



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

432-682-3753
FAX 432-683-0311

RECEIVED OCD

2010 SEP 28 A 11:08

GULF COAST DISTRICT
FOUR GREENSPOINT PLAZA
1645 NORTHCHASE DRIVE, STE. 1600
HOUSTON, TEXAS 77060
PH. 281-872-5022 FAX 281-872-5054

ROCKY MOUNTAIN DISTRICT
1600 17TH STREET, STE. 2230 SOUTH
DENVER, CO 80202
PH. 303-534-4404 FAX 303-534-4661

September 23, 2010

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO ALL AFFECTED INTEREST OWNERS

Re: Case 14559: Application of BTA Oil Producers LLC
for approval of a salt water disposal well
Eddy County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that BTA Oil Producers LLC has filed the enclosed application with the New Mexico Oil Conservation Division seeking approval to utilize its Owl 20504 JV-P Well No. 5 (API No. 30-015-35435) located 2310 feet from the South line and 2130 feet from the East line of Section 18, Township 26 South, Range 27 East, NMPM, Eddy County, New Mexico to inject an average of 2100 barrels of water per day, at a maximum surface injection pressure of 586 psi, into the Cherry Canyon member of the Delaware formation, at an approximate depth of 2934 feet to 3282 feet.

This application has been set for hearing before a Division Examiner at 8:15 AM on October 14, 2010. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. 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.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office, four days in advance of a scheduled hearing, but at least on the Thursday preceding the hearing. This statement must 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.

Respectfully,

PAMELIA D. INSKEEP
For BTA Oil Producers LLC

Exhibit "A"

BTA OIL PRODUCERS LLC

Application for Authorization to Inject

**Owl, 20504 JV-P, #5
2310' FSL & 2130' FEL
Section 18, T26S, R27E
Eddy County, NM**

I hereby certify that BTA Oil Producers holds 100% Working Interest in this well.

SURFACE OWNER

Federal – BLM

Federal Grazing Lessee:
Forehand Ranches, Inc
P. O. Box 5373
Carlsbad, NM 88221

STATE OF NEW MEXICO

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87504
Attn: Mr. Mark Fesmire

New Mexico Oil Conservation Division
1301 W. Grand Avenue
Artesia, NM 88210
Attn: Director

OFFSET OPERATOR LIST

Chesapeake Operating, Inc.
P. O. Box 18946
Oklahoma City, OK 73154-0496

Marbob Energy Corporation
P. O. Box 227
Artesia, NM 88210

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

SENDER: COMPLETE THIS SECTION ■ Complete Items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: New Mexico Oil Cons Division 1301 W. Grand Avenue Artesia, NM 88210 Attn: Director 2. Article Number (Transfer from service label) 7009 1680 0000 1708 3833 PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	COMPLETE THIS SECTION ON DELIVERY A. Signature X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No 3. Service Type X <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes
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SENDER: COMPLETE THIS SECTION ■ Complete Items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: New Mexico Oil Conservation Div Attn: Mr. Mark Fesmire Oil Conservation Division 1220 S St Francis Drive Santa Fe, NM 87505 2. Article Number (Transfer from service label) 7009 1680 0000 1708 3840 PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	COMPLETE THIS SECTION ON DELIVERY A. Signature X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No 3. Service Type X <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes
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SENDER: COMPLETE THIS SECTION ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: Chesapeake Operating, Inc. P. O. Box 18946 Oklahoma City, OK 73154-0496 2. Article Number (Transfer from service label) 7009 1680 0000 1708 3857 PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	COMPLETE THIS SECTION ON DELIVERY A. Signature X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No 3. Service Type X <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes
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SENDER: COMPLETE THIS SECTION ■ Complete Items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210 2. Article Number (Transfer from service label) 7009 1680 0000 1708 3864 PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	COMPLETE THIS SECTION ON DELIVERY A. Signature X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No 3. Service Type X <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes
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SENDER: COMPLETE THIS SECTION ■ Complete Items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: Forehand Ranches, Inc. P. O. Box 5373 Carlsbad, NM 88221 2. Article Number (Transfer from service label) 7009 1680 0000 1708 3871 PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	COMPLETE THIS SECTION ON DELIVERY A. Signature X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No 3. Service Type X <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes
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COMPLETE THIS SECTION ON DELIVERY A. Signature X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No 3. Service Type X <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes 2. Article Number (Transfer from service label) 7009 1680 0000 1708 3826 PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	SENDER: COMPLETE THIS SECTION ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: Marbob Energy Corporation P. O. box 227 Artesia, NM 88210
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COMPLETE THIS SECTION ON DELIVERY A. Signature X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No 3. Service Type X <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes 2. Article Number (Transfer from service label) 7009 1680 0000 1708 3868 PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	SENDER: COMPLETE THIS SECTION ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: Bureau of Land Management 620 E Greene Street Carlsbad, NM 88220-6292
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CARLTON BEAL, JR.
BARRY BEAL
SPENCER BEAL
KELLY BEAL
BARRY BEAL, JR.
STUART BEAL
ROBERT DAVENPORT, JR.

