

**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. 25004**

**NOTICE OF AMENDED EXHIBITS**

BTA Oil Producers, LLC provides the attached amended exhibit packet, which includes updated information regarding the pooled parties identified in Exhibits A-3 and A-5.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

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*Counsel for BTA Oil Producers,  
LLC*

**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. 25004**

**HEARING EXHIBITS**

**Compulsory Pooling Checklist**

**Exhibit A                      Self-Affirmed Statement of Adams Davenport**

- A-1                      Application & Proposed Notice
- A-2                      C-102
- A-3                      Plat of Tracts, Tract Ownership, Pooled Parties, Unit Recapitulation
- A-4                      Sample Well Proposal Letter & AFE
- A-5                      Summary of Communications

**Exhibit B                      Self-Affirmed Statement of J.T. Truong**

- B-1                      Location Map
- B-2                      Subsea Structure Map
- B-3                      Stratigraphic Cross Section
- B-4                      Gross Isopach Map

**Exhibit C                      Self-Affirmed Statement of Dana S. Hardy**

- C-1                      Notice Letter Sent December 9 and 11, 2024
- C-2                      Notice Letter Chart
- C-3                      Copy of Certified Mail Receipts and Returns
- C-4                      Affidavit of Publication for December 11, 2024

**COMPULSORY POOLING APPLICATION CHECKLIST****ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 25004</b>	<b>APPLICANT'S RESPONSE</b>
<b>Hearing Date: January 9, 2025</b>	
Applicant	BTA Oil Producers, LLC
Designated Operator & OGRID (affiliation if applicable)	BTA Oil Producers, LLC (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:	None.
Well Family	Capitan
<b>Formation/Pool</b>	
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:	WC-025 G-09 S173615C; Upper Penn Pool (Code 98333)
Well Location Setback Rules:	Statewide
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	319.42 acres
Building Blocks:	quarter-quarter
Orientation:	North to South
Description: TRS/County	E/2 W/2 of Section 33, Township 16 South, Range 36 East, and Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 4, Township 17 South, Range 36 East, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes.
<b>Other Situations</b>	
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
<b>Well(s)</b>	
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	Capitan 22301 33-4 State Com 23H (API # pending) SHL: 300' FNL & 1,020' FWL (Unit D), Section 33, T16S-R36E BHL: 50' FSL & 1,650' FWL (Unit N), Section 4, T17S-R36E Completion Target: Pennsylvanian Shale (Approx. TVD: 11,607')
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$12,000
Production Supervision/Month \$	\$1,200
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
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
<b>Ownership Determination</b>	
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
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
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
<b>Geology</b>	
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-2
Depth Severance Discussion	N/A

<b>Forms, Figures and Tables</b>	
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
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Dana S. Hardy
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Dana S. Hardy
<b>Date:</b>	12/26/2024

**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. 25004**

**SELF-AFFIRMED STATEMENT  
OF ADAMS DAVENPORT**

1. I am a landman with BTA Oil Producers, LLC (“BTA”). I am over 18 years of age, 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 interests in the Pennsylvanian Shale formation underlying a 319.48-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Section 33, Township 16 South, Range 36 East, and Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 4, Township 17 South, Range 36 East, Lea County, New Mexico (“Unit”).

5. The Unit will be dedicated to the **Capitan 22301 33-4 State Com #23H** well (“Well”), which will produce from a first take point in the NE/4 NW/4 (Unit C) of Section 33, Township 16 South, to a last take point in the SE/4 SW/4 (Unit N) of Section 4, Township 17 South.

**BTA Oil Producers, LLC  
Case No. 25004  
Exhibit A**

6. The completed interval of the Well will be orthodox.

7. **Exhibit A-2** contains the C-102 for the Well.

8. **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 interest BTA seeks to pool highlighted in yellow. BTA only seeks to pool one party and that party is locatable.

9. BTA has conducted a diligent search of all county public records, including phone directories and computer databases, and also used the Accurint subscription service, to locate interest owners.

10. **Exhibit A-4** contains a sample well proposal letter and an AFE sent to the working interest owners in the Well. The estimated costs reflected on the AFE 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.

11. In my opinion, BTA made a good-faith effort to reach voluntary joinder of uncommitted interests in the Well as shown by the chronology of contacts provided in **Exhibit A-5**.

12. BTA requests overhead and administrative rates of \$12,000 per month while the Well is being drilled and \$1,200 per month while the Well is producing. These rates are fair and are comparable to the rates charged by BTA and other operators in the vicinity.

13. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

14. 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.

15. 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 Davenport  
Adams Davenport

12/9/2024  
Date



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

**APPLICATION OF BTA OIL PRODUCERS, LLC  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**CASE NO. 25004**

**APPLICATION**

In accordance with NMSA 1978, § 70-2-17, BTA Oil Producers, LLC (“BTA” or “Applicant”), through its undersigned attorneys, files this application with the Oil Conservation Division (“Division”) seeking an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 319.42-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Section 33, Township 16 South, Range 36 East, and Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 4, Township 17 South, Range 36 East, Lea County, New Mexico (“Unit”). In support of this application, BTA states the following.

1. Applicant (OGRID No. 260297) is a working interest owner in the Unit and has the right to drill wells thereon.
2. Applicant seeks to dedicate the Unit to the **Capitan 22301 33-4 State Com #23H** well (“Well”), which will produce from a first take point in the NE/4 NW/4 (Unit C) of Section 33, Township 16 South, to a last take point in the SE/4 SW/4 (Unit N) of Section 4, Township 17 South.
3. The completed interval of the Well will be orthodox.
4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the Unit.
5. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
6. In order to permit 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 the operator of the proposed horizontal well and the Unit.

**BTA Oil Producers, LLC  
Case No. 25004  
Exhibit A-1**

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 9, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the initial well in the Unit;
- C. Designating Applicant as the operator of the Unit and the horizontal well to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- E. Approving the actual operating charges and costs of supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy  
Jaclyn M. McLean  
Dylan M. Villescas  
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Counsel for BTA Oil Producers, LLC

**Application of BTA Oil Producers, LLC for Compulsory Pooling, Lea County, New Mexico.**

Applicant seeks an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 319.42-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Section 33, Township 16 South, Range 36 East, and Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 4, Township 17 South, Range 36 East, Lea County, New Mexico ("Unit"). Applicant seeks to dedicate the Unit to the **Capitan 22301 33-4 State Com #23H** well ("Well"), which will produce from a first take point in the NE/4 NW/4 (Unit C) of Section 33, Township 16 South, to a last take point in the SE/4 SW/4 (Unit N) of Section 4, Township 17 South. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 2 miles south of Lovington, New Mexico.

<p><b>C-102</b></p> <p>Submit Electronically Via OCD Permitting</p>	<p>State of New Mexico Energy, Minerals, &amp; Natural Resources Department <b>OIL CONSERVATION DIVISION</b></p>	<p><b>Exhibit A-2</b></p> <p>Revised July 9, 2024 PAGE 1 OF 2</p>
	<p>Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled</p>	

**WELL LOCATION INFORMATION**

API Number	Pool Code 98333	Pool Name WC-025 G-09 S173615C; UPPER PENN
Property Code	Property Name CAPITAN 22301 33-4 STATE COM	Well Number 23H
OGRID No. 260297	Operator Name BTA OIL PRODUCERS, LLC	Ground Level Elevation 3901'
Surface Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

**Surface Location**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD83)	Longitude (NAD83)	County
D	33	16S	36E		300' FNL	1020' FWL	32.88496981	-103.36492317	LEA

**Bottom Hole Location**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD83)	Longitude (NAD83)	County
N	04	17S	36E		50' FSL	1650' FWL	32.85687127	-103.36290360	LEA

Dedicated Acres 319.48	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers:			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

**Kick Off Point (KOP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD83)	Longitude (NAD83)	County
N	28	16S	36E		500' FSL	1650' FWL	32.88717339	-103.36287506	LEA



