



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

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

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.		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	
1. Article Addressed to: New Mexico Oil Cons Division 1301 W. Grand Avenue Artesia, NM 88210 Attn: Director		3. Service Type <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 3633		PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	

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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		3. Service Type <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 3840		PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	

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1. Article Addressed to: Chesapeake Operating, Inc. P. O. Box 18946 Oklahoma City, OK 73154-0496		3. Service Type <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 3857		PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	

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1. Article Addressed to: Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210		3. Service Type <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 3864		PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	

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1. Article Addressed to:		3. Service Type <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)		PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540	

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1. Article Addressed to: Marbob Energy Corporation P. O. box 227 Artesia, NM 88210		3. Service Type <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	

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1. Article Addressed to: Bureau of Land Management 620 E Greene Street Carlsbad, NM 88220-6292		3. Service Type <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.

Article Addressed to:

Bureau of Land Management
620 E Greene Street
Carlsbad, NM 88220-6292

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* ☒ Agent ☐ Addressee

B. Received by (Printed Name) *SEP 29 10 06* C. Date of Delivery *9/29*

D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* ☒ Agent ☐ Addressee

B. Received by (Printed Name) *Jeane Forehand* C. Date of Delivery *9-25-10*

D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

Article Number (Transfer from service label) **7009 1680 0000 1708 3888**
S Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

2. Article Number (Transfer from service label) **7009 1680 0000 1708 3871**
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

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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.

Article Addressed to:

New Mexico Oil Conservation Div
Attn: Mr. Mark Fesmire
Oil Conservation Division
220 S St Francis Drive
Santa Fe, NM 87505

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* ☒ Agent ☐ Addressee

B. Received by (Printed Name) *Carol J. Gray* C. Date of Delivery *09-28-10*

D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

SENDER: COMPLETE THIS SECTION
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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

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* ☒ Agent ☐ Addressee

B. Received by (Printed Name) *Carol Gray* C. Date of Delivery *9/28/10*

D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

Article Number (Transfer from service label) **7009 1680 0000 1708 3840**
S Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

2. Article Number (Transfer from service label) **7009 1680 0000 1708 3833**
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

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Article Addressed to:

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* ☒ Agent ☐ Addressee

B. Received by (Printed Name) *RECEIVED SEP 27 2010 MAILROOM 17* C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

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1. Article Addressed to:

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* ☒ Agent ☐ Addressee

B. Received by (Printed Name) *Nancy Agnew* C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

Article Number (Transfer from service label) **7009 1680 0000 1708 3857**
S Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

2. Article Number (Transfer from service label) **7009 1680 0000 1708 3826**
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

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Article Addressed to:

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* ☒ Agent ☐ Addressee

B. Received by (Printed Name) *CLAIRSA LUNA* C. Date of Delivery *SEP 27 2010*

D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

Article Number (Transfer from service label) **7009 1680 0000 1708 3864**
S Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

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For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$ 1.39
Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	6.49
Total Postage	10.98

TX DOWNTOWN STA.
SEP 23 2010
USPS

Sent To
Bureau of Land Management
620 E Greene Street
Carlsbad, NM 88220-6292

PS Form 3800, January 2009 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com

OFFICIAL USE

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Certified Fee	2.80
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Total Postage	10.98

TX DOWNTOWN STA.
SEP 23 2010
USPS

Sent To
Attn: Mr. Mark Fesmire
1220 S St Francis Drive
Santa Fe, NM 87505

PS Form 3800, January 2009

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SEP 23 2010
USPS

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

PS Form 3800, January 2009

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SEP 23 2010
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105 South Fourth Street
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Total Postage & Fees	10.98

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SEP 23 2010
USPS

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P. O. Box 5373
Carlsbad, NM 88221

PS Form 3800, January 2009

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Attn: Director

PS Form 3800, January 2009

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SEP 23 2010
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Artesia, NM 88210

PS Form 3800, January 2009