BTA OIL PRODUCERS, LLC

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

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

May 20, 2010

Re: Application for Authorization for Injection
Owl, 20504 JV-P, #5
2310' FSL & 2130' FEL
Section 18, T26S, R27E
Eddy County, NM

NEW MEXICO OIL CONSERVATION COMMISSION
OIL CONSERVATION DIVISION
2040 S. Pacheco Street
Santa Fe, NM 87505

Attention: Mr. William Jones, Engineer

Dear Mr. Jones,

BTA Oil Producers LLC hereby seeks approval for Authorization to Inject at the above referenced location.

Enclosed herewith is our Application Packet.

BTA has notified all Offset Operators and the Surface Owner of our intentions by certified mail. We will forward copies of the signed "green card" PS Form 3811 certifications as soon as all are received back.

Affidavit of Publication for the public notice will also be provided, as soon as received.

Should further information be required to approve this application, please advise.

Respectfully,

PAMELIA D. INSKEEP
For BTA Oil Producers LLC

/pdi

Enclosures

DATE IN	SUSPENSE	EN	LOGGED IN	TYPE	APP NO.
---------	----------	----	-----------	------	---------

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,
Copy of USPS 'green cards' will be provided, as soon as received back

[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.

Pam Inskeep
 Print or Type Name

Signature

Regulatory Administrator
 Title

05/24/2010
 Date

pinskeep@btaoil.com
 e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage
Application qualifies for administrative approval? X Yes No
- II. OPERATOR: BTA Oil Producers LLC
ADDRESS: 104 S. Pecos, Midland, TX 79701
CONTACT PARTY: Pam Inskeep, Regulatory Administrator PHONE: (432) 682-3753
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? Yes X No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: Pam Inskeep TITLE: Regulatory Administrator
SIGNATURE: _____ DATE: 05/20/2010
E-MAIL ADDRESS: pinskeep@btaoil.com
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

INJECTION WELL DATA SHEET

OPERATOR: BTA Oil Producers

WELL NAME & NUMBER: 20504 JV-P Owl #5

WELL LOCATION: 2310' FSL & 2130' FEL J 18 26S 27E
 FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA Surface Casing

Hole Size: 17-1/2" Casing Size: 13-3/8"
 Cemented with: 450 sx. or ft³
 Top of Cement: Surface Method Determined:

Intermediate Casing

Hole Size: 12-1/4" Casing Size: 9-5/8"
 Cemented with: 750 sx. or ft³
 Top of Cement: Surface Method Determined:

Production Casing

Hole Size: 8-3/4" Casing Size: 7"
 Cemented with: 500 sx. or ft³
 Top of Cement: Surface Method Determined:

Total Depth: 3800' TD 3701' PBTD

Injection Interval

2934 feet to 3282

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEETTubing Size: 4-1/2" Lining Material: NoneType of Packer: 7" Baker Loc-Set (nickel-plated, internal plastic-coated)Packer Setting Depth: 2906'Other Type of Tubing/Casing Seal (if applicable): N/AAdditional Data

1. Is this a new well drilled for injection? Yes X No

If no, for what purpose was the well originally drilled? This well was permitted to drill as an oil well. During drilling completion operations, it was determined that this well would not be a commercial producer.