**First Take Point (FTP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD83)	Longitude (NAD83)	County
C	33	16S	36E		100' FNL	1650' FWL	32.88552440	-103.36287398	LEA

**Last Take Point (LTP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD83)	Longitude (NAD83)	County
N	04	17S	36E		100' FSL	1650' FWL	32.85700870	-103.36290155	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type: <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation 3901'
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p> _____ Signature Date</p> <p>Sammy Hajar Printed Name</p> <p>SHAJAR@BTAOIL.COM Email Address</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <div style="text-align: center;">  </div> <p>Signature and Seal of Professional Surveyor</p> <table style="width:100%;"> <tr> <td style="width:50%;">Certificate Number 21653</td> <td style="width:50%;">Date of Survey DECEMBER 02, 2024</td> </tr> </table>	Certificate Number 21653	Date of Survey DECEMBER 02, 2024
Certificate Number 21653	Date of Survey DECEMBER 02, 2024		

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

# CAPITAN 22301 33-4 STATE COM 23H

ACREAGE DEDICATION PLATS

PAGE 2 OF 2

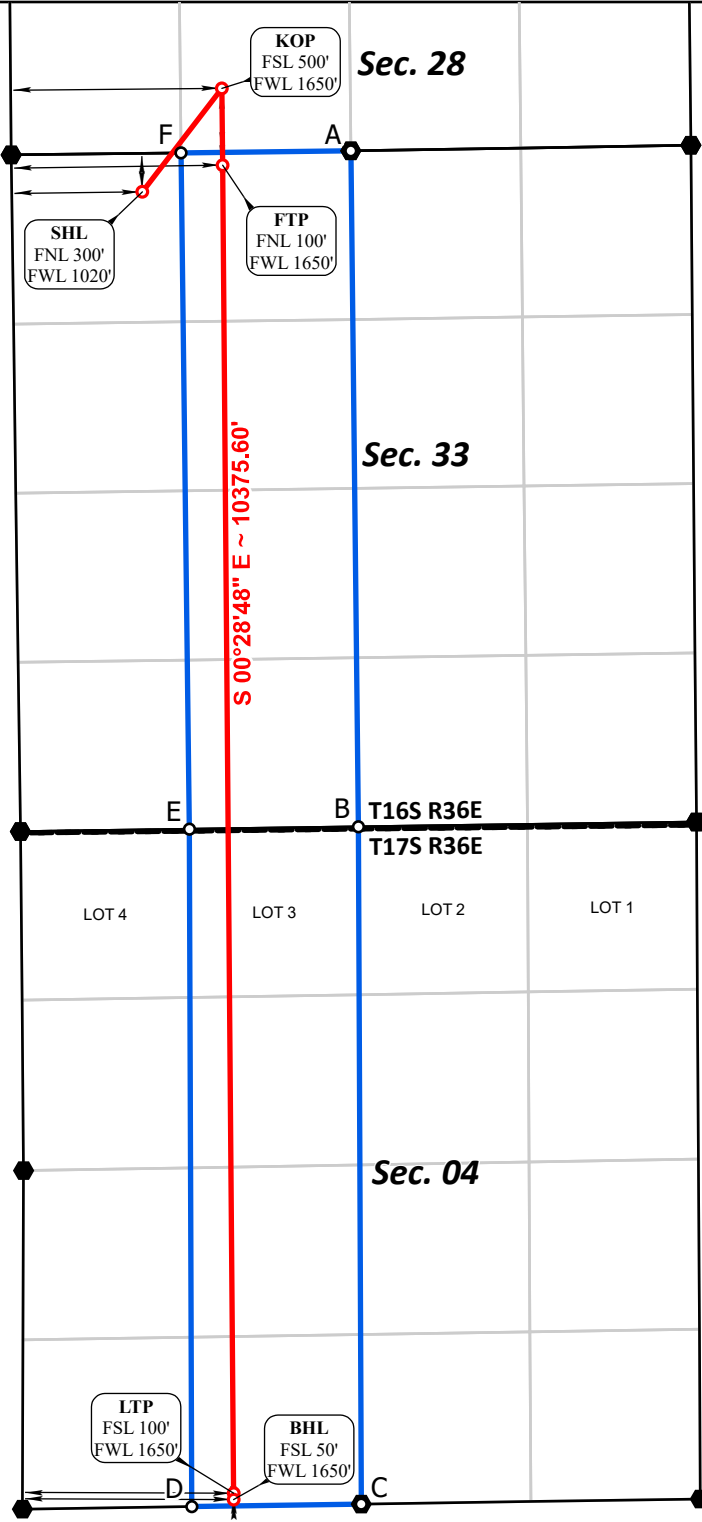
**SHL**  
 FNL 300' FWL 1020', SECTION 33  
**NAD 83, SPCS NM EAST**  
 X:838619.86' / Y:687050.04'  
 LAT:32.88496981 / LON:-103.36492317  
**NAD 27, SPCS NM EAST**  
 X:797441.72' / Y:686985.59'  
 LAT:32.88485027 / LON:-103.36442655

**KOP**  
 FSL 500' FWL 1650', SECTION 28  
**NAD 83, SPCS NM EAST**  
 X:839241.24' / Y:687857.57'  
 LAT:32.88717339 / LON:-103.36287506  
**NAD 27, SPCS NM EAST**  
 X:798063.12' / Y:687793.12'  
 LAT:32.88705392 / LON:-103.36237840

**FTP**  
 FNL 100' FWL 1650', SECTION 33  
**NAD 83, SPCS NM EAST**  
 X:839247.09' / Y:687257.60'  
 LAT:32.88552440 / LON:-103.36287398  
**NAD 27, SPCS NM EAST**  
 X:798068.95' / Y:687193.17'  
 LAT:32.88540491 / LON:-103.36237739

**LTP**  
 FSL 100' FWL 1650', SECTION 04  
**NAD 83, SPCS NM EAST**  
 X:839334.01' / Y:676882.37'  
 LAT:32.85700870 / LON:-103.36290155  
**NAD 27, SPCS NM EAST**  
 X:798155.56' / Y:676818.18'  
 LAT:32.85688901 / LON:-103.36240612

**BHL**  
 FSL 50' FWL 1650', SECTION 04  
**NAD 83, SPCS NM EAST**  
 X:839333.84' / Y:676832.36'  
 LAT:32.85687127 / LON:-103.36290360  
**NAD 27, SPCS NM EAST**  
 X:798155.39' / Y:676768.17'  
 LAT:32.85675158 / LON:-103.36240817



CORNER COORDINATES NAD 83, SPCS NM EAST	CORNER COORDINATES NAD 27, SPCS NM EAST
A - X: 840248.84' / Y:687369.66'	A - X: 799070.70' / Y:687305.25'
B - X: 840308.44' / Y:682088.79'	B - X: 799130.14' / Y:682024.51'
C - X: 840330.41' / Y:676797.25'	C - X: 799151.96' / Y:676733.10'
D - X: 839007.00' / Y:676777.47'	D - X: 797828.55' / Y:676713.27'
E - X: 838988.21' / Y:682070.20'	E - X: 797809.92' / Y:682005.88'
F - X: 838922.34' / Y:687353.70'	F - X: 797744.21' / Y:687289.25'

