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

Case No. 24853 Order No. R-22909

### **HEARING EXHIBITS**

Exhibit A	Self-Affirmed Statement of Adams Davenport		
A-1	Application & Proposed Notice		
A-2	Order No. R-22909		
Exhibit B	Self-Affirmed Statement of Dana S. Hardy		
B-1	First Notice Letter dated September 16, 2024		
B-2	Second Notice Letter dated October 3, 2024		
B-3	Chart of Notice to All Interested Parties and Certified Mail Receipts		
B-4	Copies of Certified Mail Receipts and Returns		
B-5	Affidavit of Publication for September 22, 2024		

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

Case No. 24853 Order No. R-22909

### SELF-AFFIRMED STATEMENT OF ADAMS DAVENPORT

- 1. I am a Landman with BTA Oil Producers, LLC ("BTA") and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division") and my qualifications as an expert in petroleum land matters were accepted and made a matter of record.
- 2. I am familiar with the land matters involved in the above-reference case. Copies of BTA's application and proposed hearing notice are attached as **Exhibit A-1**.
- 3. The Division issued Order No. R-22909 ("Order") in Case No. 23664 on October 6, 2023. The Order pooled all uncommitted interests in the Pennsylvanian Shale formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 22 and 27, Township 16 South, Range 36 East, Lea County, New Mexico ("Unit"); dedicated the Unit to the Capitan 22301 27-22 State Com #19H well ("Well"); and designated Applicant as operator of the Unit and the Well. A copy of the Order is attached as **Exhibit A-2**.
- 4. The Order requires BTA to commence drilling the Well within one (1) year of the date of the Order unless BTA obtains a time extension from the Division Director for good cause shown.

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

estimated to be operational in Q2 2025.

- 6. BTA requests that the Division extend the deadline to commence drilling the Well to October 6, 2025.
  - 7. BTA further requests the other provisions of the Order remain in force and effect.
  - 8. BTA is in good standing under the statewide rules and regulations.
- 9. In my opinion, the granting of BTA's application would best serve the interests of conservation, the protection of correlative rights, and the prevention of waste.
- 10. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Adams Davenfort

Adams Davenport

Date

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

Case No. 24853 Order No. R-22909

### **APPLICATION**

BTA Oil Producers, LLC (OGRID No. 260297) ("BTA" or "Applicant") files this application with the Oil Conservation Division ("Division") requesting a one-year extension of time to commence drilling the well authorized by Order No. R-22909 ("Order"). In support of its application, Applicant states the following.

- 1. The Division issued the Order in Case No. 23664 on October 6, 2023, pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 22 and 27, Township 16 South, Range 36 East, Lea County, New Mexico ("Unit"), dedicating the Unit to the Capitan 22301 27-22 State Com #19H well ("Well"), and designating Applicant as operator of the Unit and the Well.
- 2. The Order requires Applicant to commence drilling the Well within one (1) year of the date of the Order unless Applicant obtains a time extension from the Division Director for good cause shown.
- 3. BTA's ability to commence drilling the Well has been delayed by gas takeaway constraints.
  - 4. Good cause exists for the requested extension.

5. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Well to October 6, 2025.

WHEREFORE, BTA requests that this application be set for hearing on October 10, 2024, and after notice and hearing, the Division extend the deadline for BTA to commence drilling the Well until October 6, 2025.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy Jaclyn M. McLean Dylan M. Villescas P.O. Box 2068 Santa Fe, NM 87504-2068

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

Counsel for BTA Oil Producers, LLC

Mexico.

Application of BTA Oil Producers, LLC to Extend Time to Commence Drilling Operations, Lea County, New Mexico. BTA Oil Producers, LLC ("Applicant") seeks an order extending the deadline to commence drilling the well authorized by Order No. R-22909 ("Order") until October 6, 2025. The Division issued the Order in Case No. 23664 on October 6, 2023. The Order: pooled all uncommitted interests in the Pennsylvanian Shale formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Sections 22 and 27, Township 16 South, Range 36 East, Lea County, New Mexico ("Unit"); dedicated the Unit to the Capitan 22301 27-22 State Com #19H well ("Well"); and designated Applicant as operator of the Unit and the Well. The Order requires Applicant to commence drilling the Well within one year of the date of the Order. Applicant requests that the Division extend the deadline to commence drilling the Well until October 6, 2025. The Well is located approximately 3 miles south of Lovington, New

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

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

**CASE NO.** 23664 **ORDER NO.** R-22909

#### <u>ORDER</u>

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on September 21, 2023, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