2. Name of the Injection Formation: Cherry Canyon

3. Name of Field or Pool (if applicable): Wildcat

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No. Other Cherry Canyon intervals are: 3612-3728' – composite BP @ 3570'; 3332-3356' – composite BP @ 3320' - cap w/20' cmt;

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: oil productive – 3332 – 3728' – Cherry Canyon; potentially oil productive – Delaware Ramsey Sand top 2070 – 2105'

Tubing Detail

75 jts 4-1/2" 10.5# IPC tbg
 2-7/8"x4-1/2" X-over
 2.313 X nipple
 Baker Loc-set Packer

KB = 3301
 GL = 3289
 Diff = 12

X-Mas Tree Top Conn.

@ 400' - 13-3/8" 54.5# J-55 Surf. Csg. Cmtd w/ 450 Sx Cmt Circ

TOC Surf By Circ

@ 1945' - 9-5/8" 36# J-55 Interm Csg. Cmtd w/ 750 Sx Cmt Circ

Packer @ 2906'

Perfs: Cherry Canyon 2934' - 3282' w/ 4 JSPF

CBP w/ 20' cmt cap @ 3300'

Perfs: Cherry Canyon 3332' - 56' w/ 4 JSPF


CBP @ 3570'

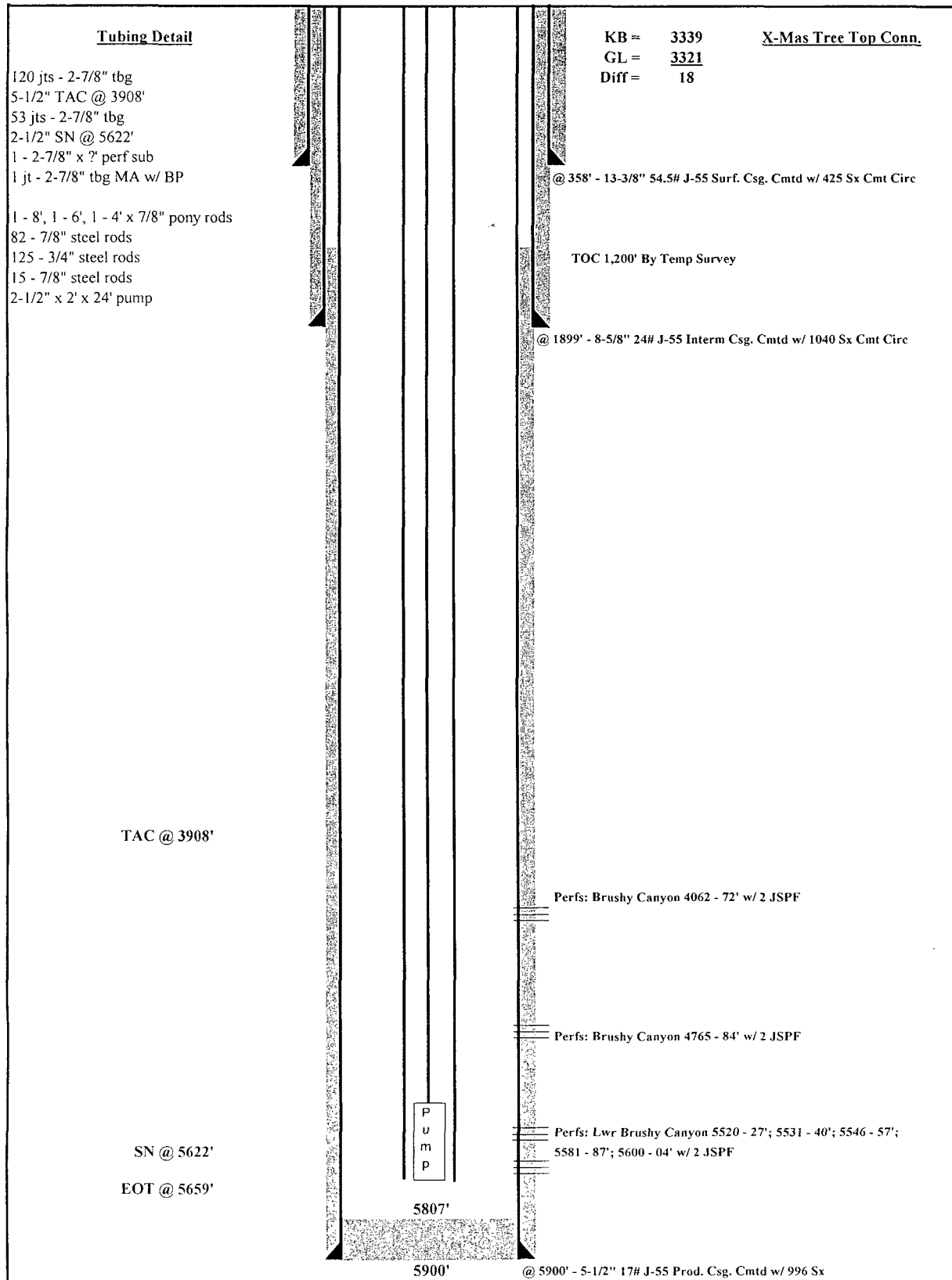
Perfs: Lwr Cherry Canyon 3612' - 16'; 3646' - 54';
3688' - 3728'; w/ 4 JSPF


