State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie Kenderdine Cabinent Secretary

Ben Shelton Deputy Secretary (Acting) **Gerasimos "Gerry" Razatos** Division Director (Acting) Oil Conservation Division



Jaclyn M. McLean jmclean@hinklelawfirm.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8879

BTA Oil Producers, LLC [OGRID 260297] North Ridge 8040 Federal Com Well No. 9H API No. 30-025-49792

Reference is made to your application received on January 30th, 2025.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	500 FNL & 1035 FEL	А	35	22S	34E	Lea
First Take Point	100 FNL & 1350 FEL	В	35	22S	34E	Lea
Last Take Point	2540 FNL & 1350 FEL	G	02	23S	34E	Lea
Terminus	2600 FNL & 1350 FEL	G	02	23S	34E	Lea

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
W/2 E/2 Section 35, T22S, R34E	240.2	Ojo Chiso; Bone Spring, south	97293
W/2 NE/4 Section 02, T23S, R34E			

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **oil** well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an **oil** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal

Administrative Order NSL – 8879 BTA Oil Producers, LLC Page 2 of 2

well shall be no closer than 100 feet in the horizontal plane, to any outer boundary of the horizontal spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 30 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 35, T22S, R34E, encroachment to the E/2 E/2 Section 02, T23S, R34E, encroachment to the E/2 NE/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches. It is understood that the affected tracts are a 100% W.I. to the applicant of this application, therefore the notice period does not apply.

The Division understands you are seeking this unorthodox location to maximize the wellbore's contact to undeveloped resources, reducing stranded location, accelerating recovery time and improving overall productivity. Thus, preventing waste, and protecting the correlative rights within the Bonespring formation underlying the W/2 E/2 of Section 35, T22S, R34E and the W/2 NE/4 of Section 02, T23S, R34E.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, Division approves this unorthodox location.

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as the Division deems necessary.

GERASIMOS RAZATOS DIRECTOR (ACTING) GR/lrl Date: 3/19/2025

Received by OCD: 1/30/2025 3:12:24 PM

ID NO. 426879		NSL - 8879		Revised March 23, 2017
RECEIVED: 01/30/25	REVIEWER:	TYPE:	APP NO: pLEI	2503057012
THIS CHECKLIS	- Geolog 220 South St. ADMINIS T IS MANDATORY FOR	ABOVE THIS TABLE FOR OCD DIVI ICO OIL CONSERVA gical & Engineering Francis Drive, Santa TRATIVE APPLICATIC ALL ADMINISTRATIVE APPLICAT	TION DIVISION Bureau – Fe, NM 87505 ON CHECKLIST	ISION RULES AND
		REQUIRE PROCESSING AT THE D	IVISION LEVEL IN SANTA FE	
Applicant: BTA Oil Produc	ers, LLC			umber: <u>260297</u>
Well Name: North Ridge 8		9H	API: 30-025	
Pool: Ojo Chiso; Bone Spring	, South		Pool Cod	e: 97293
1) TYPE OF APPLICATIO		NFORMATION REQUIR INDICATED BELO e which apply for [A]		TYPE OF APPLICATION
	cing Uni <u>t</u> – Simi	ultaneous Dedication	(PRORATION UNIT)	
 2) NOTIFICATION REQU A. Offset operation 	Disposal – Pres PMX DISPOSAL – Pres	PLC PC OL sure Increase – Enhai SWD IPI EC k those which apply.	nced Oil Recovery DR DPR	FOR OCD ONLY Notice Complete Application
E. 🔲 Notification F. 📋 Surface owr	and/or concu and/or concu ner above, proof	hed notice rrent approval by SLC rrent approval by BLN of notification or pub	/I	Content Complete
administrative appro	oval is accurate action will be t	It the information sub e and complete to th aken on this applicat Division.	e best of my knowle	dge. I also
Note: State	ement must be com	pleted by an individual with n	nanagerial and/or supervise	ory capacity.
			1/30/25	
Jaclyn M. McLean			Date	
Print or Type Name			5052205210	
			5056605640	
			Phone Number	

jmclean@hinklelawfirm.com

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e-mail Address

Jaclyn M. McLean

Signature

Digitally signed by Jaclyn M. McLean Date: 2025.01.30 14:10:02 -07'00'



hinklelawfirm.com

HINKLE SHANOR LLP

ATTORNEYS AT LAW P.O. BOX 2068 SANTA FE, NEW MEXICO 87504 505-982-4554 (FAX) 505-982-8623

WRITER: Jaclyn M. McLean, Partner jmclean@hinklelawfirm.com

January 30, 2025

VIA ONLINE FILING

Gerasimos Razatos, Acting Director Oil Conservation Division Energy, Minerals and Natural Resources Department 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: BTA Oil Producers, LLC Request for Administrative Approval of Unorthodox Well Location