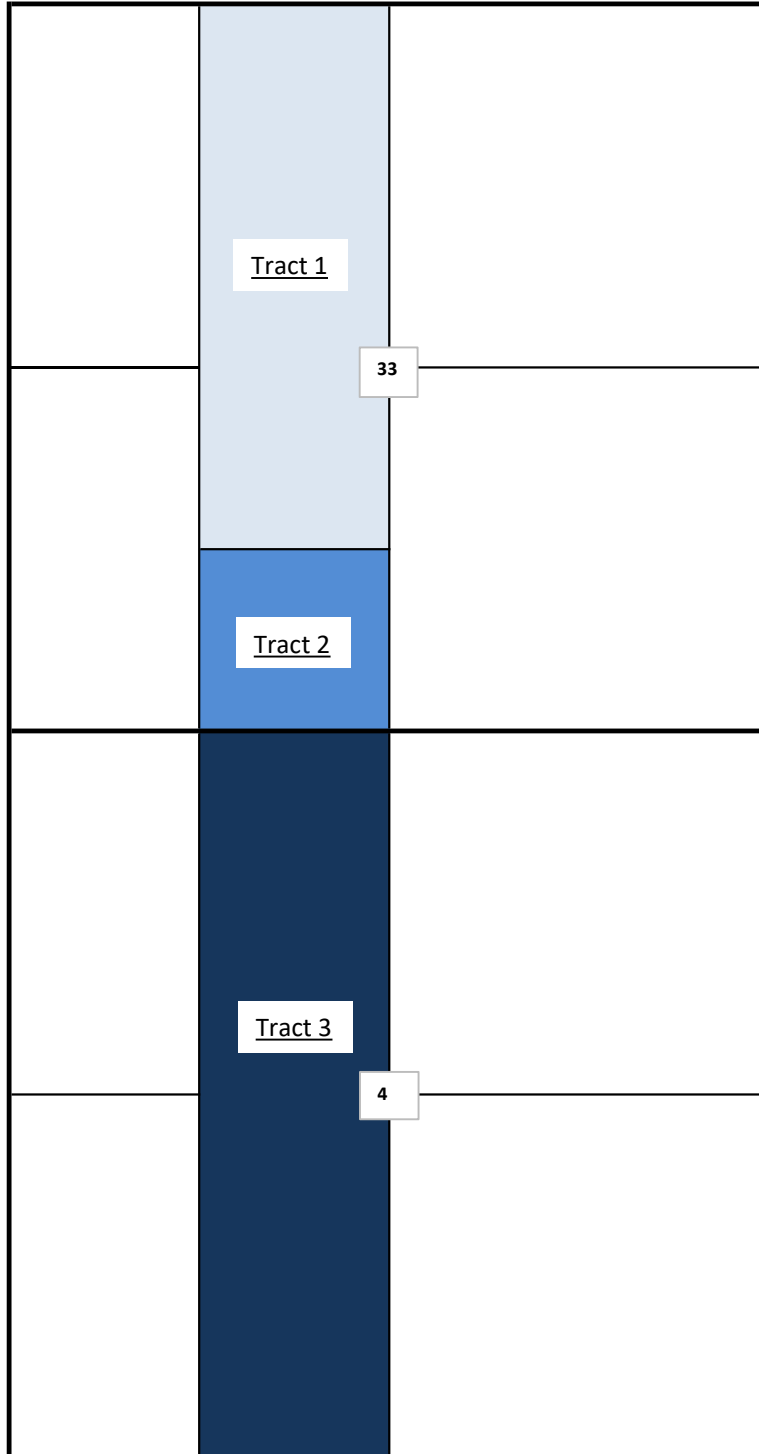


○ Drill Line Events    ● Section Corners    — Drill Line    ⇨ Dimension Lines    🏠 Federal Leases    □ Project Area  
 All bearings and coordinates refer to New Mexico State Plane Coordinate System, East Zone, U.S. Survey Feet.

JOB No. BTA\_0015\_CP21  
 REV 0 REM 11/20/2024

Distances/areas relative to NAD 83 grid measurements. Combined Scale Factor: 0.99981955 and a Convergence Angle: 0.50466944°

**319.48 Acre Spacing Unit for the Capitan 22301 33-4 State Com #23H Well  
Covering the E/2 W/2 of Section 33, T-16-S, R-36-E, N.M.P.M., and Lot 3, SE/4  
NW/4, E/2 SW/4 of Section 4, T-17-S, R-36-E, N.M.P.M., Lea County, New Mexico**



**BTA Oil Producers, LLC  
Case No. 25004  
Exhibit A-3**

Capitan 22301 33-4 State Com #23H Unit Recapitulation

<b>Tract 1</b>	<b>Leasehold Owner</b>	<b>WI</b>	<b>120 Acres</b>
Fee	BTA Oil Producers, LLC	85.4167%	102.5000
E/2 NW/4, NE/4 SW/4	Broughton Petroleum Inc.	5.6250%	6.7500
Section 33, T16S, R36E,	Slash Exploration LP	5.6250%	6.7500
Lea County, New Mexico	Hay Family Trust dated 06/24/2005	3.3333%	4.0000
<b>Tract 2</b>	<b>Leasehold Owner</b>	<b>WI</b>	<b>40 Acres</b>
State of New Mexico OGL VC-1174	BTA Oil Producers, LLC	100.0000%	40.0000
SE/4 SW/4 Section 33, T16S, R36E,			
Lea County, New Mexico			
<b>Tract 3</b>	<b>Leasehold Owner</b>	<b>WI</b>	<b>159.48 Acres</b>
State of New Mexico OGL VC-1150	BTA Oil Producers, LLC	100.0000%	159.4800
Lot 3, SE/4 NW/4, E/2 SW/4 Section 4,			
T17S, R36E,			
Lea County, New Mexico			
<b>Recapitulation</b>	<b>Leasehold Owner</b>	<b>WI</b>	<b>319.48 Acres</b>
<b>Capitan 22301 33-4 State Com #23H</b>	BTA Oil Producers, LLC	94.522349%	301.9800
	Broughton Petroleum Inc.	2.112808%	6.7500
	Slash Exploration LP	2.112808%	6.7500
	Hay Family Trust dated 06/24/2005	1.252035%	4.0000
<b>Total</b>		<b>100.0000%</b>	<b>319.4800</b>



### BTA OIL PRODUCERS, LLC

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

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

ASHLEY BEAL LAFEVERS  
ALEX BEAL  
HILL DAVENPORT  
TREY FUQUA  
ADAMS DAVENPORT  
MICHAEL BEAL

October 30, 2024

Broughton Petroleum Inc.  
Attn: Land Department  
1225 N Loop W., Suite #1055  
Houston, Texas 77008

In re: **Capitan 22301 33-4 State Com #23H Well Proposal**  
E2W2 of Sections 33, Township 16 South, Range 36 East and  
E2W2 of Sections 4, Township 17 South, Range 36 East  
Lea County, New Mexico

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BTA 22301 Cypress – Tr. XVI, XXIX, XXVII

To whom it may concern:

BTA Oil Producers, LLC (“BTA”), as operator, hereby proposes to drill and complete the Capitan 22301 33-4 State Com #23H (“Well”), at the approximate location detailed below:

**1. Capitan 22301 33-4 State Com #23H**

SHL: 300’ FNL & 1,020’ FWL (or at a legal location within unit letter D) of Section 33  
FTP: 100’ FNL & 1,650’ FWL of Section 33  
LTP: 100’ FSL & 1,650’ FWL of Section 4  
BHL: 50’ FSL & 1,650’ FWL of Section 4  
Target Interval: Pennsylvanian Shale Formation  
Total Vertical Depth (“TVD”): ~11,607’; Measured Depth (“MD”): ~22,162’  
Spacing Unit: E2W2 of Sections 33, Township 16 South, Range 36 East and  
Lot 3, SE/4 NW/4, E/2 SW/4 of Sections 4, Township 17 South, Range 36 East  
Pool: WC025 G09 S173615C; Upper Penn Pool (Code 98333)  
Initial Well: Capitan 22301 33-4 State Com #23H

The location, Target Interval, TVD and MD are approximate and subject to change dependent on surface or subsurface issues encountered. BTA is proposing to drill and complete this well under the modified terms of a 610-2015 AAPL Operating Agreement (“Operating Agreement”). A form of said Operating Agreement is enclosed.

Enclosed is a copy of our Authorization for Expenditure (“AFE”) for the drilling and completion of the Well. Please indicate your election whether or not to participate in the drilling and completion in the space provided on the next page and in the space provided on the AFE. Please return to the undersigned one executed copy of this letter, one executed copy of the enclosed AFE and your well information requirements.

