

**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. 23481**

**EXHIBIT INDEX**

Compulsory Pooling Checklist

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A-1	Application & Proposed Notice of Hearing
A-2	C-102
A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties
A-4	Sample Well Proposal Letter & AFE
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of David Childers
B-1	Project Location Map of the Capitan 22301 28-33 State Com #9H well
B-2	Subsea Structure Map, Cross-Section Line
B-3	Stratigraphic Cross-Section
B-4	Gross Isopach Map
Exhibit C	Self-Affirmed Statement of Dana S. Hardy
C-1	Sample Notice Letter to All Interested Parties
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C-4	Affidavit of Publication from April 14, 2023

# COMPULSORY POOLING APPLICATION CHECKLIST

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

<b>Case: 23481</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>May 4, 2023</b>
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:	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:	WC025 G09 S173615C; Upper Penn Pool (Code 98333)
Well Location Setback Rules:	Statewide
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres
Building Blocks:	quarter-quarter
Orientation:	North/South
Description: TRS/County	W/2 W/2 of Section 28 and the W/2 W/2 of Section 33, Township 16 South, Range 36 East, Lea County.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and 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 28-33 State Com #9H (API # ---) SHL: 250' FNL & 1300' FWL (Unit D), Section 28, T16S, R36E BHL: 50' FSL & 660' FWL (Unit M), Section 33, T16S, R36E Completion Target: Pennsylvanian Shale (Approx. 11,427' TVD)
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 \$	\$12,000.00
Production Supervision/Month \$	\$1,200.00
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)	Exhibit C-1, Exhibit C-2, Exhibit 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-3
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
Gross Isopach Map	Exhibit B-4
<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>	

Printed Name (Attorney or Party Representative):	Dana S. Hardy	<i>Received by QCD: 5/2/2023 4:09:26 PM</i>	<i>Page 4 of 33</i>
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy		
Date:			5/2/2023

**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. 23481**

**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 not previously testified before the New Mexico Oil Conservation Division (“Division”).

2. I have a Bachelors of Science in Energy Management from The University of Tulsa and 4 years of experience in the petroleum industry. Prior to graduation, I worked the summers of 2017 and 2018 as a Landman Intern with Hilcorp Energy Company. In May 2019, I began working full time in a land capacity for Hilcorp Energy Company. In April 2022, I was hired by BTA as a Landman. I maintain active memberships with the American Association of Professional Landmen and the Permian Basin Landman Association.

3. 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**.

4. 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.

5. BTA seeks an order pooling all uncommitted mineral interests in the Pennsylvanian Shale formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised

**BTA Oil Producers, LLC  
Case No. 23481  
Exhibit A**

of the W/2 W/2 of Section 28 and the W/2 W/2 of Section 33, Township 16 South, Range 36 East, Lea County, New Mexico (“Unit”).

6. The Unit will be dedicated to the **Capitan 22301 28-33 State Com #9H** well (“Well”), which will be completed in the Upper Penn Pool (Code 98333). The Well will be horizontally drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 28 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 33.

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

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

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.

11. **Exhibit A-4** contains a sample well proposal letter and AFE sent to working interest owners for 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.

12. In my opinion, BTA made a good-faith effort to reach voluntary joinder of uncommitted interests in the Well as indicated by the chronology of contact described in **Exhibit A-5**.

13. 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.

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

15. 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.

16. 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

04/28/2023  
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. 23481**

**APPLICATION**

Pursuant to NMSA 1978, § 70-2-17, BTA Oil Producers, LLC (OGRID No. 260297) (“BTA” or “Applicant”) applies for an order 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 Section 28 and the W/2 W/2 of Section 33, Township 16 South, Range 36 East, Lea County, New Mexico (“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 **Capitan 22301 28-33 State Com #9H** well (“Well”), to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 28 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 33.
3. The completed interval of the Well will be orthodox.
4. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well 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.

**BTA Oil Producers, LLC  
Case No. 23481  
Exhibit A-1**

6. 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 the operator of the Well and Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 4, 2023, 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 Well in the Unit;
- C. Designating Applicant as operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the Well;
- E. 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
- F. Imposing a 200% penalty 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

Yarithza Peña

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

dhardy@hinklelawfirm.com  
jmclean@hinklelawfirm.com  
ypena@hinklelawfirm.com  
*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 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Section 28 and the W/2 W/2 of Section 33, Township 16 South, Range 36 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the **Capitan 22301 28-33 State Com #9H** well ("Well"), to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 28 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 33. 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 cost, 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.

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 III  
1000 Rio Brazos 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

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

WELL LOCATION AND ACERAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code 98333		<sup>3</sup> Pool Name WC025 G09 S173615C; UPPER PENN	
<sup>4</sup> Property Code		<sup>5</sup> Property Name CAPITAN 22301 28-33 STATE COM			<sup>6</sup> Well Number 9H
<sup>7</sup> OGRID No. 260297		<sup>8</sup> Operator Name BTA OIL PRODUCERS, LLC			<sup>9</sup> Elevation 3904'