3788'

3800

@ 3794' - 7" 23# J-55 Prod. Csg. Cmtd w/ 700 Sx

Revised	SWD	Drawn	BMM
	LEASE: 20504 JV-P Owl #5	9/14/2010	
	FIELD: Hay Hollow		
	LOCATION: 2310' FSL 2130' FEL Sec. 18 T26S R27E	Approved	
	COUNTY: Eddy STATE: New Mexico	Date	
	PRODUCING FORMATION: Brushy Canyon		
	 BTA Oil Producers		



Revised	Producing Well			Drawn	TJW
	20504 JV-P Owl # 1			9/14/2010	
	Wildcat			Approved	
	1980' FSL 2080' FWL Sec. 18 T26S R27E			Date	
	COUNTY: Eddy STATE: New Mexico				
	PRODUCING FORMATION: Brushy Canyon				
					
	BTA Oil Producers				

Tubing Detail

65 Sx plug from surf to 73'

KB = 3333
 GL = 3316
 Diff = 17

X-Mas Tree Top Conn.

140 Sx plug from 590 to 706'

@ 659' - 13 3/8" 48# Surf. Csg. Cmt'd w/ 490 sx

12 1/4" OH

885 Sx cmt plug 1653 - 1835'

TOC 1775' By Temp Survey

9 5/8" csg shot & pulled @ 1783'

Dv Tool @ 2272' w/ 600 sx

30 sx

@ 5743' - 9 5/8" 40 & 43.5# Prod. Csg. Cmt'd w/ 500 sx

30 sx cmt plugs @:

13,510 - 13,400'
 11,900 - 11,790'
 10,100 - 9,990'
 8,400 - 8,290'
 7,100 - 6,990'
 5,800 - 5,690'

