

DATE IN 8/2/06	SUSPENSE	DAVID CATAWACH ENGINEER	LOGGED IN 8/3/06	TYPE CTB	APP NO. PTD50621557357
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
☐ DHC ☒ CTB ☐ PLC ☒ PC ☐ OLS ☐ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name	Signature	Title	Date
		e-mail Address	



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

BTA OIL PRODUCERS

104 SOUTH PECOS
MIDLAND, TEXAS 79701
PH. 432-682-3753
FAX 432-683-0311

2006 JUL 33 AM 11 53

GULF COAST DISTRICT
FOUR GREENSPPOINT PLAZA
16945 NORTHCHASE DRIVE, STE. 1600
HOUSTON, TEXAS 77060
PH. 281-872-5022 FAX 281-872-5054
ROCKY MOUNTAIN DISTRICT
600 17TH STREET, STE. 2230 SOUTH
DENVER, CO 80202
PH. 303-534-4404 FAX 303-534-4661

June 13, 2006

Re: BTA OIL PRODUCERS
Surface Commingle Application
Buckeye -C-, 8601 JV-P, #1 & #2
Section 36, T17S, R35E
Lea County, NM

STATE OF NEW MEXICO
Energy Minerals & Natural Resources Dept.
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87504

Gentlemen:

BTA Oil Producers respectfully requests permission to surface commingle the referenced wells. As regards the above referenced commingle application, BTA respectfully submits the following:

- Form C107b Application for Surface Commingling
- Site Facility Diagram
- Location Plat
- Copies of Form C-103 filed with the OCD District office
- BTA owns all working interest and royalty in the wells
- The daily production for these wells will be allocated based on regularly performed well tests. The tests will be performed by shutting in one well and measuring the other.

If you have any questions, please do not hesitate to contact us.

Respectfully,

PAM INSKEEP
For BTA Oil Producers

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: BTA Oil Producers
OPERATOR ADDRESS: 104 S. Pecos, Midland, TX 79701
APPLICATION TYPE:

☒ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☐ Yes ☒ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Double A Abo, South					
Vacuum Grayburg, San Andres					

- (2) Are any wells producing at top allowables? ☐ Yes ☒ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No. **BTA owns all WI and Royalty**
(4) Measurement type: ☐ Metering ☒ Other (Specify) **Each month's production will be allocated based on regularly performed tests**
(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

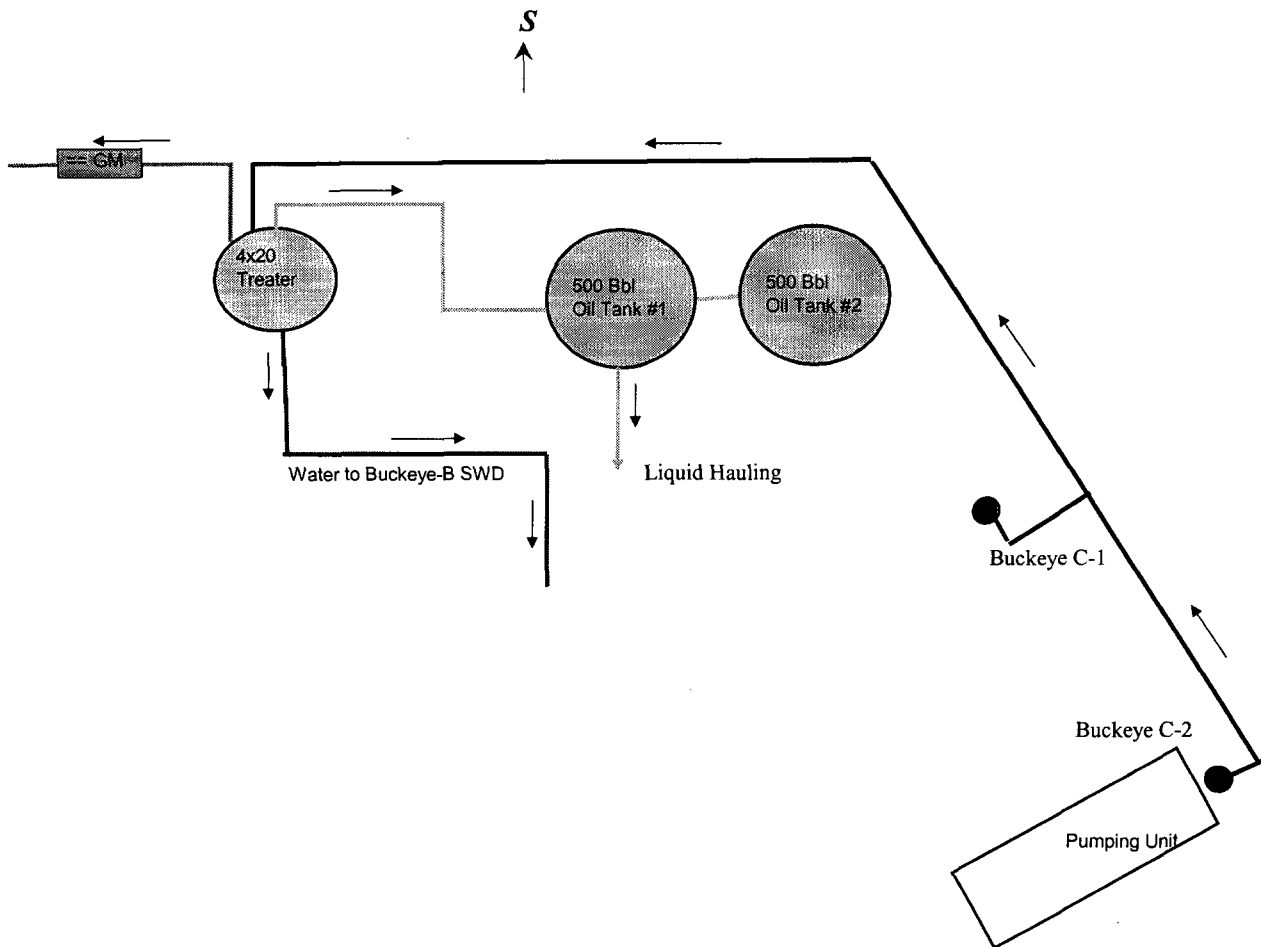
- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Fed or State lands are involved. **V-1709**
(3) Lease Names, Lease and Well Numbers, and API Numbers. **Buckeye -C-, 8601 JV-P, #1 30-025-29845**
Buckeye -C-, 8601 JV-P, #2 30-025-29929