<sup>10</sup> Surface Location

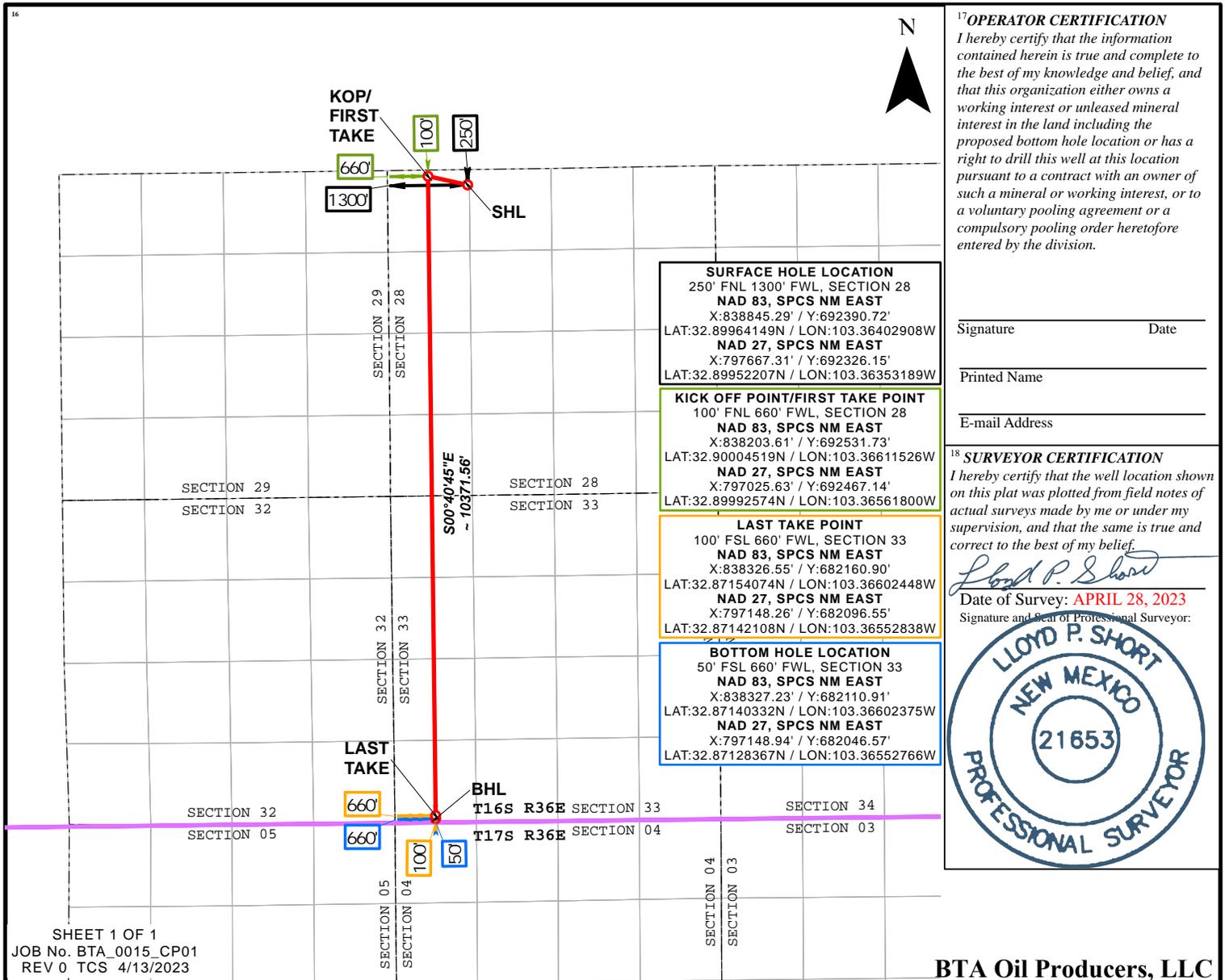
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	28	16S	36E		250	North	1300	West	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	33	16S	36E		50	South	660	West	LEA

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.



<sup>17</sup> OPERATOR CERTIFICATION  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and 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 such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature \_\_\_\_\_ Date \_\_\_\_\_  
Printed Name \_\_\_\_\_  
E-mail Address \_\_\_\_\_

<sup>18</sup> SURVEYOR CERTIFICATION  
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.

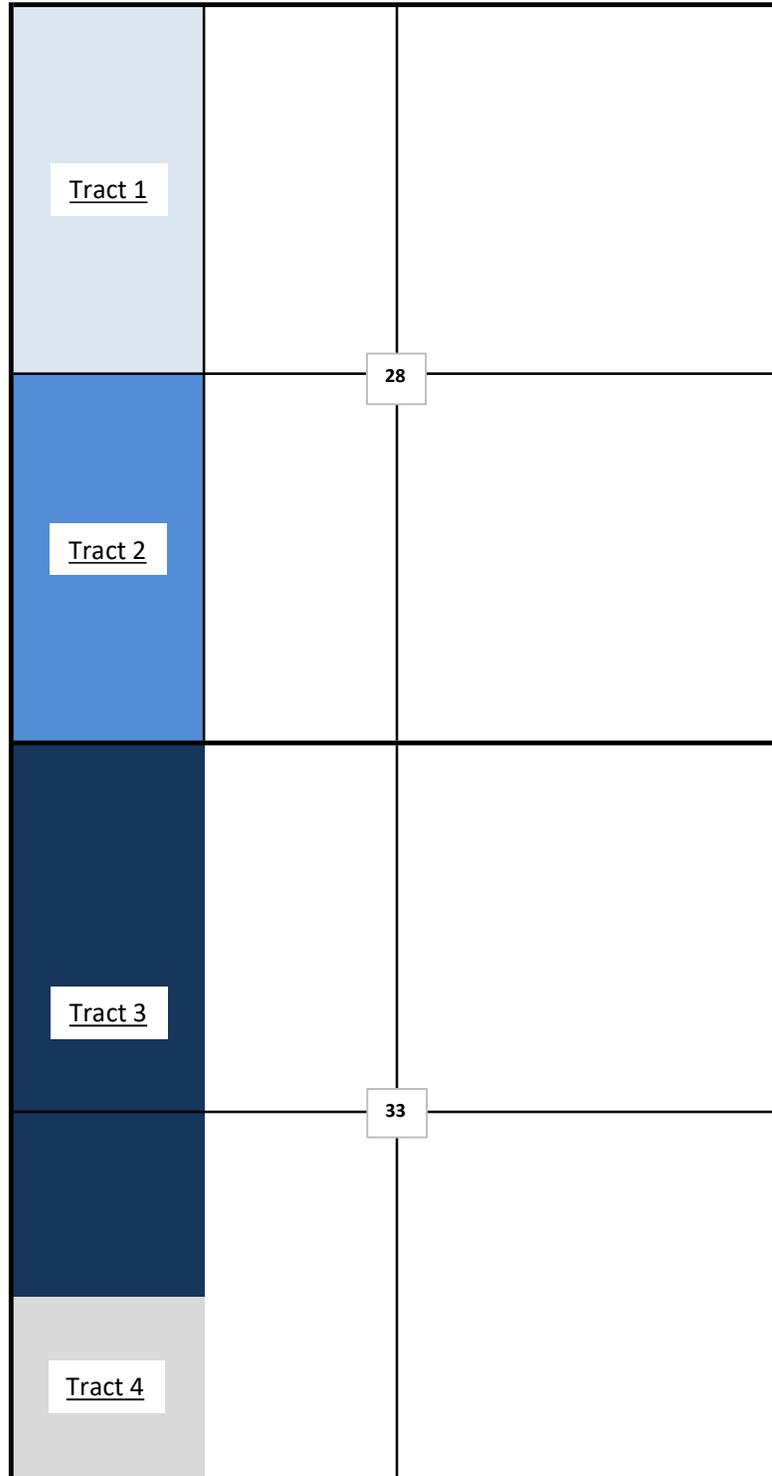
*Lloyd P. Short*  
Date of Survey: APRIL 28, 2023  
Signature and Seal of Professional Surveyor: \_\_\_\_\_