30 sx

30 sx


30 sx

30 sx

30 sx

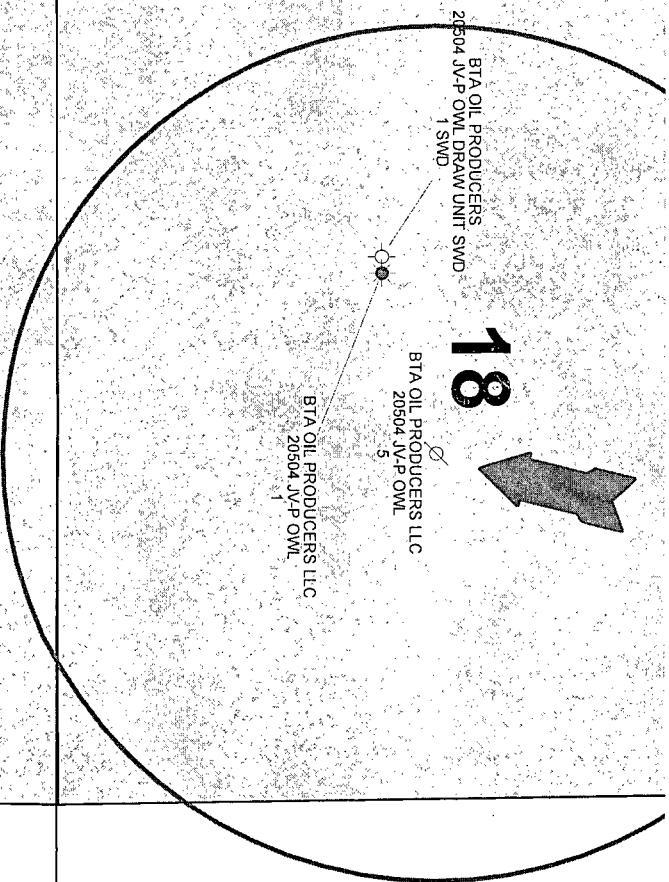
13510

8 3/4" OH

Revised		P&A		Drawn	SM
		20504 JV-P Owl Draw Unit #1		9/14/2010	
		Wildcat			
		1980' FSL 1980' FWL Sec. 18 T26S R27E		Approved	
		COUNTY: Eddy STATE: New Mexico		Date	
		PRODUCING FORMATION:			
					