I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Pam Inskeep TITLE: Regulatory Administrator DATE: 06/13/06

TYPE OR PRINT NAME Pam Inskeep TELEPHONE NO.: (432) 682-3753

E-MAIL ADDRESS: pinskeep@btaoil.com



Revised		Oil				Drawn		TJW	
klr	4/28/05	LEASE: JV-P	8601	Buckeye C	#1 & 2	5/24/02			
		FIELD:							
		LOCATION: 1750' & 990' N 1650' & 330' W Sec.36 T17S R35E							
		COUNTY: Lea				STATE: New Mexico			
		PRODUCING FORMATION:							
									
		BTA Oil Producers							
		Approved							
		Date							

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

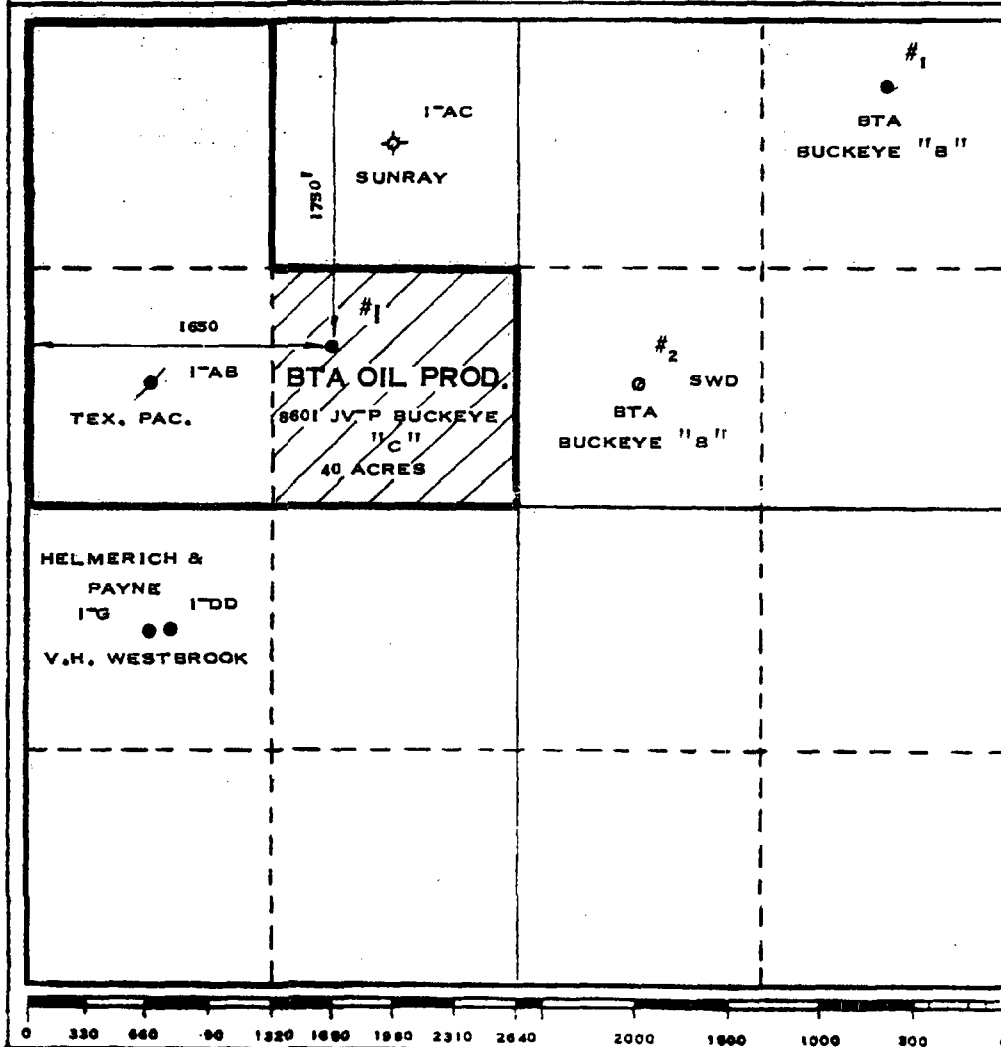
Operator BTA OIL PRODUCERS		Lease 8601 JV-P BUCKEYE "C"		Well No. 1
Unit Letter "F"	Section 36	Township 17-S	Range 35-E	County LEA
Actual Footage Location of Wells 1750 feet from the NORTH line and 1650 feet from the WEST line				