**BTA Oil Producers, LLC**  
**Case No. 25004**  
**Exhibit A-4**



Page 2

As stated in the enclosed AFE, if you elect to participate, your interest will automatically be covered by the Operator's well control insurance unless and until you: (1) indicate on the enclosed AFE that you will purchase your own well control policy; and (2) promptly provide a valid and current insurance certificate from your insurance carrier in compliance with Operator's minimum insurance requirements.

In the interest of time, should we not receive your election within thirty (30) days of the date of your receipt of this letter, BTA will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed wells. If you do not wish to participate, BTA would be interested in acquiring your interest in the subject lands.

Thank you for your time and consideration. If you have any questions, please don't hesitate to contact me by phone at 432.553.5049 or by email at [adavenport@btaoil.com](mailto:adavenport@btaoil.com).

Sincerely,



Adams B. Davenport  
Landman

*[Elections on Next Page]*

Page 3

**Capitan 22301 33-4 State Com #23H Election**

<b>Well Election</b> <i>(Please indicate your elections in the spaces below)</i>		
<b>Well(s)</b>	<b>Election to Participate</b>	<b>Elect to <u>NOT</u> Participate</b>
Capitan 22301 33-4 State Com #23H		

**Broughton Petroleum Inc.**

\_\_\_\_\_  
By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**BTA OIL PRODUCERS  
WELL COST ESTIMATE & AUTHORITY FOR EXPENDITURE**

Well Name: Capitan 22301 33-4 State Com #23H (PSCN) Total Depth: ~11,607' TVD  
 Location: SHL: 300 FNL 1020 FWL Sec 33 16S 36E ~22,162' MD  
 FTP: 100 FNL 1650 FWL Sec 33 16S 36E  
 LTP: 100 FSL 1650 FWL Sec 4 17S 36E  
 BHL: 50 FSL 1650 FWL Sec 4 17S 36E  
 Lea County, NM Formation: Penn Shale  
 Date Prepared: 10/28/2024

CODE	DESCRIPTION	Prepared By:			TOTAL COSTS
		NGE Drilling	TW Completion	NS Facilities	
<b>INTANGIBLE COSTS</b>					
2203	LOGS	8,000	20,000		28,000
2204	CORES				
2205	DST				
<b>LOCATION &amp; ACCESS</b>					
2211	SURVEY & STAKE	5,000			5,000
2212	DAMAGES	50,000			50,000
2213	ROAD & LOCATION	85,000	30,000		115,000
2214	OTHER LOCATION	130,000			130,000
<b>DRILLING RIG</b>					
2223	MOBILIZATION	150,000			150,000
2225	DAYWORK	854,000			854,000
2226	FOOTAGE				
227	TURNKEY				
<b>DRILLING SUPPLIES</b>					
2232	BITS	55,000			55,000
2233	BHA	65,000	65,000		130,000
2234	FUEL	227,360			227,360
2236	OTHER SUPPLIES				
<b>MUD RELATED</b>					
2241	MUD PURCHASE	115,000			115,000
2242	MUD RENTAL				
2244	FRESH WATER	55,000	800,000		855,000
2245	BRINE	35,000			35,000
2246	SOLIDS CONTROL	35,420			35,420
2247	MUD MONITOR	28,000			28,000
2249	MUD RELATED OTHER	55,000			55,000
<b>DRILLING SERVICES</b>					
2252	BOP RELATED	15,000			15,000
2253	CASING RELATED	95,000			95,000
2254	WELDING	12,000		25,000	37,000
2255	TRUCKING	35,000	55,000	12,500	102,500
2256	RENTAL EQUIP.	75,000	400,000	15,000	490,000
2257	OTHER SERVICES	445,625			445,625
<b>CEMENT</b>					
2261	CASING CEMENTING	135,000			135,000
2262	OTHER CEMENTING	110,000	120,000		230,000
<b>CONTRACT SERVICES</b>					
2266	ENGINEERING	8,000			8,000
2267	GEOLOGICAL	22,000			22,000
2268	ROUSTABOUT	6,000		25,000	31,000
2269	WELLSITE SUPERVISION	109,200	90,000	15,000	214,200
2270	OTHER CONTRACT SERV.	25,000		2,500	27,500
<b>COMPLETION SERVICES</b>					
2272	PULLING UNIT		20,000		20,000
2273	DRILLING RIG				
2276	PERFORATE		320,000		320,000
2277	STIMULATION		2,900,000		2,900,000
2278	OTHER COMPL. SERV.		160,000		160,000
<b>OVERHEAD</b>					
2280	DRLG & ADMIN.	10,000			10,000
<b>TOTAL INTANGIBLE COSTS</b>		<b>\$ 3,055,605</b>	<b>\$ 4,980,000</b>	<b>\$ 95,000</b>	<b>\$ 8,130,605</b>
<b>TANGIBLE COSTS</b>					
<b>TUBULARS</b>					
2311	SURFACE CASING	115,000			115,000
2312	INTERMEDIATE CSG	200,000			200,000
2313	DRLG LINER & HANGER	280,000			280,000
2314	PRODUCTION CSG	575,000			575,000
2315	PROD LINER & HNGR				
2316	OTHER TUBULARS				
<b>WELL EQUIPMENT</b>					
2321	WELL HEAD	65,000	85,000		150,000
2322	FLOWLINE			185,000	185,000
2325	TUBING		90,000		90,000
2326	RODS				
2327	PUMPS				
2328	PUMPING UNIT				
2329	SUBSURFACE EQUIP		35,000		35,000
2331	OTHER WELL EQUIP	120,000	3,000		123,000
<b>LEASE EQUIPMENT</b>					
2361	TANKS				
2362	SEPARATORS			45,000	45,000
2363	HEATER TREATER				
2364	PUMPS				
2365	ELECTRICAL SYSTEM			35,000	35,000
2366	METERS			50,000	50,000
2367	CONNECTORS			55,000	55,000
2368	LACT EQUIP				
2369	OTHER LEASE EQUIP			27,500	27,500
<b>SUBTOTAL - TANGIBLES</b>		<b>1,355,000</b>	<b>213,000</b>	<b>397,500</b>	<b>1,965,500</b>
<b>SYSTEMS</b>					
2353	GAS LINE TANGIBLES				
2353	GAS LINE INTANGIBLES				
2381	COMPRESSOR				
2382	GAS PLANT TANGIBLES				
2382	GAS PLANT INTANGIBLES				
2384	DEHYDRATOR				
<b>SUBTOTAL - SYSTEMS</b>					
<b>TOTAL TANGIBLE COSTS</b>		<b>1,355,000</b>	<b>213,000</b>	<b>397,500</b>	<b>\$ 1,965,500</b>
<b>GENERAL CONTINGENCIES</b>		<b>264,636</b>	<b>311,580</b>	<b>29,550</b>	<b>605,766</b>
<b>TOTALS BY PHASE</b>		<b>\$ 4,675,241</b>	<b>\$ 5,504,580</b>	<b>\$ 522,050</b>	<b>\$ 10,701,871</b>
<b>CUMULATIVE WELL COSTS</b>		<b>\$ 4,675,241</b>	<b>\$ 10,179,821</b>	<b>\$ 10,701,871</b>	

**EXTRA EXPENSE INSURANCE**

I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium.  
Operator's Extra Expense Insurance shall cover costs of well control, clean up and redrilling.

I elect to purchase my own well control insurance policy and shall promptly provide a valid and current insurance certificate from my insurance carrier in compliance with Operator's minimum insurance requirements.

If neither box is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance.

