

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**APPLICATION FOR SURFACE COMMINGLING  
SUBMITTED BY BTA OIL PRODUCERS, LLC**

**ORDER NO. PLC-1049**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

**FINDINGS OF FACT**

1. BTA Oil Producers, LLC (“Applicant”) submitted a complete application to surface commingle the gas production from the pools, leases, and wells as described in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the gas production to the pools, leases, and wells to be commingled.
3. Applicant provided notice of the Application to all persons owning an interest in the gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
4. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
5. Applicant certified the commingling of gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the gas production to less than if it had remained segregated.
6. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease as described in Exhibit A.
7. Applicant submitted or intends to submit one or more proposed communitization agreement(s) (“Proposed Agreement(s)”) to the BLM or NMSLO, as applicable, identifying the acreage of each lease to be consolidated into a single pooled area (“CA Pooled Area”), as described in Exhibit A.
8. This Order is associated with Order PLC-1039 which authorizes in-full or in-part the commingling of Oil production from the pools, leases, and wells as described in Exhibit A.

### **CONCLUSIONS OF LAW**

9. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10 A.(2) NMAC, 19.15.12.10 C.(4)(c) NMAC, and 19.15.12.10 C.(4)(e) NMAC, as applicable.
11. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9 A.(5) NMAC and 19.15.23.9 A.(6) NMAC, as applicable.
12. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10 B.(1) NMAC or 19.15.12.10 C.(1) NMAC, as applicable.
13. Commingling of gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10 B.(3) NMAC and 19.15.12.10 C.(4)(h) NMAC.
14. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

### **ORDER**

1. Applicant is authorized to surface commingle gas production from the pools, leases, and wells as described in Exhibit A.

Applicant is authorized to store and measure gas production off-lease from the pools, leases, and wells as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

Applicant is authorized to surface commingle gas production from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A.

Applicant is authorized to store and measure gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. This Order supersedes Order CTB-1074, CTB-1074-A.

For matters of surface commingling and off-lease storing and measuring gas production and for the wells identified in Exhibit A, this Order supersedes Order CTB-1115.

3. For each CA Pooled Area described in Exhibit A, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit a Form C-103 to OCD with a copy of the decision and a

description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the CA Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingling application to OCD to conform this Order with the approved Agreement(s) if the formation or dedicated lands are modified or if a modification is made that will affect this Order. If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingling application, this Order shall terminate on the date of such action.

Applicant shall allocate the gas production to each lease within a CA Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the CA Pooled Area until the Proposed Agreement which includes the CA Pooled Area is approved. After the Proposed Agreement is approved, the gas production from the CA Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable, approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

4. The allocation of gas production to wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
5. The gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
6. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8 B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8 E. NMAC.
7. Applicant shall calibrate the meters used to measure or allocate gas production in accordance with 19.15.12.10 C.(2) NMAC.
8. If the commingling of gas production from any pool, lease, or well reduces the value of the commingled gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.

9. If a well is not included in Exhibit A but produces from a pool and lease as described in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of gas production to it, and the location(s) that commingling of its production will occur.
10. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
11. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
12. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



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**ALBERT C. S. CHANG  
DIRECTOR**

**DATE:** 11/10/2025

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Exhibit A**

**Order: PLC-1049**  
**Operator: BTA Oil Producers, LLC (260297)**  
**Central Tank Battery: Village Venture 22115 Central Tank Battery (GAS ONLY)**  
**Central Tank Battery Location: SW/4 Section 19, Township 17 South, Range 36 East**  
**Gas Title Transfer Meter Location: SW/4 Section 19, Township 17 South, Range 36 East**

**Pools**

Pool Name	Pool Code
VACUUM;CISCO-CANYON, NORTHEAST	97202
WC-025 G-09 S173615C; UPPER PENN	98333