Ground Level Elev. 3896	Producing Formation ABO	Pool DOUBLE A ABO, SOUTH	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Dorothy Houghton
Name
DOROTHY HOUGHTON

Position
Regulatory Supervisor

Company
BTA OIL PRODUCERS

Date
January 23, 1987

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 knowledge and belief.

Date Surveyed
JANUARY 22, 1987

Registered Professional Engineer
and/or Land Surveyor

Max A. Schumann
MAX A. SCHUMANN

Certificate No.

1510



**MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

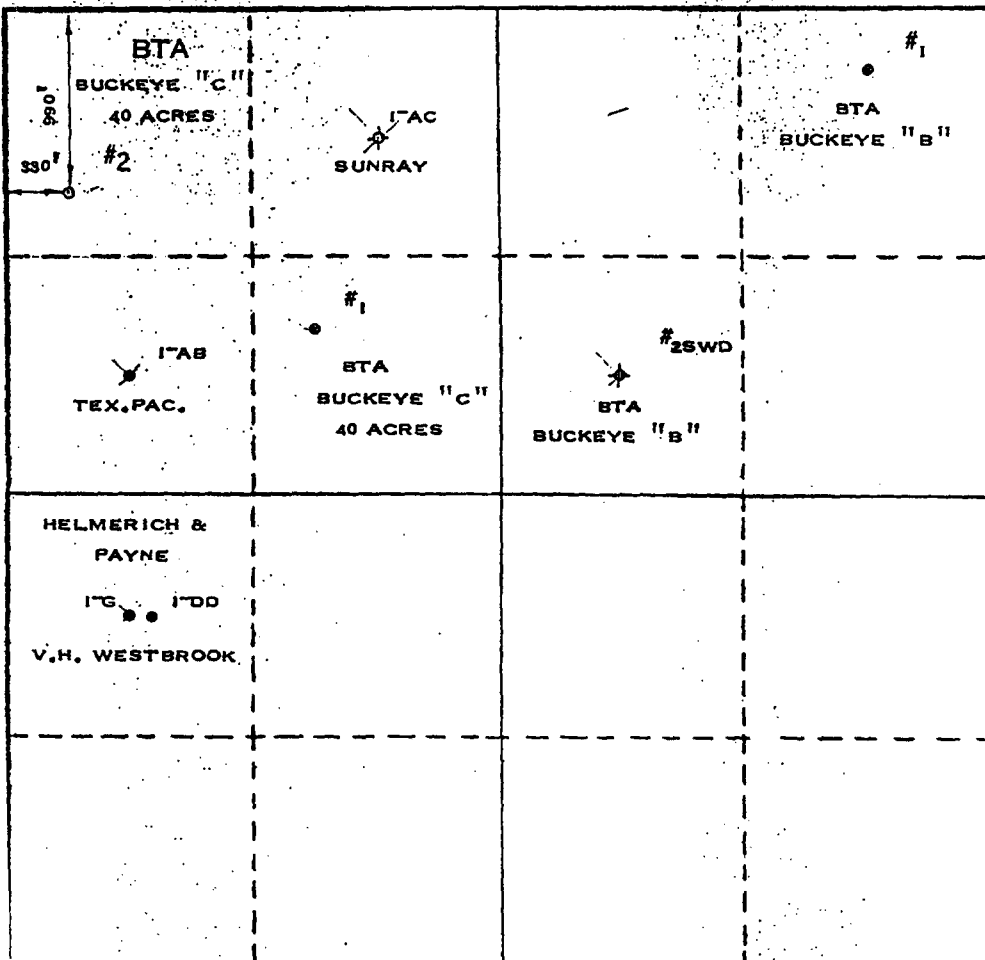
Operator BTA OIL PRODUCERS			Lease 8601 JV-P BUCKEYE "C"		Well No. 2
Unit Letter "D"	Section 36	Township 17-S	Range 35-E	County LEA	
Actual Postage Location of Wells: 990 feet from the NORTH line and 330 feet from the WEST line					
Ground Level Elev. 3900	Producing Formation San Andres		Pool Vacuum Grayburg Double A; San Andres		Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Pam Inskeep