Initial Routing Date: \_\_\_\_\_  
 NE RTW BMM SB, CR, LJV, RMD, SEB, BBJ  
 Land Approval Block:  
 APPROVED BY: \_\_\_\_\_  
 COMPANY: \_\_\_\_\_  
 DATE: \_\_\_\_\_

**CHRONOLOGY OF CONTACT**  
Capitan 22301 33-4 State Com #23H

**Slash Exploration LP**

- 10/30/2024 Emailed the well proposal, joint operating agreement and communitization agreement to Kevin Klein. Mr. Klein confirmed receipt and requested additional information.
- 10/31/2024 Provided Mr. Klein with requested additional information. Mr. Klein confirmed receipt.
- 12/3/2024 Sent email to Mr. Klein to follow up on well proposal.
- 12/11/2024 Sent email to Mr. Klein to follow up on well proposal.
- 12/18/2024 Received email from Mr. Klein indicating that he was hoping to have feedback soon. Confirmed receipt.
- 01/06/2025 Sent email to Mr. Klein to follow up on well proposal.

**Hay Family Trust dated 06/24/2005**

- 03/14/2023 Looked up E. L. Mainor on Accurint. Called listed phone number with no answer.
- 03/15/2023 Looked up Norman Hay, Jr. on Accurint. Called listed phone number with no answer. No voicemail option available.
- 03/27/2023 Called Louise Hay at two possible phone numbers – no answer and no call back. Called and left message for Christine Goldstein (daughter of Norman and Louise Hay) - no call back. Called Brandt Goldstein (Christine’s husband) – answered and said he would have Christine call back.
- 04/19/2023 Called Brandt Goldstein. Explained that BTA is interested in leasing his wife’s family’s minerals. Mr. Goldstein said he would talk to his wife and have her call.
- 04/28/2023 Spoke with Christine Goldstein. She said that her family is interested in leasing. She is getting in contact with their attorney to work through Trust Agreement.
- 05/01/2023 Left a message with Ms. Goldstein to discuss leasing.
- 05/04/2023 Spoke with Christine Goldstein. Her attorney has advised her that because of Louise’s health, Louise cannot execute a lease on behalf of the Trust or appoint

anyone as her successor trustee. That being said, per the Trust Agreement, Frost Bank of Texas is appointed as successor trustee.

- 10/25/2024 Called and left a voicemail for Christine Goldstein expressing BTA's interest in leasing the Trust's interest. Received no call back.
- 10/29/2024 Called and left a voicemail for Christine Goldstein expressing BTA's interest in leasing the Trust's interest. Received no call back.
- 10/30/2024 Sent via Fedex (Tracking No. 7769 3291 6190) the well proposal to the Hay Family Trust dated 06/24/2005 at 5901 Mount Rockwood Circle, Waco, Texas 76710.
- 11/04/2024 Well proposal packet was received at 5901 Mount Rockwood Circle, Waco, Texas 76710. No response was received by 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. 25004

SELF-AFFIRMED STATEMENT  
OF J.T. TRUONG

1. I am a geologist at BTA Oil Producers, LLC (“BTA”). I am over 18 years of age, 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 geology were accepted and made a matter of record.

1. I am familiar with the geological matters that pertain to the above-referenced case.

2. **Exhibit B-1** is a project location map that shows the location of the proposed **Capitan 22301 33-4 State Com #23H** well (“Well”).

3. BTA is targeting the Pennsylvanian Shale Formation. **Exhibit B-2** is a subsea structure map that I prepared for this interval with 100-foot contours. The proposed horizontal well spacing unit is highlighted in red and the initial well is depicted with a black dashed line. Existing producing wells in the Pennsylvanian Shale Formation interval are represented by solid orange lines. The structure map shows the Top of Strawn Formation. The structure 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.

4. **Exhibit B-2** also shows a cross-section line in blue running North to South reflecting three wells penetrating the Pennsylvanian Shale Formation that I used to construct a

stratigraphic cross-section from A to A'. These wells contain good logs and I consider them representative of the geology in the subject area.

5. **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 initial target interval is labeled and marked. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing unit.

6. **Exhibit B-4** is a Gross Isopach map of the Pennsylvanian Shale Formation interval. The proposed horizontal well spacing unit is highlighted in red and the initial well is depicted with a black dashed line. Existing producing wells in the Pennsylvanian Shale Formation are represented by solid orange lines. The anticipated gross thickness of the Pennsylvanian Shale Formation interval is 375 to 425 ft. The gross isopach map demonstrates that the Pennsylvanian Shale Formation interval is present across the proposed spacing unit. The location of the previous cross-section from A-A' in Exhibit B-2 is also shown as a blue line on this map.


7. In my opinion, a stand-up orientation for the well is appropriate to properly develop the subject acreage because of an established directional pattern and the known fracture orientation in this portion of the trend. Stand-up orientation is also supported by a study of the production of stand-up vs laydown orientation in the area, with stand-up well results being significantly better.

8. Based on my geologic study, the Pennsylvanian Shale 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.

9. 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.

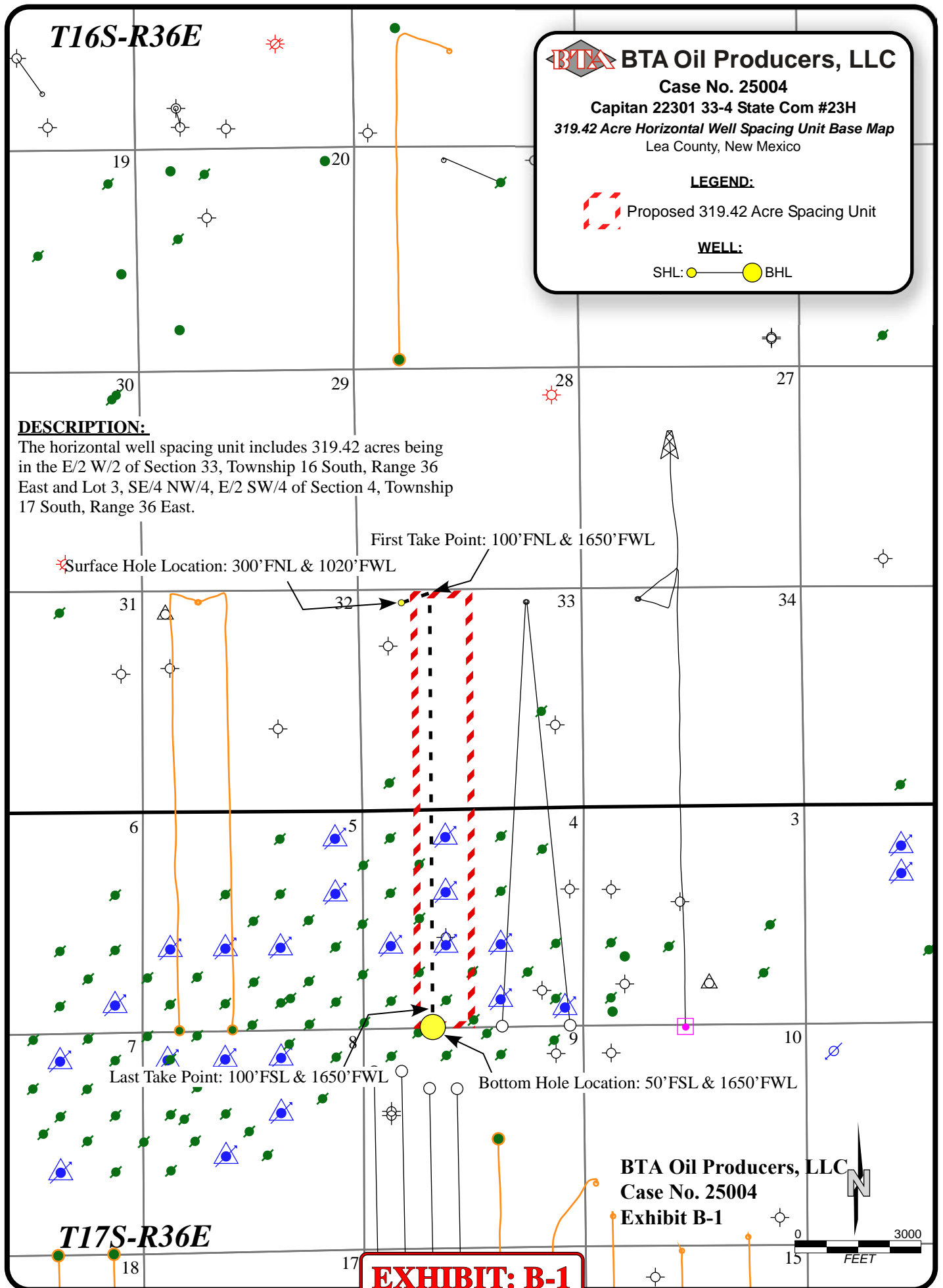
10. The exhibits attached hereto were either prepared by me or under my supervision or were compiled from company business records.