#### FINDINGS OF FACT

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

### **CONCLUSIONS OF LAW**

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

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

### <u>ORDER</u>

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

CASE NO. 23664 ORDER NO. R-22909

Page 2 of 7

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

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

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

DYLANM FUGE DIRECTOR

DMF/hat

Date: 10/6/23

### Exhibit A

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ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS					
Case: 23664	APPLICANT'S RESPONSE				
Date	September 21, 2023				
Applicant	BTA Oil Producers, LLC				
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 260297				
Applicant's Counsel:	Hinkle Shanor LLP				
Case Title:	Application of BTA Oil Producers, LLC for Compulsory Pooling Lea County, New Mexico.				
Entries of Appearance/Intervenors:	Greyhound Resources Company				
Well Family	Capitan				
Formation/Pool					
Formation Name(s) or Vertical Extent:	Pennsylvanian Shale				
Primary Product (Oil or Gas):	Oil				
Pooling this vertical extent:	Pennsylvanian Shale				
Pool Name and Pool Code:	WC025 G09 S173615C; Upper Penn Pool (Code 98333)				
Well Location Setback Rules:	Statewide				
Spacing Unit					
Type (Horizontal/Vertical)	Horizontal				
Size (Acres)	320-acres				
Building Blocks:	quarter-quarter				
Orientation:	North/South				
Description: TRS/County	W/2 W/2 of Sections 22 and 27, Township 16 South, Range 36 East, Lea County.				
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes.				
Other Situations					
Depth Severance: Y/N. If yes, description	No				
Proximity Tracts: If yes, description	No				
Proximity Defining Well: if yes, description	N/A				
Applicant's Ownership in Each Tract	Exhibit A-3				
Well(s)					
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-	Add wells as needed				
standard) Well #1	Capitan 22301 27-22 State Com #19H (API #) SHL: 250' FSL & 1300' FWL (Unit M), Section 27, T16S, R36E BHL: 50' FNL & 660' FWL (Unit D), Section 22, T16S, R36E Completion Target: Approx. 11,540' TVD				
Horizontal Well First and Last Take Points	Exhibit A-2				
Completion Target (Formation, TVD and MD)	Exhibit A-4				
AFE Capex and Operating Costs					
Drilling Supervision/Month \$	\$12,000.00				

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Production Supervision/Month \$	\$1,200.00		
Justification for Supervision Costs	Exhibit A		
Requested Risk Charge	200%		
Notice of Hearing			
Proposed Notice of Hearing	Exhibit A-1		
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-1, Exhibit C-2, Exhibit C-3		
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4		
Ownership Determination			
Land Ownership Schematic of the Spacing Unit	Exhibit A-3		
Tract List (including lease numbers and owners)	Exhibit A-3		
If approval of Non-Standard Spacing Unit is requested, Tract List			
(including lease numbers and owners) of Tracts subject to notice requirements.	N/A		
Pooled Parties (including ownership type)	Exhibit A-3		
Unlocatable Parties to be Pooled	N/A		
Ownership Depth Severance (including percentage above & below)	N/A		
Joinder Sample Copy of Proposal Letter	Exhibit A-4		
Sample Copy of Proposal Letter List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3		
	Exhibit A-5		
Chronology of Contact with Non-Joined Working Interests			
Overhead Rates In Proposal Letter	Exhibit A-4		
Cost Estimate to Drill and Complete	Exhibit A-4		
Cost Estimate to Equip Well	Exhibit A-4		
Cost Estimate for Production Facilities	Exhibit A-4		
Geology	5.111.0		
Summary (including special considerations)	Exhibit B		
Spacing Unit Schematic	Exhibit B-1		
Gunbarrel/Lateral Trajectory Schematic	N/A		
Well Orientation (with rationale)	Exhibit B		
Target Formation	Exhibit B		
HSU Cross Section	Exhibit B-3		
Depth Severance Discussion	N/A		
Forms, Figures and Tables	5 1 1 1 A A		
C-102	Exhibit A-2		
Tracts	Exhibit A-3		
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3		
General Location Map (including basin)	Exhibit B-1		
Well Bore Location Map	Exhibit B-1		
Structure Contour Map - Subsea Depth	Exhibit B-2		
Cross Section Location Map (including wells)	Exhibit B-2		
Cross Section (including Landing Zone)	Exhibit B-3		
Gross Isopach Map	Exhibit B-4		

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Additional Information				
Special Provisions/Stipulations	N/A			
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.				
Printed Name (Attorney or Party Representative):	Dana S. Hardy			
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy			
Date:	9/19/2023			