**Leases as defined in 19.15.12.7(C) NMAC**

Lease	UL or Q/Q	S-T-R
CA Pennsylvanian SLO 204505 PUN 1397823	E2W2	18-17S-36E
	E2NW	19-17S-36E
CA Pennsylvanian SLO 204506 PUN 1397834	W2W2	18-17S-36E
	W2NW	19-17S-36E
CA Pennsylvanian SLO 204543 PUN 1398220	E2E2	18-17S-36E
	E2NE	19-17S-36E
CA Pennsylvanian SLO 204544 PUN 1398237	W2E2	18-17S-36E
	W2NE	19-17S-36E
CA Pennsylvanian SLO 204619 PUN 1399714	E2SW	19-17S-36E
	E2W2	30-17S-36E
	E2NW	31-17S-36E
CA Pennsylvanian SLO 204934 PUN 1404166	W2SW	19-17S-36E
	W2W2	30-17S-36E
SLO Lease B0-2287-0015	ALL Minus UL C, L	19-17S-36E
SLO Lease VC-0699-0001	E2	30-17S-36E
SLO Lease VC-0722-0001	E2NE	31-17S-36E
SLO Lease B0-0960-0001	W2NE	31-17S-36E
CA Pennsylvanian SLO Approved (Number not available)	SE4	19-17S-36E
	E2	30-17S-36E
	NE4	31-17S-36E
CA Upper Penn SLO 204879 PUN 1403273	E2E2	13-17S-35E
	E2NE	24-17S-35E
CA Upper Penn SLO 204882 PUN 1403297	W2E2	13-17S-35E
	W2NE	24-17S-35E
PROPOSED CA Pennsylvanian SLO	W2NW	24-17S-35E
	E2SE	11-17S-35E
PROPOSED CA Pennsylvanian SLO	W2SW	12-17S-35E
	W2W2	13-17S-35E
PROPOSED CA Pennsylvanian SLO	E2E2	14-17S-35E
	E2NE	23-17S-35E
SLO Lease VC-1095-0000	W2NW	24-17S-35E

<b>Wells</b>				
<b>Well API</b>	<b>Well Name</b>	<b>UL or Q/Q</b>	<b>S-T-R</b>	<b>Pool</b>
30-025-50165	BLUEBELL 22115 19 18 STATE COM #001H	E/2 W/2 E/2 NW/4	18-17S-36E 19-17S-36E	98333
30-025-50166	BLUEBELL 22115 19 18 STATE COM #002H	W/2 W/2 W/2 NW/4	18-17S-36E 19-17S-36E	98333
30-025-50549	BIG PINEY 22115 19 18 STATE COM #001H	E/2 E/2 E/2 NE/4	18-17S-36E 19-17S-36E	98333
30-025-50550	BIG PINEY 22115 19 18 STATE COM #002H	W/2 E/2 W/2 NE/4	18-17S-36E 19-17S-36E	98333
30-025-51237	ALTAMONT 7903 19 30 31 STATE COM #001H	E2SW E2W2 E2NW	19-17S-36E 30-17S-36E 31-17S-36E	98333
30-025-51238	ALTAMONT 7903 19 30 STATE COM #002H	W2SW W2W2	19-17S-36E 30-17S-36E	98333
30-025-53170	MANILA 8408 19 30 31 STATE COM #003H	E2SE E2E2 E2NE	19-17S-36E 30-17S-36E 31-17S-36E	98333
30-025-53171	MANILA 8408 19 30 31 STATE COM #004H	W2SE W2E2 W2NE W2NW	19-17S-36E 30-17S-36E 31-17S-36E 24-17S-35E	98333 97202
30-025-54291	BOX ELDER 22115 STATE COM #003H	E2SE W2SW W2W2 E2E2 E2NE	11-17S-35E 12-17S-35E 13-17S-35E 14-17S-35E 23-17S-35E	98333
30-025-54278	BOX ELDER 22115 23 14 11 STATE COM #004H	W2NW E2SE W2SW W2W2 E2E2 E2NE	24-17S-35E 11-17S-35E 12-17S-35E 13-17S-35E 14-17S-35E 23-17S-35E	97202 98333
30-025-51355	HIDEOUT 22115 24 13 STATE COM #001H	E2E2 E2NE	13-17S-35E 24-17S-35E	98333
30-025-51386	HIDEOUT 22115 24 13 STATE COM #002H	W2E2 W2NE	13-17S-35E 24-17S-35E	98333

Sante Fe Main Office  
Phone: (505) 476-3441

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/ocd/contact-us>

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

CONDITIONS

Action 525803

**CONDITIONS**

Operator: BTA OIL PRODUCERS, LLC 104 S Pecos Midland, TX 79701	OGRID: 260297
	Action Number: 525803
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

**CONDITIONS**

Created By	Condition	Condition Date
sarah.clelland	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please email us at <a href="mailto:OCD.Engineer@emnrd.nm.gov">OCD.Engineer@emnrd.nm.gov</a> .	11/12/2025