**LOYD P. SHORT**  
NEW MEXICO  
21653  
PROFESSIONAL SURVEYOR

SHEET 1 OF 1  
JOB No. BTA\_0015\_CP01  
REV 0 TCS 4/13/2023

BTA Oil Producers, LLC  
Case No. 23481  
Exhibit A-2

**320 Acre Spacing Unit for the Capitan 22301 28-33 State Com #9H Well  
Covering the W/2 W/2 of Section 28 and W/2 W/2 of Section 33,  
T-16-S, R-36-E, N.M.P.M., Lea County, New Mexico**



**BTA Oil Producers, LLC  
Case No. 23481  
Exhibit A-3**

**Capitan 22301 28-33 State Com #9H Unit Recapitulation**

<b>Tract 1</b>	<b>Leasehold Owner</b>	<b>WI</b>	<b>80 Acres</b>
State of New Mexico OGL A0-1320 W/2 NW/4 Section 28, T16S, R36E, Lea County, New Mexico	XTO Holdings, LLC	100.0000%	80.0000
<b>Tract 2</b>	<b>Leasehold Owner</b>	<b>WI</b>	<b>80 Acres</b>
State of New Mexico OGL VC-0806 W/2 SW/4 Section 28, T16S, R36E, Lea County, New Mexico	BTA Oil Producers, LLC	100.0000%	80.0000
<b>Tract 3</b>	<b>Leasehold Owner</b>	<b>WI</b>	<b>120 Acres</b>
Fee W/2 NW/4, NW/4 SW/4 Section 33, T16S, R36E, Lea County, New Mexico	BTA Oil Producers, LLC Broughton Petroleum Inc. Hay Family Trust dated 06/24/2005	85.4167% 11.2500% 3.3333%	102.5000 13.5000 4.0000
<b>Tract 4</b>	<b>Leasehold Owner</b>	<b>WI</b>	<b>40 Acres</b>
State of New Mexico OGL B0-2894 SW/4 SW/4 Section 33, T16S, R36E, Lea County, New Mexico	XTO Holdings, LLC	100.0000%	40.0000
<b>Recapitulation</b>	<b>Leasehold Owner</b>	<b>WI</b>	<b>320 Acres</b>
<b>Capitan 22301 28-33 State Com #9H</b>	BTA Oil Producers, LLC XTO Holdings, LLC Broughton Petroleum Inc. Hay Family Trust dated 06/24/2005	57.0313% 37.5000% 4.2188% 1.2500%	182.5000 120.0000 13.5000 4.0000
<b>Total</b>		<b>100.0000%</b>	<b>320.0000</b>

\*Parties to be pooled are highlighted in yellow.



**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 17<sup>TH</sup> STREET, STE. 2230 SOUTH  
DENVER, COLORADO 80202  
303-534-4404 FAX 303-534-4661

CARLTON BEAL, JR.  
BARRY BEAL  
SPENCER BEAL  
KELLY BEAL  
BARRY BEAL, JR.  
STUART BEAL  
ROBERT DAVENPORT, JR.  
ASHLEY BEAL LAFEVERS  
ALEX BEAL  
HILL DAVENPORT  
TREY FUQUA

February 16, 2023

In re: Well Proposal  
Capitan 22301 28-33 State Com #9H  
SHL: 250' FNL & 1,300' FWL Section 28, T16S, R36E  
BHL: 50' FSL & 660' FWL Section 33, T16S, R36E  
Lea County, New Mexico

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BTA 22300 Arbor 2

XTO Holdings, LLC  
Attn: Bryan J. Cifuentes  
22777 Springwoods Village Parkway  
Spring, Texas 77389-1425

Mr. Cifuentes:

BTA Oil Producers, LLC (“BTA”) proposes to drill the Capitan 22301 28-33 State Com #9H (the “Well”), a horizontal, communitized, Pennsylvanian Shale Well with a TVD of 11,427' and a MD of 21,540'. The Well will be drilled as a two mile horizontal well at the above captioned location (the “Operation”). The Cumulative Well Costs of the Operation are estimated to be \$13,976,471.00 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;
- \$8,000.00 / \$800.00 drilling and producing rates;
- Contract Area of 320 acres, being the W2 W2 of Section 28, T16S-R36E and W2 W2 of Section 33, T16S, R36E, limited to the Pennsylvanian Shale formation; and
- BTA Oil Producers, LLC named as Operator.

Find enclosed two (2) copies of our AFE for the drilling of the Capitan 22301 28-33 State Com #9H 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. 23481**  
**Exhibit A-4**

Page 2

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  
Business Development

\_\_\_\_\_ Elect to Participate in the Capitan 22301 28-33 State Com #9H Well  
(Send well information requirements to BTA)

\_\_\_\_\_ Elect to not to participate in the Capitan 22301 28-33 State Com #9H Well

XTO Holdings, LLC

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

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

Well Name: Capitan 22301 28-33 State Com #09H (PSDM)  
 Location: SHL: 250 FNL & 1300 FWL sec 28, T16S-36E  
 BHL: 50 FSL & 660 FWL sec 33, T16S-36E