		BTA Oil Producers			



20504 JV-P OWL #5



1/2 MILE RADIUS AROUND LOCATION

BTA OIL PRODUCERS

20504 JV-P OWL PROSPECT AREA

1/2 Mile Radius around location

T26S-27E-S18 2310' FSL & 2130' FEL



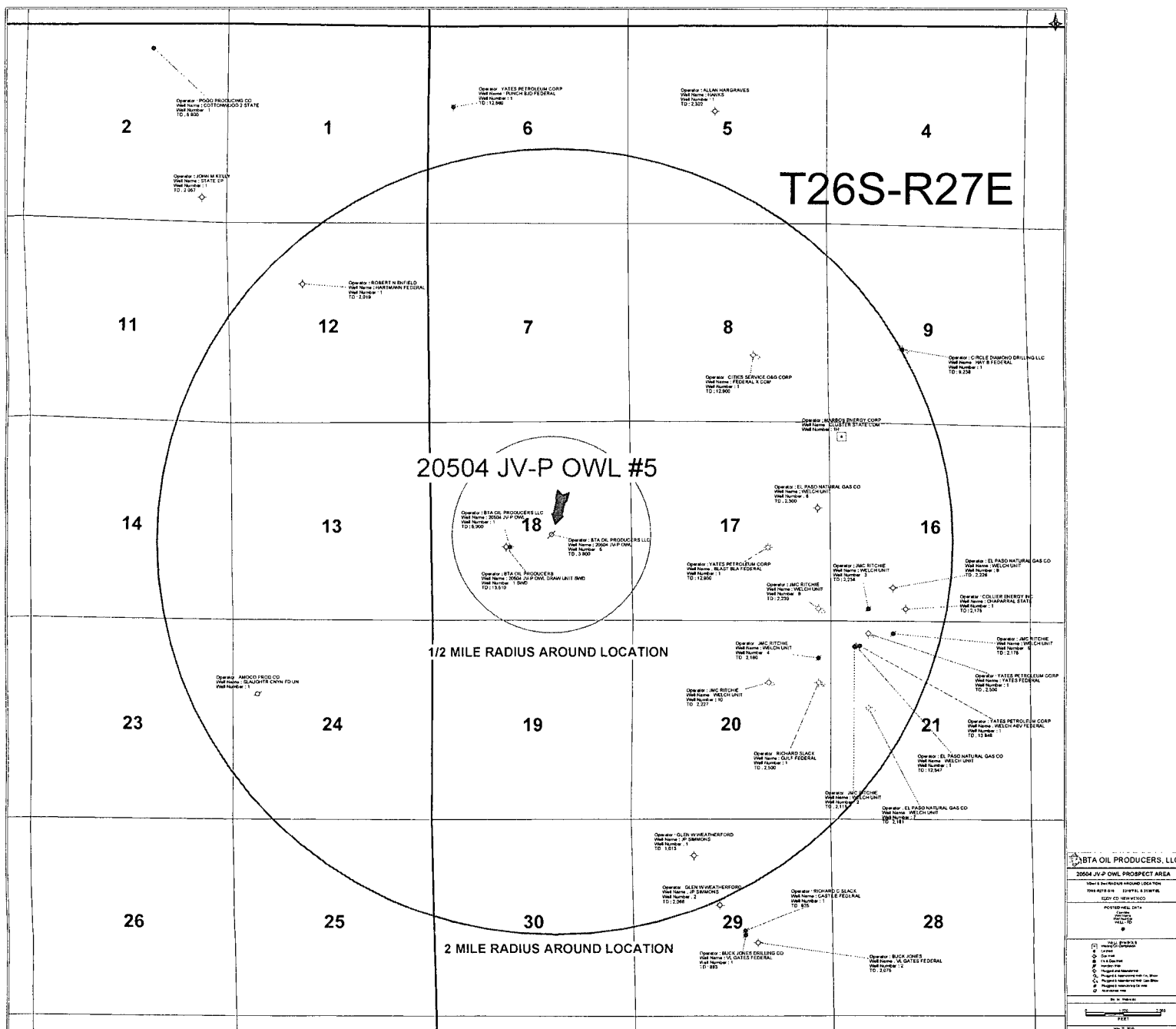
POSTED WELL DATA

Operator
Well Name
Well Number

WELL SYMBOLS
Oil & Gas Well
Injection Well
Plugged and Abandoned

By: M. Robledo

September 13, 2010



Application for Authorization for Injection
Owl, 20504 JV-P, #5
2310' FSL & 2130' FEL
Section 18, T26S, R27E
Eddy County, NM

Item VI

Wells within the AOR

API Number	Operator Name	Lease Name	Well #	State	County	Footage	N/S	Footage	E/W	Twp	Rge	Sec	TD	Well Status	Formation at TD	Producing Formation	Spud	Completion	P&A	Lat	Long	LL Source		
30-015-10730-0000	HAMON JAKE L	OWL DRAW UNIT	1	NM	EDDY	1980	FSL	1980	FWL	S	26	E	27	18	13510	D&A	DEVONIAN	11/14/1965	2/6/1966	2/1966	32.0404746	-104.2309973	IH	
30-015-10730-0001	BTA OIL PRODUCERS	OWL DRAW UNIT 20504 JV-P	1 SW	NM	EDDY	1981	FSL	1981	FWL	S	26	E	27	18	13510	P&A		12/13/2006		5/10/2007	32.0404746	-104.2309973	IH	
30-015-34749-0000	BTA OIL PRODUCERS	OWL 20504 JV-P	1	NM	EDDY	1980	FSL	2080	FWL	S	26	E	27	18	5900	SI	BONE SPRING	BRUSHY CANYON	5/11/2006	7/16/2006		32.0404782	-104.2306714	IH

BTA OIL PRODUCERS
Application for Authorization for Injection
Owl, 20504 JV-P, #5
2310' FSL & 2130' FEL
Section 18, T26S, R27E
Eddy County, NM

VII.