North Ridge 8040 Federal Com #9H (API No. 30-025-49792) W/2 E/2 of Section 35, Township 22 South, Range 34 East, and Lot 2, SW/4 NE/4 of Section 2, Township 23 South, Range 34 East, Lea County, New Mexico. Ojo Chiso; Bone Spring, South Pool (Code 97293)

Dear Mr. Razatos,

In accordance with Division Rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC BTA Oil Producers, LLC ("BTA") (OGRID No. 260297) seeks administrative approval of an unorthodox well location for its North Ridge 8040 Federal Com #9H well, in a 240.2-acre, more or less, horizontal spacing unit underlying the W/2 E/2 of Section 35, Township 22 South, Range 34 East, and Lot 2, SW/4 NE/4 of Section 2, Township 23 South, Range 34 East, Lea County, New Mexico.

The location for the North Ridge 8040 Federal Com #9H well ("Well"), is as follows:

- <u>Surface Hole Location</u>: 500' FNL and 1,035' FEL (Unit A) of Section 35, Township 22 South
- <u>First Take Point</u>: 100' FNL and 1,350' FEL (Unit B) of Section 35, Township 22 South
- <u>Last Take Point</u>: 2,540' FNL and 1,350' FEL (Unit G) of Section 2, Townshp 23 South
- <u>Bottom Hole Location</u>: 2,600' FNL and 1,350' FEL (Unit G) of Section 2, Township 23 South

The completed interval of the Well will be located less than 330 feet from the eastern boundary of the horizontal spacing unit. As explained in the engineering statement included as **Exhibit A**, approval of the unorthodox, completed interval is necessary to allow BTA to maximize January 30, 2024 Page 2

the wellbore's contact to undeveloped resources in the unit, reducing stranded resources, accelerating recovery time, and improving overall productivity. The approval of an unorthodox well location will prevent waste and protect correlative rights.

Exhibit B is a Form C-102 for the North Ridge 8040 Federal Com #9H. As shown on the plat, the Well encroaches on the tracts to the east in the E/2 E/2 of Section 35, Township 22 South, Range 34 East, and Lot 1, SE/4 NE/4 of Section 2, Township 23 South, Range 34 East.

Exhibit C is a plat for Section 35, Township 22 South, and Section 2, Township 23 South, within Range 34 East in Lea County. The plat shows the Well in relation to the adjoining tracts/proposed spacing units. BTA is the designated operator of the adjoining spacing unit.

Exhibit D is a spreadsheet that identifies affected persons who were sent a copy of this application and attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application.

Thank you for your attention to this matter. Please let me know if you require additional information.

Very truly yours,

<u>/s/ Jaclyn M. McLean</u> Jaclyn M. McLean

Attorney for BTA Oil Producers, LLC



BTA OIL PRODUCERS, LLC

CARLTON BEAL, JR. BARRY BEAL SPENCER BEAL KELLY BEAL BARRY BEAL, JR. STUART BEAL ROBERT DAVENPORT, JR. 104 SOUTH PECOS STREET MIDLAND, TEXAS 79701-5021 432-682-3753 ASHLEY BEAL LAFEVERS ALEX BEAL HILL DAVENPORT TREY FUQUA ADAMS DAVENPORT MICHAEL BEAL

January 30, 2025

RE: North Ridge 8040 Federal Com #9H SHL: 500' FNL and 1,035' FEL of Section 35, T22S-R34E FTP: 100' FNL and 1,350' FEL of Section 35, T22S-R34E LTP: 2,540' FNL and 1,350' FEL of Section 2, T23S-R34E BHL: 2,600' FNL and 1,350' FEL of Section 2, T23S-R34E Lea County, New Mexico

To whom it may concern:

BTA Oil Producers, LLC ("BTA") respectfully requests administrative approval of a non-standard location for the North Ridge 8040 Federal Com #9H well to allow the completed interval to be less than 330 feet from the eastern boundary of the existing 240.20-acre horizontal spacing unit. Approval of a non-standard location will maximize the wellbore's contact to undeveloped resource in this unit, reducing stranded resources, accelerating recovery time, and improving overall productivity. The request for a non-standard location is therefore in the best interests of the mineral owners as well as the operator.