Name
Regulatory Administrator
Position
BTA Oil Producers
Company
10/10/2005
Date

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 knowledge and belief.

Date Surveyed
MAY 22, 1987

Registered Professional
and/or Land Surveyor
MAX A. SCHUBERT

Certificate No. **150**



RECEIVED

PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

Oil Conservation Division
www.nmstatelands.org
1220 S. St. Francis Drive
Santa Fe, NM 87505

August 9, 2006

BTA Oil Producers
104 South Pecos
Midland, Texas 79701

Attn: Ms. Pamela D. Inskeep

Re: BTA Oil Producers
Surface Commingling Application
Buckeye -C-, 8601 JV-P, Well #1 & #2
Section 36-17S-35E
Lea County, New Mexico

Dear Ms. Inskeep:

We have received your letter of June 16, 2006 requesting our approval for surface commingling the production from BTA's Buckeye C Well #2 NW/4NW/4, Double A Abo, South pool with your Buckeye C Well #1 SE/4NW/4 Sec. 36-17S-35E, Vacuum Grayburg, San Andres at the Buckeye C Tank Battery location.


Since it appears that all New Mexico Oil Conservation Division (NMOCD) rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation your request is approved. Our approval is subject to like approval by the NMOCD. Please submit a copy of the NMOCD's approval order to this office, along with a thirty (\$30.00) filing fee.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY:


JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

PL/JB/pm

pc: Reader File

OCD-Santa Fe Attn: Mr. David Catanach

-State Land Office Beneficiaries -

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University



PARTNERS
CARLTON BEAL, JR.
BARRY BEAL
SPENCER BEAL
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BTA OIL PRODUCERS

104 SOUTH PECOS
MIDLAND, TEXAS 79701

432-682-3753
FAX 432-683-0311

GULF COAST DISTRICT
FOUR GREENSPRING PLAZA
16945 NORTHCHASE DRIVE, STE. 1600
HOUSTON, TEXAS 77060
PH. 281-872-5022 FAX 281-872-5051
ROCKY MOUNTAIN DISTRICT
600 17TH STREET, STE. 2230 SOUTH
DENVER, CO 80202
PH. 303-534-4404 FAX 303-534-4661

August 16, 2006

In re: 8601 Buckeye
Lea County, New Mexico
Buckeye "C" #1 & #2 Wells

Mr. Will Jones
State of New Mexico
Energy Minerals & Natural Resources Dept.
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

PC-1170

Dear Mr. Jones:

Pursuant to our telephone conversation of today, concerning BTA's Commingle Application to commingle the referenced wells at the surface. I reviewed our files and the royalty, mineral and working interest ownership in the Double A Abo, South pool, in the Buckeye "C" #1 well and the Vacuum Grayberg San Andres pool in the Buckeye "C" #2 well are identical.

If you should have any questions or need additional information, please feel free to call me at 1-800-688-3753.

Yours truly,

A handwritten signature in cursive script that reads "Danny Kidwell".

Danny Kidwell
Landman

cc: Pam Inskeep

DMK

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