11. 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.

  
\_\_\_\_\_  
J.T. Truong

12/9/24  
\_\_\_\_\_  
Date





T16S-R36E

**BTA** BTA Oil Producers, LLC

Case No. 25004

Capitan 22301 33-4 State Com #23H

319.42 Acre Horizontal Well Spacing Unit Base Map

Lea County, New Mexico

**LEGEND:**

Proposed 319.42 Acre Spacing Unit

**WELL:**

SHL: BHL:

**DESCRIPTION:**

The horizontal well spacing unit includes 319.42 acres being in the E/2 W/2 of Section 33, Township 16 South, Range 36 East and Lot 3, SE/4 NW/4, E/2 SW/4 of Section 4, Township 17 South, Range 36 East.

First Take Point: 100' FNL & 1650' FWL

Surface Hole Location: 300' FNL & 1020' FWL

Last Take Point: 100' FSL & 1650' FWL

Bottom Hole Location: 50' FSL & 1650' FWL

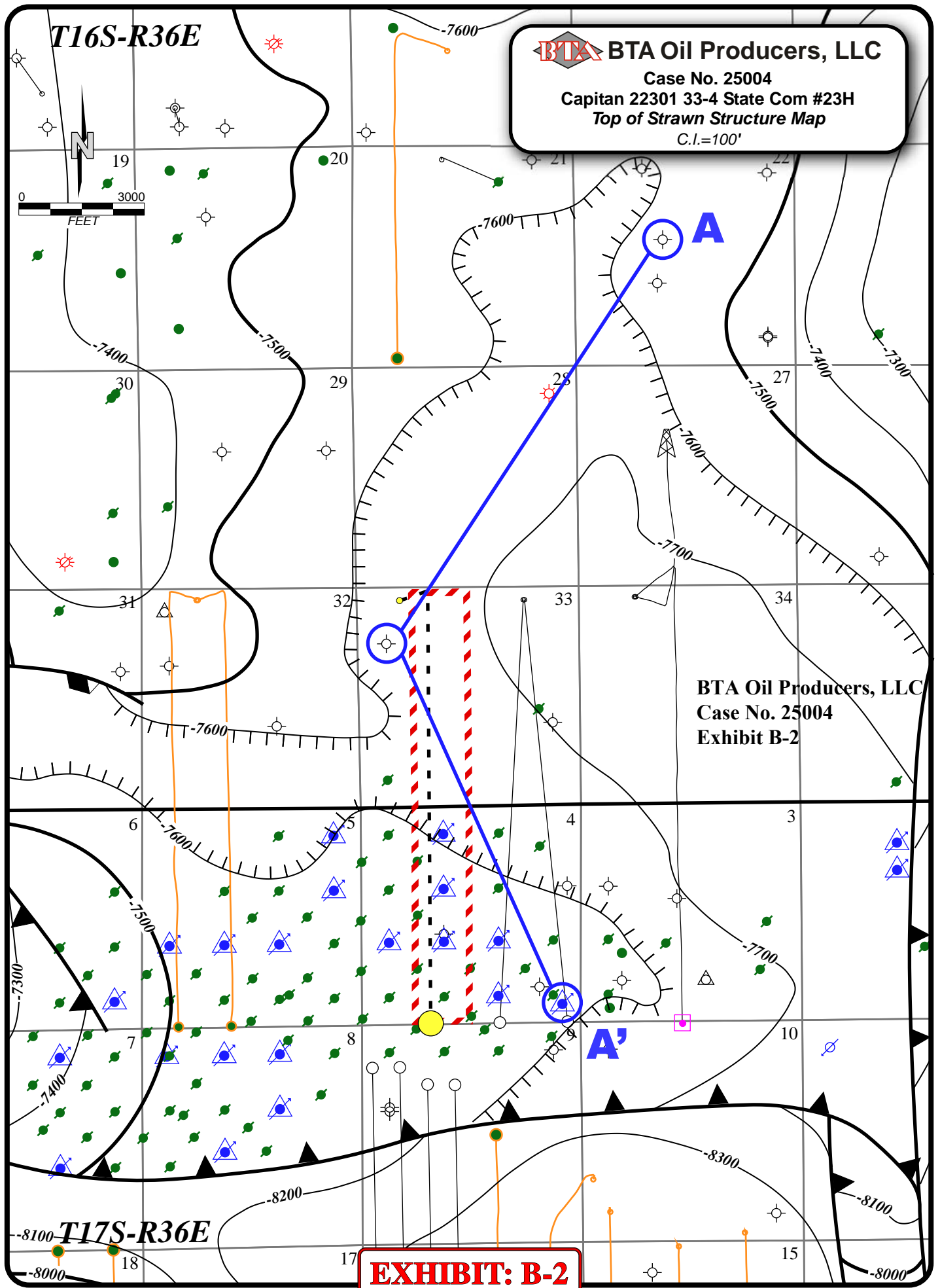
BTA Oil Producers, LLC

Case No. 25004

Exhibit B-1

T17S-R36E

**EXHIBIT: B-1**



# BTA Oil Producers, LLC

Case No. 25004  
Capitan 22301 33-4 State Com #23H  
Stratigraphic Cross Section

BTA Oil Producers, LLC  
Case No. 25004  
Exhibit B-3

# A

# A'

Chesapeake Operating Inc.  
Teague 22 #1  
Sec. 22, T16S-R36E  
2272'FNL & 2125'FWL

David Arrington  
Irresistible #1  
Sec. 33, T16S-R36E  
1351'FNL & 696'FWL

Texland Petroleum-Hobbs, LLC  
OPL 4 State #1  
Sec. 4, T17S-R36E  
440'FSL & 440'FEL