Sincerely, BTA Oil Producers, LLC a Texas Limited Liability Company

Michael Beal Member & Exploration Manager

EXHIBIT A

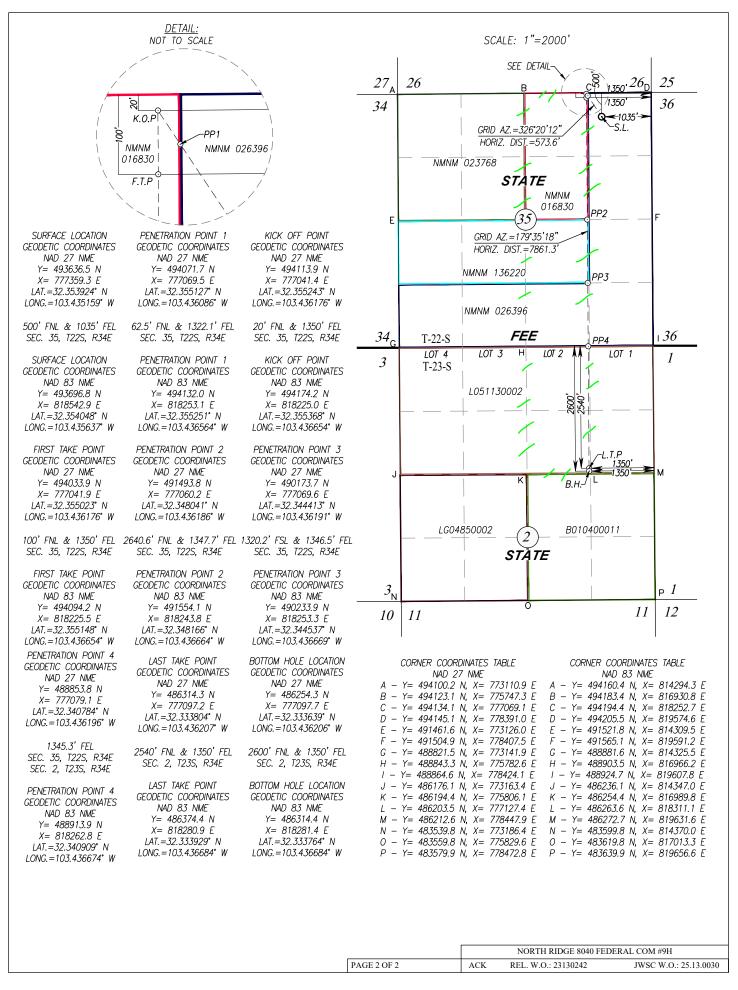
EXHIBIT B

<u>C-10</u>			Ene			al Resources Departr	nent			Revised July 9, 2024
	Electronically D Permitting	/		OIL C	ONSERVA	FION DIVISION			🗆 Initial Sub	omittal
	-							Submittal		
								Туре:	As Drilleo	- 1
		-	1		VELL LOCAT	ION INFORMATION	1			
API Nı	umber 30-02	5-49792	Pool Code	97293		Pool Name		NE SPR	ING, SOUTH	ł
Proper	tv Code	27302	Property Na				COM		Well Number	
OGRIE) No		Operator Na	nme		3040 FEDERAL			Ground Leve	9H I Elevation
		297			ΓΑ OIL PR	ODUCERS, LLC			ii ah	3407'
Surface	e Owner: 🗆	State 🛛 Fee 🗆	Tribal 🗆 Fed	eral		Mineral Owner: 🗆 S	state 🗋 Fee 🗋		Federal	
<i>ii</i>	<i></i>				Surfa	ace Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Longitude	County
A	35	22-S	34-E	18	500 FNL	1035 FEL	32.3540	048° 1	03.435637°	LEA
19					P*	Hole Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Longitude	County
G	2	23-S	34-E	~	2600 FNL	1350 FEL	32.333	/64° I	03.436684°	LEA
						Out the size Service 1		Consolida	tion Code	
	ted Acres 240.2	Infill or Defi	ning Well	Defining	Well API	Overlapping Spacing N		Consolida	tion Code	
	Numbers.			l		Well setbacks are unde	r Common Ow	nership: 🗆 Y	íes □No	
	- California									
	1	1				ff Point (KOP)	Latitude	[,	Longitude	County
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W			-	2
В	35	22-S	34-E		20 FNL	1350 FEL	32.3553	508- 1	03.436654°	LEA
UL	Section	Township	Range	Lot	First Ta Ft. from N/S	ke Point (FTP) Ft. from E/W	Latitude		Longitude	County
B	35	22-S	34-E	-	100 FNL	1350 FEL	32.3551		03.436654°	LEA
В	35	22-5	J-+-L			ke Point (LTP)	52.555		05.150051	
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude		Longitude	County
G	2	23-S	34-E	. 	2540 FNL	1350 FEL	32.3339	929° 1	03.436684°	LEA
L_										
Unitize		a of Uniform Int NMNM142		Spacing U	Jnit Type 🛚 Horiz	zontal 🗆 Vertical	Groun	id Floor Ele	vation:	