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

CASE NO. 24853 ORDER NO. R-22909

### 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 **Exhibits B-1** and **B-2**, 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 B-3**.
- 3. Exhibit B-3 also provides the date each Notice Letter was sent and the date each return was received.
- 4. Copies of the certified mail green cards and white slips are attached as **Exhibit B-4** as supporting documentation for proof of mailing and the information provided on Exhibit B-3.
- 5. On September 22, 2024, I caused a notice to be published to all interested parties in the Hobbs News-Sun. An Affidavit of Publication from the Legal Clerk of the Hobbs News-Sun along with a copy of the notice publication, is attached as **Exhibit B-5**.
- 6. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

/s/ Dana S. Hardy
Dana S. Hardy

October 15, 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:
Jaclyn M. McLean, Partner
jmclean@hinklelawfirm.com

September 16, 2024

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

#### TO ALL PARTIES ENTITLED TO NOTICE

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

To whom it may concern:

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

The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate virtually, see the instructions posted on the OCD Hearings website: <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 with BTA Oil Producers, LLC, by e-mail at <a href="mailto:adavenport@btaoil.com">adavenport@btaoil.com</a> if you have any questions regarding this matter.

Sincerely,

/s/ Jaclyn M. McLean
Jaclyn M. McLean
Exhibit B-1



### HINKLE SHANOR LLP

ATTORNEYS AT LAW
P.O. BOX 2068
SANTA FE, NEW MEXICO 87504

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

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

October 3, 2024

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

#### TO ALL PARTIES ENTITLED TO NOTICE

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

To whom it may concern:

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

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

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (<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 with BTA Oil Producers, LLC, by e-mail at <a href="mailto:adavenport@btaoil.com">adavenport@btaoil.com</a> if you have any questions regarding this matter.

Sincerely,

/s/ Jaclyn M. McLean Jaclyn M. McLean BTA Oil Producers, LLC Case No. 24853 Exhibit B-2

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, LEA COUNTY, NEW MEXICO.

**CASE NO. 24853** 

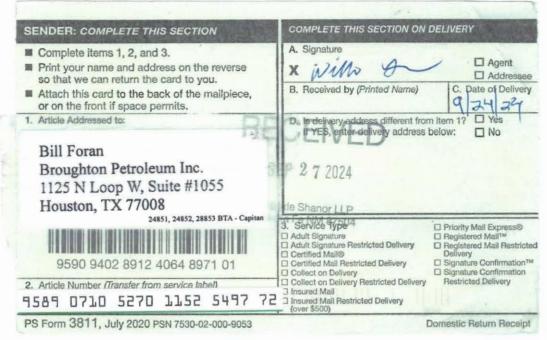
### **NOTICE LETTER CHART**

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
Andy Scott	10/03/2024	10/15/2024
Black Shale Minerals	9589071052701147071448	
PO Box 2243		
Longview, TX 75606		
Bill Foran	09/17/2024	09/27/2024
Broughton Petroleum Inc.	9589071052701152549772	
1125 N Loop W, Suite #1055		
Houston, TX 77008		
John Albert Ellett	09/17/2024	09/24/2024
585 Duarte Rd, Unit #19	9589071052701152549796	
Arcadia, California 91007-7343		
Kevin Klein	09/17/2024	09/23/2024
Slash Exploration	9589071052701152549765	
P.O. Box 1973		
Roswell, NM 88202-1973		
Norman L. Hay, Jr. & Louise Hay,	09/17/2024	09/30/2024
Co-Trustees	958907105270115254977219	
Hay Family Trust dated 06/24/2005		
5901 Mount Rockwood Circle		
Waco Texas 76710		
Tom E. Jennings	09/17/2024	09/23/2024
First Roswell Company	9589071052701152549702	
P.O. Box 1797		
Roswell, New Mexico 88202		









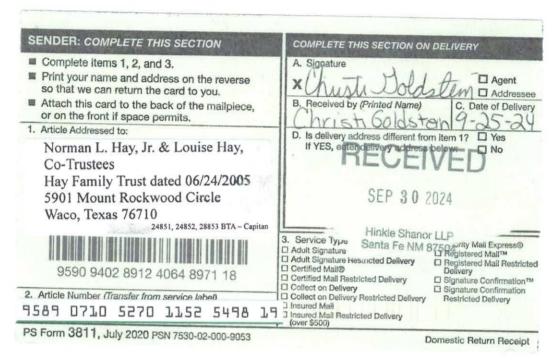
















### Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated September 22, 2024 and ending with the issue dated September 22, 2024.

Publisher

Sworn and subscribed to before me this 22nd day of September 2024.

Business Manager

My commission expires

January 29, 2027
(Seal) STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526

COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL

LEGAL

LEGAL NOTICE September 22, 2024

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

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