BTA OIL PROD

PARDUE D#1

30-015-26325

1980 FNL, 660 FWL

E-11-T23S-R28E

EDDY CNTY, NM

P&A 5/13/2022



RELEASE AND WAIVER OF LIABILITY AGREEMENT

This Release and Waiver of Liability Agreement (the "Release") is entered into on this day of May 2023 (the "Effective Date") by and between BTA Oil Producers, LLC, a Texas limited liability company, whose address is 104 South Pecos, Midland, Texas 79701 ("BTA"), and Antonio C. Onsurez, and Damian Onsurez as Agent and Attorney-in-Fact for Gloria Onsurez, whose address is PO Box 598, Loving, New Mexico 88256 (collectively "Surface Owners"). BTA and the Surface Owners may be referred to herein individually as a "Party" and collectively as the "Parties".

WHEREAS, BTA is the operator of the Pardue D #1 well, API #: 30-015-26325 (the "Pardue Well");

WHEREAS, Surface Owners are the record title owners of the land consisting of the Northwest Quarter of Section 11, Township 23 South, Range 28 East, NMPM, in Eddy County, New Mexico containing 160 acres of surface land;

WHEREAS, the Pardue Well is located on the property described above owned by Surface Owners, and BTA has plugged and abandoned the Pardue D #1 well;

WHEREAS, the Parties have agreed that, in lieu of BTA remediating the Pardue Well Pad with the Buffer Zone (the "Subject Land") which is further described on Exhibit "A" and Exhibit "A-1", the Surface Owners shall assume the Pardue Well Pad with the Buffer Zone, "as is, and where is" in its present condition and shall forever release BTA from all liability related to its operations impacting the Subject Lands (Pardue Well Pad and Buffer Zone) only, whether now known or not, which occurred before or after the Effective Date, in consideration of BTA's payment to the Surface Owners of the sum of Fifty Thousand and No/100 Dollars (\$50,000.00).

NOW THEREFORE, for good and valuable consideration described above, the sufficiency of which is acknowledged, Surface Owners forever release and discharge, in full, BTA, its officers, employees, partners, agents, contractors, subcontractors and their respective employees from any obligation to remediate the Subject Land as it pertains to the Pardue Well Pad with the Buffer Zone described on Exhibit "A" and Exhibit "A-1", and any and all additional claims, demands, or causes of action caused by or arising from any injuries or damages of whatever kind or character sustained by the Surface Owners on the Subject

Lands/Pardue Well Pad with the Buffer Zone, caused by or arising from the BTA's activities on the Subject Land/Pardue Well Pad with the Buffer Zone, whether now apparent and known to the Surface Owners, or which may later be discovered or develop, as a result of any operations for the production of oil and/or gas on the Subject Land/Pardue Well Pad with the Buffer Zone.

The consideration delivered from BTA to the Surface Owner at the time of this Release is accepted by Surface Owner as full and final settlement, and discharge of all claims of whatever nature, kind, and character which Surface Owner may have against BTA and any of the parties described above for the remediation and reclamation activities on the Pardue Well Pad location with the Buffer Zone.

This Agreement shall be binding upon the Parties and their respective heirs, successors, and assigns and shall inure to the benefit of the Parties and their respective heirs, successors, and assigns.

This Release has been executed by Surface Owner as of the date of the acknowledgment but is effective for all purposes as of the Effective Date.

The remainder of this page has been left blank

BTA:

BTA OIL PRODUCERS, LLC

Name: Alex Beal

Title: Member

STATE OF TEXAS

COUNTY OF MIDLAND

This instrument was acknowledged before me on september, 2013 by Alex Beal., as Member, of BTA Oil Producers, LLC, a Texas limited liability company, on behalf of said company.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the May of September 2023.

Notary Public, State of Texas

My Commission Expires



Received by OCD: 9/8/2023 8:42:55 AM

Surface Owners:

ANTONIO C. ONSUREZ

STATE OF NEW MEXICO COUNTY OF EDDY

This instrument was acknowledged before me on May 18, 2023 by Antonio C. Onsurez, on behalf himself.



Notary Public, State of New Mexico

Damian Offsurez, as Agent and Attorney-in-Fact for **GLORIA ONSUREZ**

By: Block Compare Name: Gloria Onsu

STATE OF NEW MEXICO COUNTY OF EDDY

This instrument was acknowledged before me on May 18, 2023 by Damian Onsurez, as Agent and Attorney-in-Fact for Gloria Onsurez.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 18 day of 102



Exhibit "A-1"

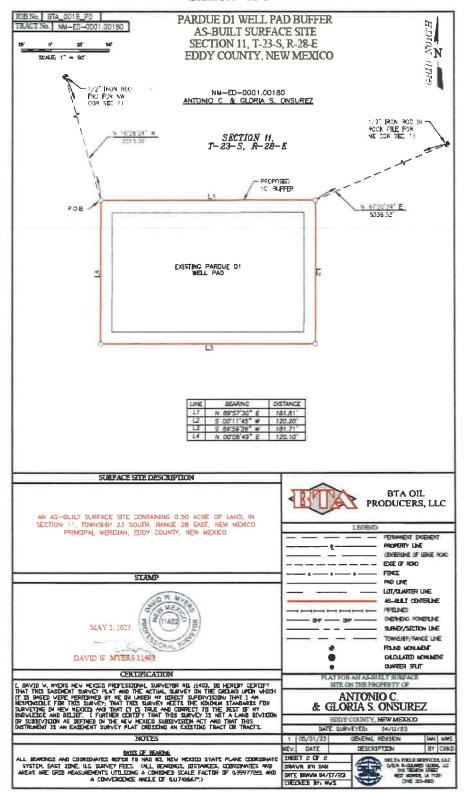


Exhibit "A"

A proposed surface site containing 0.50 acre of land. Said surface site being located in Section 11, Township 23 South, Range 28 East, New Mexico Principal Meridian, Eddy County, New Mexico.