OPERA	ATOR CERI	TIFICATIONS				SURVEYOR CERTIFIC	CATIONS			
best of that this in the la well at unlease	my knowledg s organization and including this location p d mineral inte	he information c e and belief, and either owns a wi the proposed bot unsuant to a com rest, or to a volu ore entered by th	if the well is a orking interest of tom hole location ract with an ow ntary pooling ag	vertical or d or unleased n on or has a ri mer of a wor	irectional well, nineral interest ght to drill this king interest or	I hereby certify that the wa was plotted from field not me or under my supervisio and correct to the best of r	es of actual sur	veys made b	by = st	G. EIDSON
received unlease any par comput	d the consent ed mineral inte t of the well's sory pooling	ontal well, I furth of at least one least completed intervorder from the di	ssee or owner o (in the target p ral will be locat vision. 1-29-20	f a working i ool or forma ed or obtaine	interest or tion) in which	Dory B &	iDoon (01/27/20	25	2641 WAL SURVEIO
Signatu	0		Date			signature apro Seal of Prot	costonal Surve	yoi		
	my Hajar					Gary G. Eidson 12641	0.1.07		OBER 29, 20	20
Printed			_			Certificate Number	Date of Surv	ey		
	÷	TAOIL.CON	1							
E-mail 4	Address					PAGE 1 OF 2	ACK RE	EL W O : 231	30242	JWSC W O : 25 13 0030

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division

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Received by OCD: 1/30/2025 3:12:24 PM



North Ridge 8040 Federal Com #9H NSL Map

W/2 E/2 of Section 35, T-22-S, R-34-E, and Lot 2, SW/4 NE/4 of Section 2, T-23-S, R-34-E, N.M.P.M., Lea County, New Mexico, containing 240.20 acres, more or less.

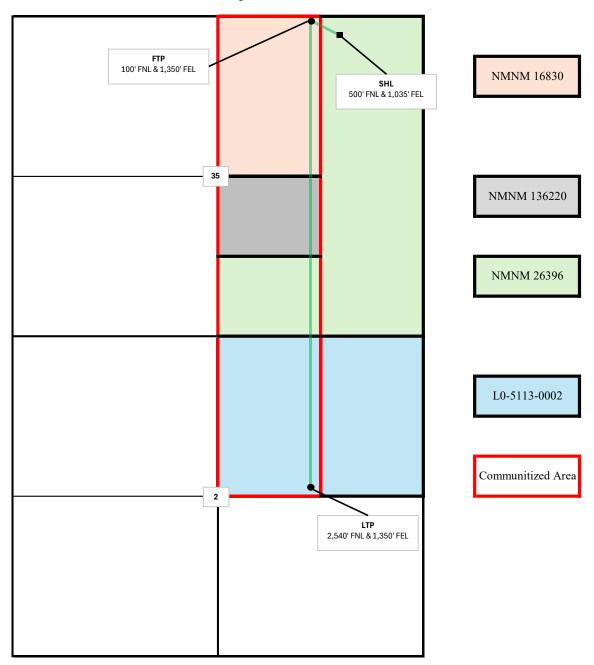


EXHIBIT C

North Ridge 8040 Federal Com #9H NSL Notification

W/2 E/2 of Section 35, T-22-S, R-34-E, and Lot 2, SW/4 NE/4 of Section 2, T-23-S, R-34-E, N.M.P.M., Lea County, New Mexico, containing 240.20 acres, more or less.