Data on the Proposed Operation:

1. Proposed average and maximum daily rate and volume of fluids to be injected:

800 BWPD Avg 2100 BWPD Max

2. System will be closed.

3. Proposed average and maximum injection pressure:

500 psi Avg 586 psi Max

4. Source and analysis of injection fluid:

BTA Oil Producers 20504 JV-P Owl #1
-K-, Sec. 18, T26S, R27E
Eddy County, NM

See attached analysis

5. Chemical analysis of disposal zone formation water:

See attached analysis



Water Analysis

Date: 10-Jun-06

2708 West County Road, Hobbs NM 88240

Phone (505) 392-5556 Fax (505) 392-7307

Analyzed For

Company	Well Name	County	State
BTA	Owl #1	Lea	New Mexico

Sample Source	Wellhead	Sample #	1
---------------	----------	----------	---

Formation	Depth
-----------	-------

Specific Gravity	1.160	SG @ 60 °F	1.163
pH	5.56	Sulfides	Absent
Temperature (°F)	74	Reducing Agents	Not Tested

Cations

Sodium (Calc)	in Mg/L	62,988	in PPM	54,170
Calcium	in Mg/L	19,600	in PPM	16,856
Magnesium	in Mg/L	5,040	in PPM	4,334
Soluble Iron (FE2)	in Mg/L	200.0	in PPM	172

Anions

Chlorides	in Mg/L	146,000	in PPM	125,559
Sulfates	in Mg/L	145	in PPM	125
Bicarbonates	in Mg/L	415	in PPM	357
Total Hardness (as CaCO3)	in Mg/L	70,000	in PPM	60,200
Total Dissolved Solids (Calc)	in Mg/L	234,388	in PPM	201,572
Equivalent NaCl Concentration	in Mg/L	204,569	in PPM	175,928

Scaling Tendencies

*Calcium Carbonate Index	8,130,080
--------------------------	-----------

Below 500,000 Remote / 500,000 - 1,000,000 Possible / Above 1,000,000 Probable

*Calcium Sulfate (Gyp) Index	2,842,000
------------------------------	-----------

Below 500,000 Remote / 500,000 - 10,000,000 Possible / Above 10,000,000 Probable

*This Calculation is only an approximation and is only valid before treatment of a well or several weeks after treatment.

Remarks

RW=0.0485

Report # 2221

BTA OIL PRODUCERS
Application for Injection
Owl, 20504 JV-P, #5
2310' FSL & 2130' FEL
Section 18, T26S, R27E
Eddy County, NM



Water Analysis

Date: 04-Jun-07

2708 West County Road, Hobbs NM 88240
Phone (505) 392-5556 Fax (505) 392-7307

Upper Cherry Canyon 3054 - 3282' (overall)
Sampled 6/4/07

Analyzed For

Company	Well Name	County	State
BTA	Owl 5	Lea	New Mexico

Sample Source Swab Sample Sample # 1

Formation Cherry Canyon Depth

Specific Gravity 1.100 SG @ 60 °F 1.102
pH 6.70 Sulfides Absent
Temperature (°F) 70 Reducing Agents

Cations

Sodium (Calc)	in Mg/L	41,482	in PPM	37,642
Calcium	in Mg/L	8,000	in PPM	7,260
Magnesium	in Mg/L	960	in PPM	871
Soluble Iron (FE2)	in Mg/L	400.0	in PPM	363

Anions

Chlorides	in Mg/L	80,000	in PPM	72,595
Sulfates	in Mg/L	1,325	in PPM	1,202
Bicarbonates	in Mg/L	244	in PPM	221

Total Hardness (as CaCO3)	in Mg/L	24,000	in PPM	21,779
Total Dissolved Solids (Calc)	in Mg/L	132,411	in PPM	120,156
Equivalent NaCl Concentration	in Mg/L	119,537	in PPM	108,473

Scaling Tendencies

*Calcium Carbonate Index 1,952,000

Below 500,000 Remote / 500,000 - 1,000,000 Possible / Above 1,000,000 Probable

*Calcium Sulfate (Gyp) Index 10,600,000

Below 500,000 Remote / 500,000 - 10,000,000 Possible / Above 10,000,000 Probable

*This calculation is only an approximation and is only valid before treatment of a well or several weeks after treatment.