Total Depth: 11,427' TVD  
 21,540' MD

Lea County, NM

Formation: Penn Shale

Date Prepared: 2/16/2023

		Prepared By:			
		NE	NE	TW	TOTAL COSTS
		DRY	CASED HOLE	COMPLETION	
CODE	FORMATION EVALUATION	\$	\$	\$	\$
<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		100,000	185,000
2214	Other Location	160,000			160,000
<b>DRILLING RIG</b>					
2223	Mobilization	205,000			205,000
2225	Daywork	971,500	134,000		1,105,500
2226	Footage				
2227	Turnkey				
<b>DRILLING SUPPLIES</b>					
2232	Bits	115,000			115,000
2233	BHA	55,000		65,000	120,000
2234	Fuel	326,250	45,000		371,250
2236	Other Supplies				
<b>MUD RELATED</b>					
2241	Mud Purchase	155,000	5,000		160,000
2242	Mud Rental				
2244	Fresh Water	55,000	1,000	700,000	756,000
2245	Brine	45,000			45,000
2246	Solids Control (Closed Loop)	43,500	6,000		49,500
2247	Mud Monitor	28,000			28,000
2249	Mud Related Other	8,000			8,000
<b>DRILLING SERVICES</b>					
2252	BOP Related	15,000	4,000		19,000
2253	Casing Related	38,000	95,000		133,000
2254	Welding	8,000	2,000	15,000	25,000
2255	Trucking	22,500	10,000	70,000	102,500
2256	Rental Equipment	82,000	8,000	400,000	490,000
2257	Other Services (Direction/GR Services)	391,500			391,500
<b>CEMENT</b>					
2261	Casing Cementing	115,000	185,000		300,000
2262	Other Cementing			150,000	150,000
<b>CONTRACT SERVICES</b>					
2266	Engineering	8,000			8,000
2267	Geological	22,000			22,000
2268	Roustabout	6,000		80,000	86,000
2269	Wellsite Supervision	107,300	14,800	70,000	192,100
2270	Other Contract Services	25,000			25,000
<b>COMPLETION SERVICES</b>					
2272	Pulling Unit			20,000	20,000
2273	Drilling Rig				
2276	Perforate			364,000	364,000
2277	Stimulation			3,840,000	3,840,000
2278	Other Compl. Services			220,000	220,000
<b>OVERHEAD</b>					
2280	Drilling & Administrative	10,000		10,000	20,000
<b>TOTAL INTANGIBLE COSTS</b>		<b>\$ 3,165,550</b>	<b>\$ 509,800</b>	<b>\$ 6,124,000</b>	<b>\$ 9,799,350</b>
<b>TANGIBLE COSTS</b>					
<b>TUBULARS</b>					
2311	Surface Casing (13 3/8" @ 2125')	201,000			201,000
2312	Intermediate Casing (9 5/8" @ 4,650')	390,000			390,000
2313	Drig Liner & Hanger (7-5/8" 4600' - 11100')	440,000			440,000
2314	Production Casing (5-1/2" x 5" @ TD)		915,000		915,000
2315	Production Liner & Hanger				
2316	Other Tubulars				
<b>WELL EQUIPMENT</b>					
2321	Well Head	25,000	27,000	85,000	137,000
2322	Flowline			225,000	225,000
2325	Tubing			135,000	135,000
2326	Rods				
2327	Pumps				
2328	Pumping Unit				
2329	Subsurface Equipment			35,000	35,000
2331	Other Well Equipment	115,000	25,000	3,000	143,000
<b>LEASE EQUIPMENT</b>					
2361	Tanks			150,000	150,000
2362	Separators			90,000	90,000
2363	Heater Treater			25,000	25,000
2364	Pumps			10,000	10,000
2365	Electrical System			150,000	150,000
2366	Meters			35,000	35,000
2367	Connectors			150,000	150,000
2368	Lact Equipment			55,000	55,000
2369	Other Lease Equipment			100,000	100,000
<b>SUBTOTAL - TANGIBLES</b>		<b>1,171,000</b>	<b>967,000</b>	<b>1,248,000</b>	<b>3,386,000</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>\$ 1,171,000</b>	<b>\$ 967,000</b>	<b>\$ 1,248,000</b>	<b>\$ 3,386,000</b>
<b>GENERAL CONTINGENCIES</b>		<b>260,193</b>	<b>88,608</b>	<b>442,320</b>	<b>791,121</b>
<b>TOTALS BY PHASE</b>		<b>\$ 4,596,743</b>	<b>\$ 1,565,408</b>	<b>\$ 7,814,320</b>	<b>\$ 13,976,471</b>
<b>CUMULATIVE WELL COSTS</b>		<b>\$ 4,596,743</b>	<b>\$ 6,162,151</b>	<b>\$ 13,976,471</b>	

Initial Routing Date:

NE RTW BMM SB, CR, LJH, RMD, SEB, BBJ

Land Approval Block:

APPROVED BY: \_\_\_\_\_

COMPANY: \_\_\_\_\_

DATE: \_\_\_\_\_

**CHRONOLOGY OF CONTACT**  
Capitan 22301 28-33 State Com #9H

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

- 08/10/2022 Sent via Certified USPS Mail (Tracking No. 7021 2720 0000 4599 0253) lease offer to the Hay Family Trust dated 06/24/2005 at 5901 Mount Rockwood Circle, Waco, Texas 76710.
- 08/12/2022 E. L. Mainor signed for the packet as Agent of the Hay Family Trust dated 06/24/2005. No response received by BTA.
- 02/16/2023 Sent via Certified USPS Mail (Tracking No. 9214 8969 0099 9790 1822 0200 44) the well proposal/lease offer to the Hay Family Trust dated 06/24/2005 at 5901 Mount Rockwood Circle, Waco, Texas 76710. No response received by BTA.
- 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.

**BTA Oil Producers, LLC**  
**Case No. 23481**  
**Exhibit A-5**

**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. 23481**

**SELF-AFFIRMED STATEMENT  
OF DAVID CHILDERS**

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 Division and my credentials as an expert in geology 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 Capitan 22301 28-33 State Com #09H well.

4. 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. The structure map shows the Pennsylvanian Shale 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.

5. 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.

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

7. 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. The anticipated gross thickness of the Pennsylvanian Shale Formation interval is 370 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-3 is also shown as a blue line on this map.

8. In my opinion, a stand-up orientation for the well is appropriate to properly develop the subject acreage because of an established directional pattern.

9. 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.

10. 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.

