhaus, created by the LWT of W. Oscar Neuhaus, as amended by the Second and Third Codicil; W.O. Neuhaus, Ill and Kay F. Neuhaus, Co-Trustees of the W.O. Ill and Kay F. Neuhaus, Co-Trustees of the Wells will be con Mexico. #00290323

02107475

00290323

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

> **BTA Oil Producers, LLC** Case No. 24488 Exhibit C-7