BEFORE THE OIL CONSERVATION DIVISION NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

IN THE MATTER OF THE APPLICATION OF BTA OIL PRODUCERS, LLC FOR APPROVAL OF A SALT WATER DISPOSAL WELL, EDDY COUNTY, NEW MEXICO.

CASE NO. 14599

AFFIDAVIT

STATE OF TEXAS)
) ss
COUNTY OF MIDLAND)

Pam Inskeep, authorized representative of BTA Oil Producers, LLC, the Applicant herein, states that notice of the above-referenced Application was mailed to the interested parties shown on Exhibit "A" attached hereto in accordance with Oil Conservation Division Rules, and that true and correct copies of the notice letter and proof of notice are attached hereto.

Pam Inskeep

SUBSCRIBED AND SWORN to before me this 23rd day of September, 2010 by .Pam Inskeep

L. S. GREEN
Notary Public
A STATE OF TEXAS
My Commission
Expires 09/13/2013

My Commission Expires:

Notary Public



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

DARTNIERS

BTA OIL PRODUCERS

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

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

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Form 3811, February 2004

Domestic Return Receipt

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City, State, ZIP

PS Form 3800

105 South Fourth Street Artesia, NM 88210