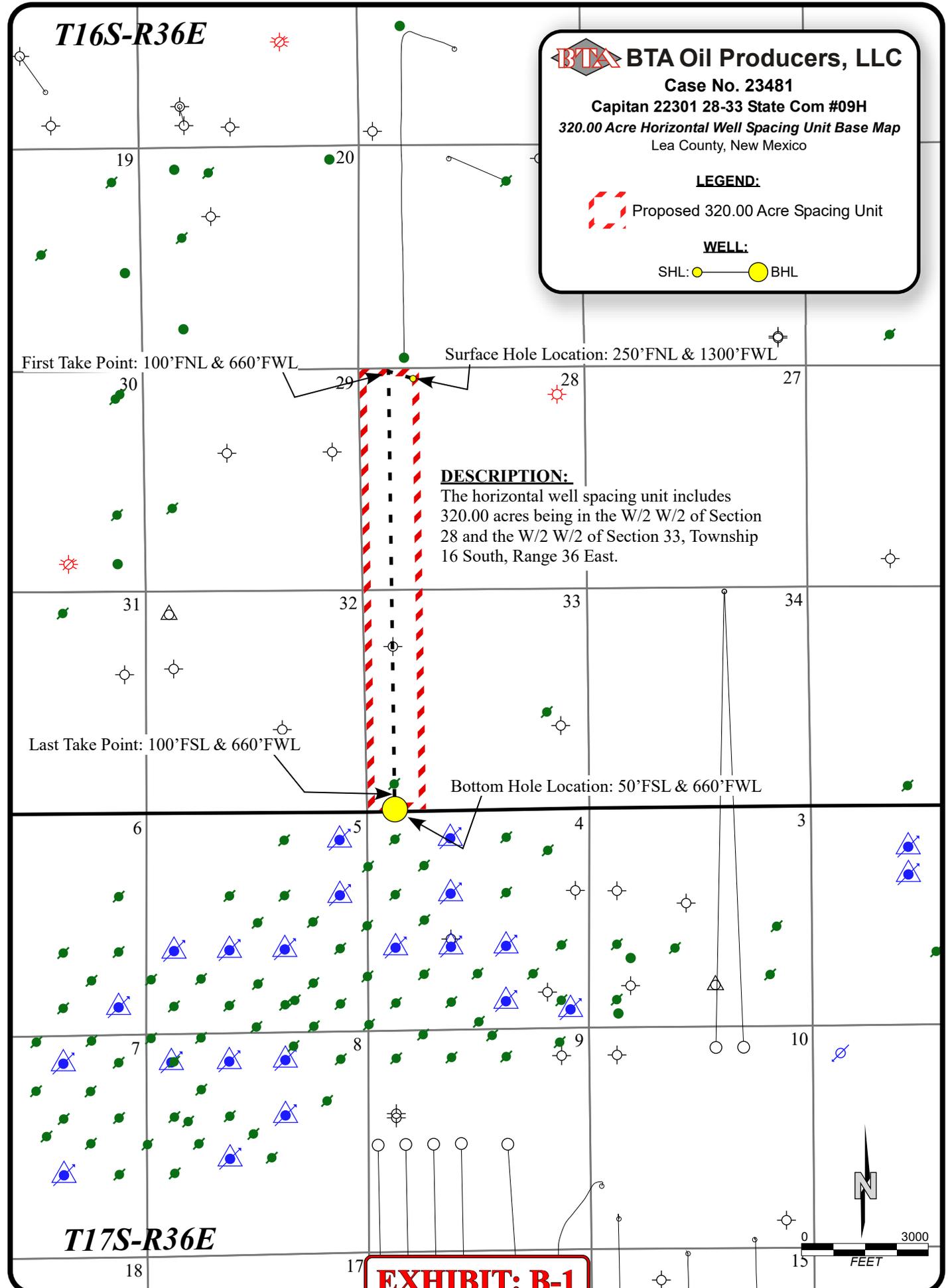
11. The exhibits attached hereto were either prepared by me or under my supervision or were compiled from company business records.

12. 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.

David Childers  
David Childers

4-21-2023  
Date



T16S-R36E

**BTA** BTA Oil Producers, LLC  
 Case No. 23481  
 Capitan 22301 28-33 State Com #09H  
 320.00 Acre Horizontal Well Spacing Unit Base Map  
 Lea County, New Mexico

**LEGEND:**  
 Proposed 320.00 Acre Spacing Unit

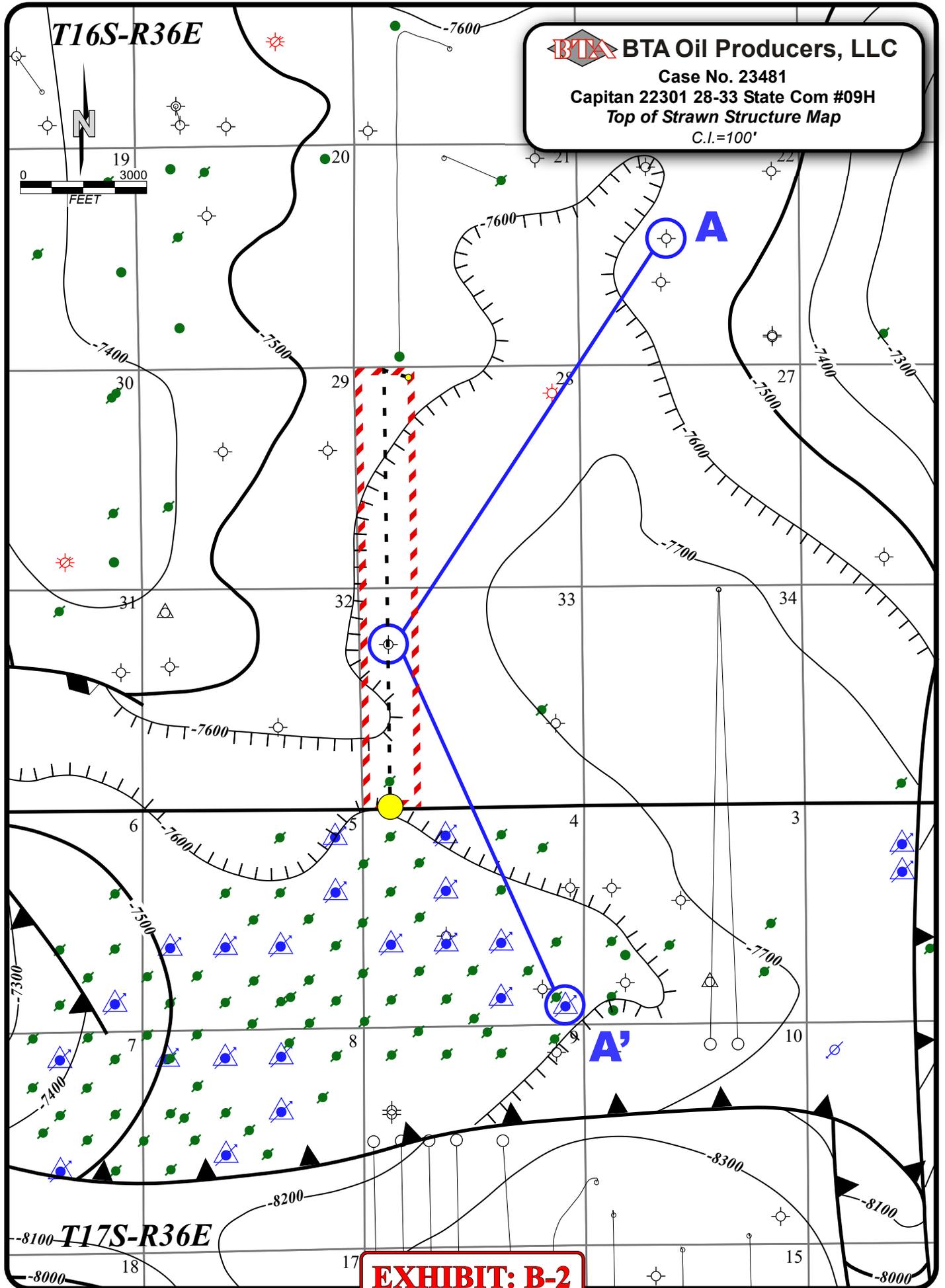
**WELL:**  
 SHL: BHL:

**DESCRIPTION:**  
 The horizontal well spacing unit includes 320.00 acres being in the W/2 W/2 of Section 28 and the W/2 W/2 of Section 33, Township 16 South, Range 36 East.

T17S-R36E

**EXHIBIT: B-1**

May, 2023 - DWC/jhb



# BTA Oil Producers, LLC

Case No. 23481  
Capitan 22301 28-33 State Com #09H  
Stratigraphic Cross Section

# 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*

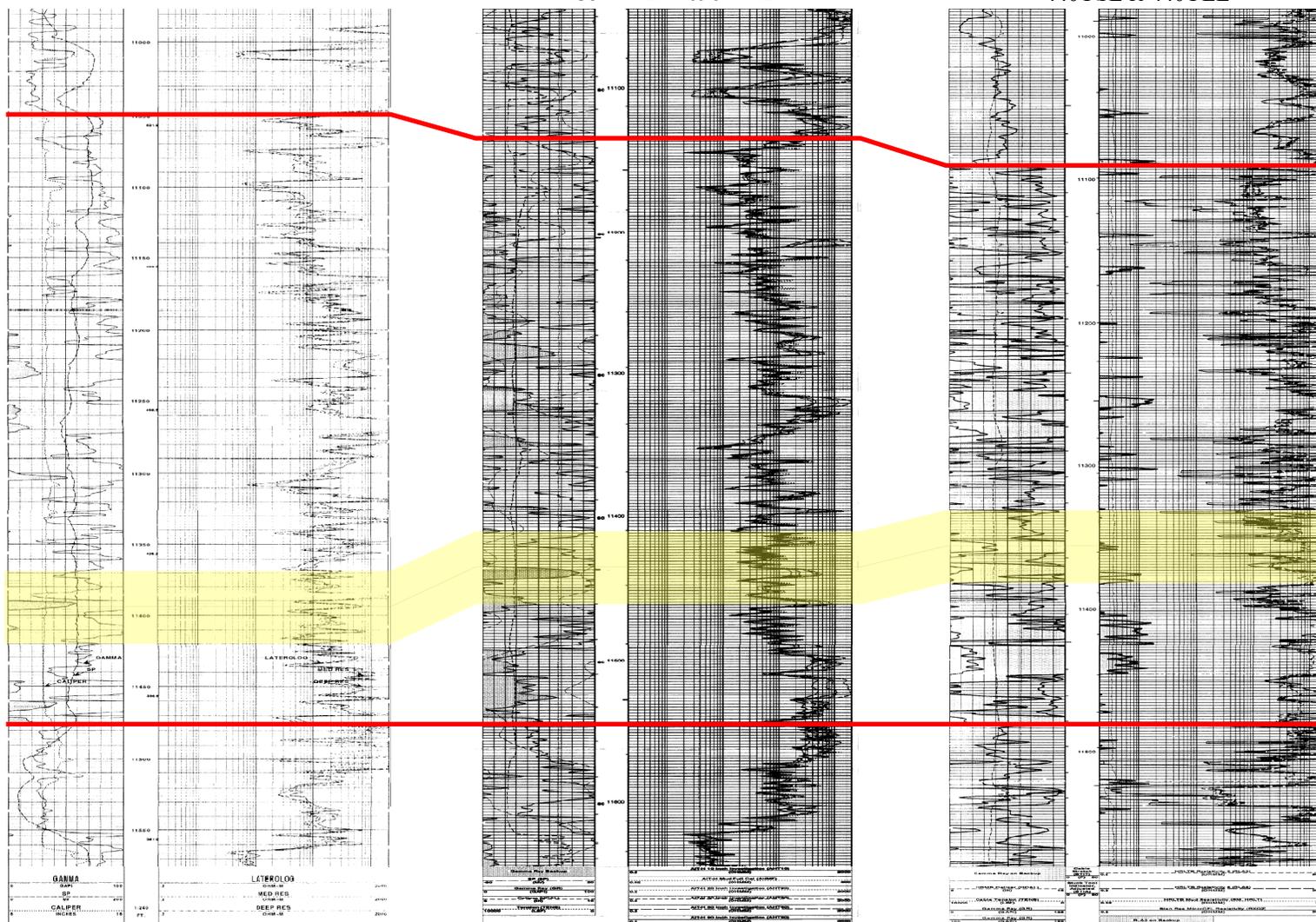
*Penn Shale*

Target Zone

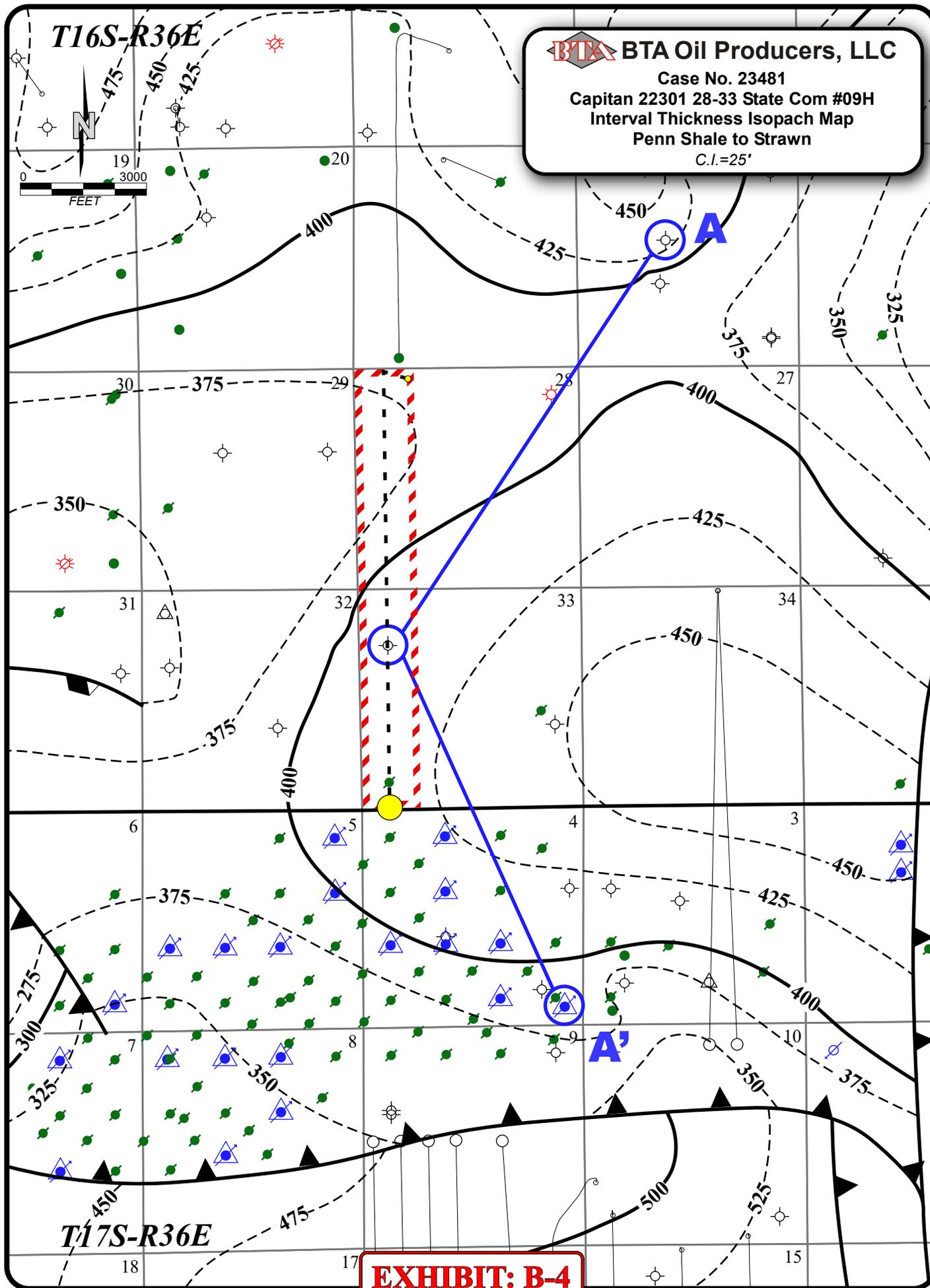
Target Zone

*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. 23481**

**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 April 14, 2023, 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-4**.

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 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

May 2, 2023  
Date

**BTA Oil Producers, LLC  
Case No. 23481  
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

April 12, 2023

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

## TO ALL PARTIES ENTITLED TO NOTICE

**Re: Case No. 23481 – Application of BTA Oil 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 **May 4, 2023** beginning at 8:15 a.m.

Hearings are currently conducted remotely. To participate in the electronic hearing, 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.

Please contact Adams Davenport, at BTA Oil Producers, LLC, by phone at 432-682-3753 if you have questions regarding this matter.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

Enclosure

**BTA Oil Producers, LLC**  
**Case No. 23481**  
**Exhibit C-1**

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. 23481**

**NOTICE LETTER CHART**

<b>PARTY</b>	<b>NOTICE LETTER SENT</b>	<b>RETURN RECEIVED</b>
Larry M. Dean & Patricia G. Dean Trust, UTA dated 09/17/2003 Larry M. Dean & Patricia G. Dean, Co-Trustees 7282 Mossy Oak Drive Navarre, Florida 32566-9000	04/12/23	04/26/23  No signature.
Graham Ranch, LLC Attn: Mike Davis P.O. Box 1117 Lovington, New Mexico 88260	04/12/23	04/27/23
