

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

**APPLICATION OF BTA OIL PRODUCERS, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

Pursuant to NMSA 1978, Section 70-2-17, BTA Oil Producers, LLC (OGRID No. 260297) (“BTA” or “Applicant”) applies for an order pooling all uncommitted interests in the Second Bone Spring interval of the Bone Spring formation underlying a 400-acre, more or less, standard horizontal spacing unit comprised of the W/2 NW/4 of Section 25 and the W/2 W/2 of Sections 24 and 13, Township 20 South, Range 35 East, Lea County, New Mexico (“Unit”). In support of this application, BTA states the following.

1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
2. The Unit will be dedicated to the **Sage Brush 22302 25-24-13 State Com #3H** well (“Well”), to be drilled from a surface hole location in the SW/4 NW/4 (Unit E) of Section 25 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 13.
3. The completed interval of the Well will be orthodox.
4. A depth severance exists within the Unit. Therefore, BTA seeks to pool only those uncommitted interests from the top of the Second Bone Spring interval, at a stratigraphic equivalent of approximately 9,538’ TVD, to the top of the Third Bone Spring interval, at a stratigraphic equivalent of approximately 10,402’ TVD, as found in the RSC Resources LP – Heller Co Trust Com “A” 1 well (API No. 30-025-28193).

5. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.

6. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated as the operator of the Well and Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 10, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Well in the Unit;
- C. Designating Applicant as operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the Well;
- E. Approving the actual operating charged and costs of supervision while drilling and after completion, together with a provision adjusting the rated pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the Well against any working interest owner who does not voluntarily participate in the drilling of the Well.

Respectfully submitted,

HARDY McLEAN LLC

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