Being more particularly described as follows:

BEGINNING at a point from which a 1/2 inch iron rod found for the Northwest corner of said Section 11 bears N 16°26'24" W a distance of 2,013.09 feet.

THENCE N 89°57'30" E a distance of 181.81 feet to the Northeast corner of this tract from which a 1/2 inch iron rod in a rock pile found for the Northeast corner of said Section 11 bears N 67°20'29" E a distance of 5,036.53 feet, continuing S 00°11'45" W a distance of 120.20 feet to the Southeast corner of this tract, S 89°59'26" W a distance of 181.71 feet to the Southwest corner of this tract, and N 00°08'49" E a distance of 120.10 feet to the PLACE OF BEGINNING.

The total area of the herein described permanent surface site in said Section 11 contains 0.50 acre of land.

All bearings and coordinates refer to NAD 83, New Mexico State Plane Coordinate System, East Zone, U.S. Survey Feet. (All bearings, distances, coordinates and areas are grid measurements utilizing a combined scale factor of 0.99977221 and a convergence angle of 0.11741667°.)

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 Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

DEFINITIONS

Action 263262

DEFINITIONS

Operator:	OGRID:
BTA OIL PRODUCERS, LLC	260297
104 S Pecos	Action Number:
Midland, TX 79701	263262
	Action Type:
	[C-103] Sub. Release After P&A (C-103Q)

DEFINITIONS

For the sake of brevity and completeness, please allow for the following in all groups of questions and for the rest of this application:

- lease and well location, hereinafter "location";
- flowlines or pipelines, hereinafter "pipelines";
- and non-retrieved or abandoned, hereinafter "abandoned".

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QUESTIONS

Action 263262

QUESTIONS		
Operator: BTA OIL PRODUCERS, LLC 104 S Pecos	OGRID: 260297 Action Number:	
Midland, TX 79701	263262	
	Action Type: [C-103] Sub. Release After P&A (C-103Q)	
QUESTIONS		
Subsequent Report of: Location Ready For OCD Inspection After P&A		
Was this the last remaining or only well on the location	No	
Are there any abandoned pipelines that are going to remain on the location	Yes	
Is there any production equipment or structure (not including steel marker, poured onsite concrete bases, or pipelines) that is going to remain on the location	No	
If any production equipment or structure is to remain on the location, please specify	Not answered.	
Site Evaluation		
Please answer all the questions in this group.		
Have all the required pits been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan	Yes	
Have the rat hole and cellar been filled and leveled	Yes	
Have the cathodic protection holes been properly abandoned	Yes	
Has a steel marker, at least 4 inches in diameter and at least 4 feet above ground level, been set in concrete	Yes	
The (concrete-set) steel marker shows: Must attach marker photograph(s). *	THE OPERATOR NAME, LEASE NAME AND WELL NUMBER AND LOCATION, INCLUDING UN LETTER, SECTION, TOWNSHIP AND RANGE, SHALL BE WELDED, STAMPED OR OTHERWIS PERMANENTLY ENGRAVED INTO THE MARKER'S METAL.	
Has the location been leveled as nearly as possible to original ground contour	Yes	
Have all the required pipelines and other production equipment been cleared	Yes	
Has all the required junk and trash been cleared from the location	Yes	
Have all the required anchors, dead men, tie downs and risers have been cut off at least two feet below ground level	Yes	
Have all the required metal bolts and other materials have been removed	Yes	
Poured onsite concrete bases do not have to be removed.		
Have all the the required portable bases been removed	Yes	
Have all other environmental concerns have been addressed as per OCD rules	Yes	
If any environmental concerns remain on the location, please specify	Not answered.	

Please submit any other site photographs that would assist in documenting the above answers, site features, additional concerns, or other nearby / remaing structures and equipment.

* Proof of the site marker (photograph) is required.

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BTA OIL PRODUCERS, LLC

Have all fluids have been removed from any abandoned pipelines

NORM, other than that which accumulated under normal operation

Have all abandoned pipelines been confirmed to **NOT** contain additional regulated

Have all accessible points of abandoned pipelines been permanently capped

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr.

QUESTIONS, Page 2

Action 263262

Santa Fe, NM 87505	
QUESTIONS (continued)	
	OGRID:

260297

104 S Pecos Action Number Midland, TX 79701 263262 Action Type: [C-103] Sub. Release After P&A (C-103Q) QUESTIONS Abandoned Pipelines Only need to provide answers in this group, if any pipelines have been abandoned (in accordance with 19.15.35.10 NMAC).

Yes

Yes

Vac

have an accession pointe of abandence pipelines been permanently capped	Tes			
Last Remaining or Only Well on the Location				
Please answer all questions that apply in this group, specifically if there is no longer going to be any well or facility remaining at this location.				
Have all electrical service poles and lines been removed from the location	Yes			
Is there any electrical utility distribution infrastructure that is remaining on the location	Yes			
Have all the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan	Yes			
Have all the retrievable pipelines, production equipment been removed from the location	Yes			
Has all the junk and trash been removed from the location	Yes			

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ACKNOWLEDGMENTS

Action 263262

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ACKNOWLEDGMENTS

I hereby certify that all the work has been completed for this location and the site is ready for an OCD scheduled inspection.

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CONDITIONS

Action 263262

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Operator:	OGRID:
BTA OIL PRODUCERS, LLC	260297
104 S Pecos	Action Number:
Midland, TX 79701	263262
	Action Type:
	[C-103] Sub. Release After P&A (C-103Q)

CONDITIONS

Created By	Condition	Condition Date
gcordero	None	9/12/2023