Hay Family Trust dated 06/24/2005 Normal L. Hay, Jr. & Louise Hay, Co-Trustees 5901 Mount Rockwood Circle Waco, Texas 76710	04/12/23	04/17/23
XTO Holdings, LLC Attn: Bryan J. Cifuentes 22777 Springwoods Village Pkwy Spring, Texas 77389-1425	04/12/23	04/26/23  No signature.

**BTA Oil Producers, LLC  
Case No. 23481  
Exhibit C-2**

7022 1670 0002 1183 8479

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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	\$
Total Postage and Fees	\$

Postmark Here

SANTA FE MAIN STATION  
 APR 1 8 2023  
 SANTA FE, NM 87501

From: Larry M. Dean & Patricia G. Dean Trust, UTA dated 09/17/2003  
 To: Larry M. Dean & Patricia G. Dean, Co-Trustees  
 7282 Mossy Oak Drive  
 Navarre, Florida 32566-9000  
 23481 - BTA Capitan

PS Form 3800, April 2015 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 checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p>	
<p>1 Article Addressed to:</p> <p>Larry M. Dean &amp; Patricia G. Dean Trust, UTA dated 09/17/2003          Larry M. Dean &amp; Patricia G. Dean, Co-Trustees          7282 Mossy Oak Drive          Navarre, Florida 32566-9000          23481 - BTA Capitan</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No          If YES, enter delivery address below:</p> <p><b>RECEIVED</b>          APR 26 2023</p>	
<p>2 Article Number (Transfer from service label)</p> <p>7022 1670 0002 1183 8479</p>		<p>3. Service Type <b>Hinkle Shanon LLP Santa Fe NM 87501</b></p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®  <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™  <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery  <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™  <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery  <input type="checkbox"/> Collect on Delivery Restricted Delivery  <input type="checkbox"/> Insured Mail  <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>	
PS Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt	

BTA Oil Producers, LLC  
Case No. 23481  
Exhibit C-3

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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  
\$ \_\_\_\_\_