*Penn Shale*

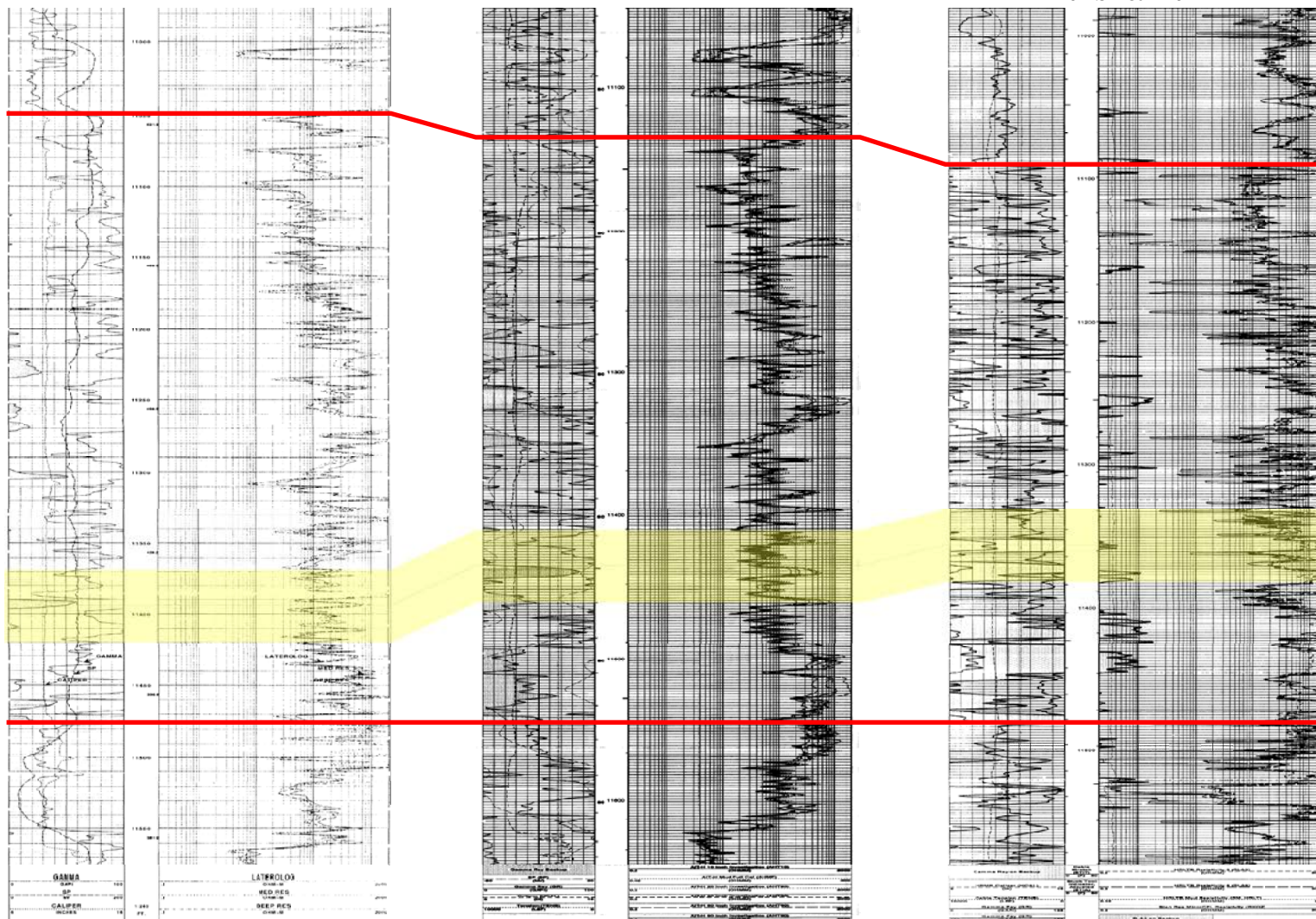
*Penn Shale*

Target Zone

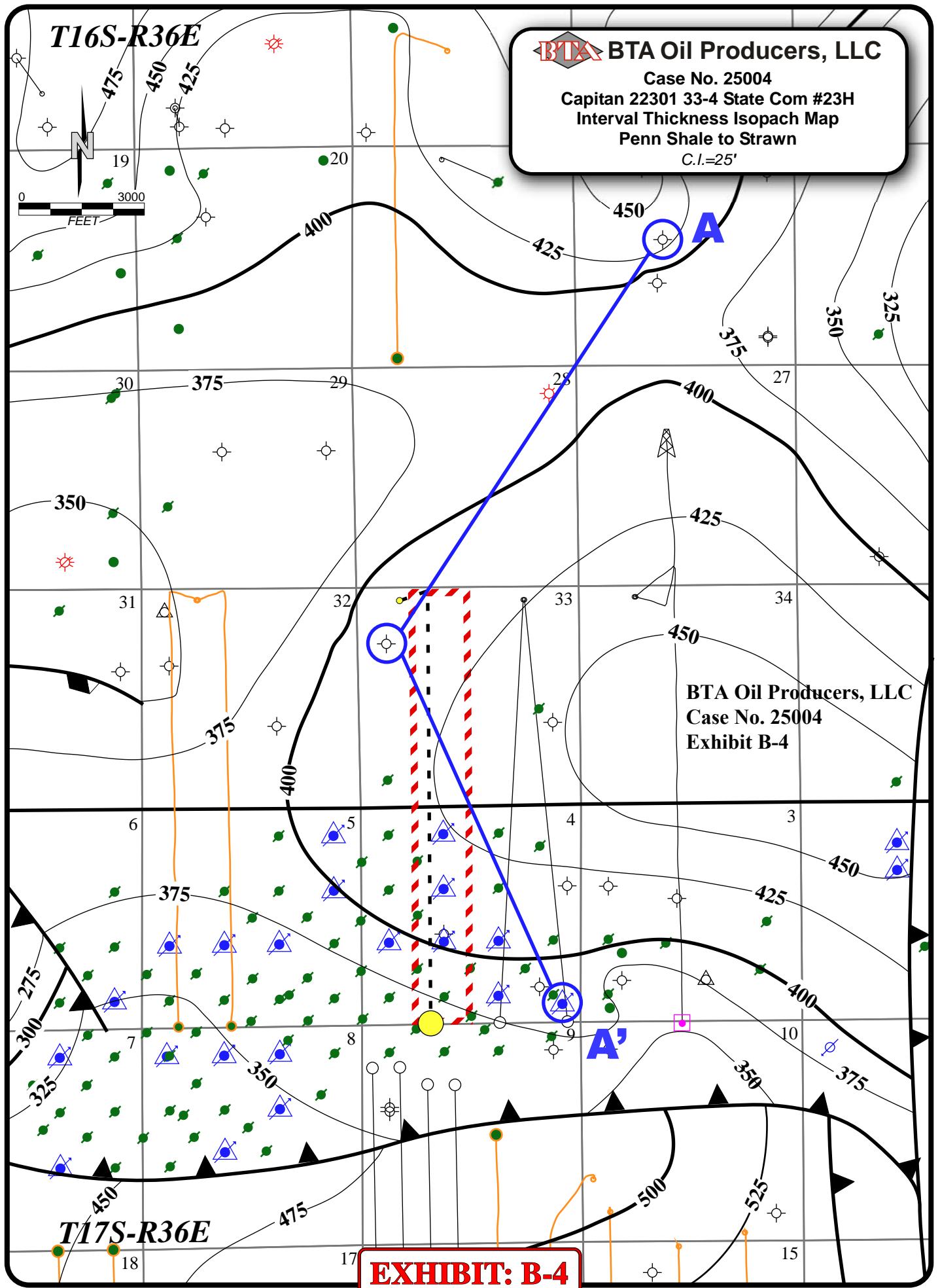
Target Zone

*Strawn*

*Strawn*



## EXHIBIT: B-3



**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. 25004**

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

1. I am attorney in fact and authorized representative of BTA Oil Producers, LLC, the Applicant herein.
2. I am familiar with the Notice Letter attached as **Exhibit C-1**, and caused the Notice Letter, 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. On December 11, 2024, I caused a notice to be published 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-4**.
6. I understand this Self-Affirmed Statement will be used as written testimony in the subject 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.

/s/ Dana S. Hardy  
Dana S. Hardy

December 26, 2024  
Date

**BTA Oil Producers, LLC  
Case No. 25004  
Exhibit C**



hinklelawfirm.com

# 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

December 9, 2024

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO ALL PARTIES ENTITLED TO NOTICE**

**Re: Case No. 25004 – Application of BTA Energy Producers, LLC for Compulsory Pooling, 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 **January 9, 2025**, beginning at 9:00 a.m.

The hearing will be conducted 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 Hearings website: <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 (<https://wwwapps.emnrd.nm.gov/ocd/ocdpermitting/>) or via e-mail to [ocd.hearings@emnrd.nm.gov](mailto: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.

If you have any questions about this application, please contact Adams Davenport at BTA Oil Producers, LLC, via e-mail at [adavenport@btaoil.com](mailto:adavenport@btaoil.com) or by telephone at (432) 682-3753.