Remarks rw=.065@70f

Report # 2497

BTA Oil Producers LLC
Application for Authorization for Injection
Owl, 20504 JV-P, #5
2310 FSL & 2130' FEL
Section 18, T26S, R27E
Eddy County, NM

Attachment J

XIII. Item A.

Proof of Notice

I hereby certify that BTA Oil Producers holds 100% Working Interest in this well.

SURFACE OWNER

Federal – BLM

Federal Grazing Lessee:

Forehand Ranches, Inc
P. O. Box 5373
Carlsbad, NM 88221

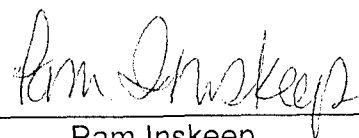
OFFSET OPERATOR LIST

Chesapeake Operating, Inc.
P. O. Box 18946
Oklahoma City, OK 73154-0496

Marbob Energy Corporation
P. O. Box 227
Artesia, NM 88210

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

I hereby certify that notification of BTA's application was mailed via certified mail on this 20th day May, 2010 to the above listed Surface Owner, Grazing Lessee, and Offset Operators.

Signed: 
Pam Inskeep

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

April Hernandez, being first duly sworn,
on oath says:

That she is HR/Administrative Assistant of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

June 27

2007

That the cost of publication is \$46.80 that Payment Thereof has been made and will be assessed as court costs.

April Hernandez

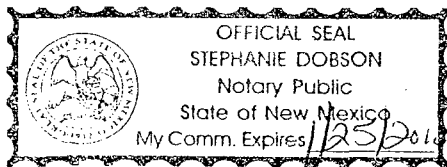
Subscribed and sworn to before me this

27 day of June, 2007

Stephanie Dobson

My commission Expires on 1/25/2010

Notary Public



June 27, 2007

BTA OIL PRODUCERS,
104 S. Pecos, Mid
land, Texas 79701, is
submitting form C-
108 (Application for
Authorization to In
ject) with the New
Mexico Oil Conserva
tion Division seeking

approval for a salt
water disposal well.
The proposed well,
the 20504 JV-P Owl
#5 is located 2310'
FSL & 2130' FEL, Sec
tion 18, T26S, R27E,
Eddy County, NM.
Disposal water will be
sourced from area
wells producing from
the Delaware. The
disposal water will be
injected into the for
mations at a depth of
2,934' - 3,282', a
maximum surface
pressure of 586 psi,
and an average rate
of 2100 BWPD.

All interested parties
opposing the action
must file objections or
requests for hearing
with the Oil Conser
vation Division, 2040
S. Pacheco Street,
Santa Fe, New Mexi
co 87505, within 15
days. Additional infor
mation can be ob
tained by contacting
Britton McQuien, Res
ervoir Engineer, at
104 S. Pecos, Mid
land, TX 79701, or
(432) 682-3753.



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

432-682-3753
FAX 432-683-0311

May 20, 2010

GULF COAST DISTRICT
FOUR GREENSPOINT 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

Re: Offset Operator Notification
Application for Authorization for Injection
Owl, 20504 JV-P, #5
2310' FSL & 2130' FEL
Section 18, T26S, R27E
Eddy County, NM

OFFSET OPERATORS

Gentlemen,

BTA has filed an application for Authorization to Inject at the above referenced location.

Attached please find a copy of our letter to the State of New Mexico requesting approval along with a copy of our Application Packet.

If you have any questions regarding this, please do not hesitate to contact Britton McQuien at the letterhead address.

Respectfully,

PAMELIA D. INSKEEP
For BTA Oil Producers LLC

/pdi

Enclosures