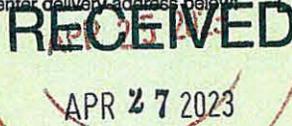
Sent To  
Graham Ranch, LLC  
Attn: Mike Davis  
P.O. Box 1117  
Lovington, New Mexico 88260  
23481 - BTA Capitan

PS Form 3800, April 2015 PSN 7530-02-000-8047 See Reverse for Instructions

7022 1670 0002 1183 8462



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<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><b>A. Signature</b></p> <p><input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p><b>B. Received by (Printed Name)</b> <b>C. Date of Delivery</b></p> <p>Mike Davis APR 27 2023</p> <p><b>D. Is delivery address different from item 1? <input type="checkbox"/> Yes</b> If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p>Graham Ranch, LLC Attn: Mike Davis P.O. Box 1117 Lovington, New Mexico 88260 23481 - BTA Capitan</p> <p>9590 9402 7635 2122 8886 17</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail®</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>
<p>2. Article Number (Transfer from service label)</p> <p>7022 1670-0002 1183 8462</p>	<p><input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery</p>
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt



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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 \$ \_\_\_\_\_

Postmark Here  


Sent To  
 Hay Family Trust dated 06/24/2005  
 Normal L. Hay, Jr. & Louise Hay, Co-Trustees  
 5901 Mount Rockwood Circle  
 Waco, Texas 76710  
 23481 - BTA Capitan

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7022 1670 0002 1183 8455

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><b>A. Signature</b>  <input checked="" type="checkbox"/> Agent  <input checked="" type="checkbox"/> Addressee  <i>X Elaine Hapa</i></p> <p><b>B. Received by (Printed Name)</b>  <i>Elaine Hapa</i></p> <p><b>C. Date of Delivery</b>  <i>4-15-23</i></p> <p><b>D. Is delivery address different from item 1? If YES, enter delivery address below.</b>  <input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p> <p style="text-align: center; font-size: 2em; font-weight: bold; color: blue;">RECEIVED</p> <p style="text-align: center; font-size: 1.5em; font-weight: bold;">APR 17 2023</p> <p style="text-align: center;">Hinkle Shanor LLP        Santa Fe, NM 87504</p>
<p>1. Article Addressed to:</p> <p>Hay Family Trust dated 06/24/2005          Normal L. Hay, Jr. &amp; Louise Hay, Co-Trustees          5901 Mount Rockwood Circle          Waco, Texas 76710          23481 - BTA Capitan</p> <div style="text-align: center;">           9590 9402 7635 2122 8886 00       </div>	<p><b>3. Service Type</b></p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™</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</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>
<p>2. Article Number (Transfer from service label)</p> <p>7022 1670 0002 1183 8455</p>	
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<p>Certified Mail Fee \$ _____</p> <p>Extra Services &amp; Fees (check box, add fee as appropriate)</p> <p><input type="checkbox"/> Return Receipt (hardcopy) \$ _____</p> <p><input type="checkbox"/> Return Receipt (electronic) \$ _____</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery \$ _____</p> <p><input type="checkbox"/> Adult Signature Required \$ _____</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery \$ _____</p> <p>Postage \$ _____</p> <p>Total Postage and Fees \$ _____</p> <p>Sent To XTO Holdings, LLC Attn: Bryan J. Cifuentes 22777 Springwoods Village Pkwy Spring, Texas 77389-1425 23481 - BTA Capitan</p>	<p>Postmark Here</p> 
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PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7022 1670 0002 1183 8585

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>1. Article Addressed to:</p> <p>XTO Holdings, LLC Attn: Bryan J. Cifuentes 22777 Springwoods Village Pkwy Spring, Texas 77389-1425 23481 - BTA Capitan</p>  <p style="text-align: center;">9590 9402 7635 2122 8898 43</p> <p>2. Article Number (Transfer from service label) 7022 1670 0002 1183 8585</p>	<p>A. Signature <b>X</b> <span style="float: right;"><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</span></p> <p>B. Received by (Printed Name) <span style="float: right;">C. Date of Delivery</span></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <div style="text-align: center; border: 2px solid black; padding: 10px; font-size: 1.5em; font-weight: bold;">RECEIVED</div> <p style="text-align: center; font-size: 1.2em;">APR 26 2023</p> <p>3. Service Type Hinkle Shanor LLP <input type="checkbox"/> Priority Mail Express®  <input type="checkbox"/> Adult Signature Santa Fe NM 87504 <input type="checkbox"/> Registered Mail™  <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail Restricted Delivery  <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Signature Confirmation™  <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery  <input type="checkbox"/> Collect on Delivery  <input type="checkbox"/> Collect on Delivery Restricted Delivery  <input type="checkbox"/> Insured Mail  <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

# Affidavit of Publication

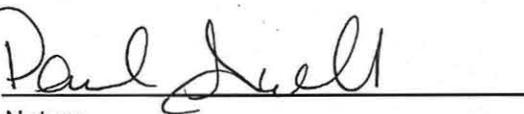
STATE OF NEW MEXICO  
COUNTY OF LEA

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).

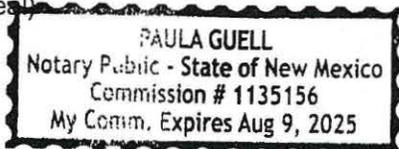
Beginning with the issue dated  
April 14, 2023  
and ending with the issue dated  
April 14, 2023.

  
\_\_\_\_\_  
Publisher

Sworn and subscribed to before me this  
14th day of April 2023.

  
\_\_\_\_\_  
Notary

My commission expires  
August 09, 2025  
(See )



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

**LEGAL NOTICE**  
April 14, 2023

This is to notify all interested parties, including XTO Holdings, LLC; Hay Family Trust dated 06/24/2005, Normal L. Hay, Jr. & Louise Hay, Co-Trustees; Larry M. Dean & Patricia G. Dean Trust, UTA dated 09/17/2003, Larry M. Dean & Patricia G. Dean, Co-Trustees; Graham Ranch, LLC; 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 No. 23481). The hearing will be conducted remotely on May 4, 2023, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website for that date: <https://www.emnrd.nm.gov/ocd/hearing-info/>. Applicant applies for an order 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 Section 28 and the W/2 W/2 of Section 33, Township 16 South, Range 36 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the **Capitan 22301 28-33 State Com #9H** well ("Well"), to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 28 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 33. 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 cost, 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.  
**#00277658**

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

**BTA Oil Producers, LLC**  
**Case No. 23481**  
**Exhibit C-4**