Sincerely,

*/s/ Dana S. Hardy* \_\_\_\_\_

Dana S. Hardy

**BTA Oil Producers, LLC**  
**Case No. 25004**  
**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

**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. 25004**

**POOLED PARTIES NOTICE LETTER CHART**

<b>PARTY</b>	<b>NOTICE LETTER SENT</b>	<b>RETURN RECEIVED</b>
Kevin Klien Slash Exploration PO Box 1973 Roswell, NM 88202-1973	12/09/2024 9589071052702305985867	USPS Tracking 12-26-2024: Item delivered 12-16-2024.
Bill Foran Broughton Petroleum Inc. 1225 N. Loop W, Ste. #1005 Houston, TX 77008	12/09/2024 9589071052702305985843	12-19-2024
Norman J. Hay, Jr. & Louise Hay, Co-Trustees of the Hay Family Trust dated 06/24/2005 5413 Lakecrest Dr. Waco, TX 76710	12/11/2024 9589071052702305986802	USPS Tracking 12-26-2024: Delivery attempt.

**BTA Oil Producers, LLC  
Case No. 25004  
Exhibit C-2**

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
*Domestic Mail Only*

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

OFFICIAL

SANTA FE, NM 87501  
DEC 09 2024  
USPS

Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$

Return Receipt (electronic) \$

Certified Mail Restricted Delivery \$

Adult Signature Required \$

Adult Signature Restricted Delivery \$


Postage \$

**Total Postage and Fees \$**

Sent To  
Street or PO Box  
City, State ZIP+4®

Bill Foran  
Broughton Petroleum Inc.  
1225 N. Loop W, Ste. #1005  
Houston, TX 77008  
25004 BTA Capitan 23H

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>X <i>Justin Hinkle</i></p> <p>B. Received by (Printed Name) _____</p> <p>C. Date of Delivery <u>12/16/24</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below: _____</p> <p style="text-align: center; font-size: 2em; opacity: 0.5;">RECEIVED</p> <p style="text-align: center; font-size: 1.5em; opacity: 0.5;">DEC 19 2024</p>
<p>1. Article Addressed to:</p> <p>Bill Foran Broughton Petroleum Inc. 1225 N. Loop W, Ste. #1005 Houston, TX 77008 25004 BTA - Capitan 23H</p>  <p>9590 9402 9190 4225 2350 42</p>	<p>3. Service Type <u>Hinkle Shanor LLC</u> <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature <u>Santa Fe NM 87501</u> <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Mail <input type="checkbox"/> Mail Restricted Delivery (over \$500)</p>
<p>2. Article Number (Transfer from service label)</p> <p><b>9589 0710 5270 2305 9858 43</b></p>	
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

**BTA Oil Producers, LLC**  
**Case No. 25004**  
**Exhibit C-3**



9589 0710 5270 2305 9858 67

<b>U.S. Postal Service™</b>	
<b>CERTIFIED MAIL® RECEIPT</b>	
<i>Domestic Mail Only</i>	
For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a> .	
<b>OFFICIAL USE</b>	
Certified Mail Fee	
\$	
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy) \$	
<input type="checkbox"/> Return Receipt (electronic) \$	
<input type="checkbox"/> Certified Mail Restricted Delivery \$	
<input type="checkbox"/> Adult Signature Required \$	
<input type="checkbox"/> Adult Signature Restricted Delivery \$	
Postage	
\$	
<b>Total Postage and Fees</b>	
\$	
Sent To	Kevin Klien
Street and	Slash Exploration
City, State,	PO Box 1973
	Roswell, NM 88202-1973
	25004 BTA Capitan 23H
PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions	

ALERT: CANADA POST ADVISES THAT THE STRIKE BY ITS EMPLOYEES HAS ENDED. HOWEV...

# USPS Tracking<sup>®</sup>

FAQs >

Tracking Number:

Remove X

## 9589071052702305985867

Copy

Add to Informed Delivery (<https://informedelivery.usps.com/>)

### Latest Update

Your item was picked up at the post office at 10:21 am on December 16, 2024 in ROSWELL, NM 88201.

Get More Out of USPS Tracking:

**USPS Tracking Plus<sup>®</sup>**

Feedback

### Delivered

**Delivered, Individual Picked Up at Post Office**

ROSWELL, NM 88201

December 16, 2024, 10:21 am

### Available for Pickup

ROSWELL

415 N PENNSYLVANIA AVE

ROSWELL NM 88201-9998

M-F 0830-1700; SAT 0900-1200

December 13, 2024, 11:26 am

### Departed USPS Regional Facility

LUBBOCK TX DISTRIBUTION CENTER

December 12, 2024, 9:48 pm

### Arrived at USPS Regional Facility

LUBBOCK TX DISTRIBUTION CENTER

December 12, 2024, 6:22 am

### In Transit to Next Facility

9589 0710 5270 2305 9868 02

U.S. Postal Service™  
**CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

**OFFICIAL USE**

Certified Mail Fee	
\$	
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/>	Return Receipt (hardcopy) \$ _____
<input type="checkbox"/>	Return Receipt (electronic) \$ _____
<input type="checkbox"/>	Certified Mail Restricted Delivery \$ _____
<input type="checkbox"/>	Adult Signature Required \$ _____
<input type="checkbox"/>	Adult Signature Restricted Delivery \$ _____



Postage	
\$	
<b>Total Postage and Fees</b>	
\$	

Sent To	
Norman J. Hay, Jr. & Louise Hay, Co-Trustees of the Hay Family Trust dated 06/24/2005	
5413 Lakecrest Dr	
City:	Waco, TX 76710 25004 BTA - Captain 23H

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

ALERT: CANADA POST ADVISES THAT THE STRIKE BY ITS EMPLOYEES HAS ENDED. HOWEV...

# USPS Tracking<sup>®</sup>

FAQs >

Tracking Number:

Remove X

## 9589071052702305986802

Copy

Add to Informed Delivery (<https://informedelivery.usps.com/>)

### Latest Update

This is a reminder to arrange for redelivery of your item or your item will be returned to sender.

Get More Out of USPS Tracking:

**USPS Tracking Plus<sup>®</sup>**

Feedback

### Delivery Attempt

**Reminder to Schedule Redelivery of your item**

December 19, 2024

### Available for Pickup

WACO TX S&DC  
430 W STATE HIGHWAY 6  
WACO TX 76702-9300  
December 16, 2024, 7:56 am

### Notice Left (No Authorized Recipient Available)

WACO, TX 76710  
December 14, 2024, 2:18 pm

### Departed USPS Regional Facility

FORT WORTH TX DISTRIBUTION CENTER  
December 14, 2024, 12:31 am

### Arrived at USPS Regional Facility

FORT WORTH TX DISTRIBUTION CENTER

# 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  
December 11, 2024  
and ending with the issue dated  
December 11, 2024.



Publisher

Sworn and subscribed to before me this  
11th day of December 2024.



Business Manager

My commission expires  
January 29, 2027

(Seal)

STATE OF NEW MEXICO  
NOTARY PUBLIC  
GUSSIE RUTH BLACK  
COMMISSION # 1087528  
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**  
**December 11, 2024**

This is to notify all interested parties, including Broughton Petroleum Inc.; Slash Exploration; Norman L. Hay, Jr. and Louise Hay, Co-Trustees of the Hay Family Trust dated 06/24/2005; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by BTA Oil Producers, LLC (Case Number 25004). The hearing will be conducted on January 9, 2025, 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 Hearings website**: <https://www.emnrd.nm.gov/ocd/hearing-info/>. BTA Oil Producers, LLC ("Applicant") seeks an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 319.42-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Section 33, Township 16 South, Range 36 East, and Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 4, Township 17 South, Range 36 East, Lea County, New Mexico ("Unit"). Applicant seeks to dedicate the Unit to the **Capitan 22301 33-4 State Com #23H** well ("Well"), which will produce from a first take point in the NE/4 NW/4 (Unit C) of Section 33, Township 16 South, to a last take point in the SE/4 SW/4 (Unit N) of Section 4, Township 17 South. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 2 miles south of Lovington, New Mexico.  
**#00296762**

02107475

00296762

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

**BTA Oil Producers, LLC**  
**Case No. 25004**  
**Exhibit C-4**