Offset Proration Unit - North Ridge 8040 Federal Com #4H: E/2 E/2 of Section 35, T-22-S, R-34-E, and Lot 1, SE/4 NE/4 of Section 2, T-23-S, R-34-E, N.M.P.M., Lea County, New Mexico, containing 240.22 acres, more or less.

Notification:

Offset Proration Unit - North Ridge 8040 Federal Com #4H					
Owner Type	Affected Party	Date of Notices Sent & Tracking No.			
WI Owner/Operator	BTA Oil Producers, LLC	N/A			
WI Owner/Operator	BEXP I MAC, LLC	1/30/2025: 9589071052702159747161			
WI Owner/Operator	BEXP I OG, LLC	1/30/2025: 9589071052702159747178			
WI Owner/Operator	Gahr Energy Company	1/30/2025: 9589071052702159747185			
WI Owner/Operator	Northern Oil and Gas, Inc.	1/30/2025: 9589071052702159747192			
WI Owner/Operator	XTO Holdings LLC	1/30/2025: 9589071052702159747208			
ORRI Owner	9600 Venture Properties	N/A			
ORRI Owner	Chad Barbe and wife, Marci Barbe	1/30/2025: 9589071052702159747222			
ORRI Owner	BEXP I MAC, LLC	1/30/2025: 9589071052702159747161			
ORRI Owner	BEXP I OG, LLC	1/30/2025: 9589071052702159747178			
ORRI Owner	BR2 Holdings, LLC	1/30/2025: 9589071052702159747253			
ORRI Owner	Cayuga Royalties, LLC	1/30/2025: 9589071052702159747277			
ORRI Owner	Gahr Ranch and Investments Partnership	1/30/2025: 9589071052702159747284			
ORRI Owner	Gardenia, Inc.	1/30/2025: 9589071052702159747291			
ORRI Owner	GPC LLC	1/30/2025: 9589071052702159747307			
ORRI Owner	MSH Family Real Estate Partnership II, LLC	1/30/2025: 9589071052702159747314			
ORRI Owner	Monticello Minerals LLC	1/30/2025: 9589071052702159747321			

EXHIBIT D

.

Owner Type	Affected Party	Date of Notices Sent
ORRI Owner	Northern Oil and Gas, Inc.	1/30/2025: 9589071052702159747192
ORRI Owner	Oak Valley Mineral and Land, LP	1/30/2025: 9589071052702159747338
ORRI Owner	Pegasus Resources, LP	1/30/2025: 9589071052702159747345
ORRI Owner	Post Oak Mavros II, LLC	1/30/2025: 9589071052702159747352
ORRI Owner	Prevail Energy LLC	1/30/2025: 9589071052702159747369
ORRI Owner	Sitio Permian, LP	1/30/2025: 9589071052702159747376
ORRI Owner	SMP Sidecar Titan Mineral Holdings, LP	1/30/2025: 9589071052702159747383
ORRI Owner	SMP Titan Flex, LP	1/30/2025: 9589071052702159747390
ORRI Owner	SMP Titan Mineral Holdings, LP	1/30/2025: 9589071052702159747406
ORRI Owner	Sortida Resources, LLC	1/30/2025: 9589071052702159747413
ORRI Owner	Viper Energy Partners, LLC	1/30/2025: 9589071052702159747420
ORRI Owner	Dennis L. Whitney	1/30/2025: 9589071052702159747437
ORRI Owner	D & J Winger Trust	1/30/2025: 9589071052702159747444
RI Owner	The State of New Mexico	1/30/2025: 9589071052702159747239
RI Owner	Bureau Of Land Management	1/30/2025: 9589071052702159747246
ORRI Owner	CCG II LLC	1/30/2025: 9589071052702159747260

Compiled Owners and Addresses:

Compiled Owner Information				
Owner Type	Affected Party	Mailing Address		
WI Owner/Operator	BTA Oil Producers, LLC	104 South Pecos, Midland, TX 79701		
WI Owner/Operator	BEXP I MAC, LLC	5914 W. Courtyard Drive, Suite 340, Austin, TX 78730		
WI Owner/Operator	BEXP I OG, LLC	5914 W. Courtyard Drive, Suite 340, Austin, TX 78730		
WI Owner/Operator	Gahr Energy Company	P. O. Box 1889, Midland, TX 79702		
WI Owner/Operator	Northern Oil and Gas, Inc.	4350 Baker Road, Suite 400, Minnetonka, MN 55343		
WI Owner/Operator	XTO Holdings LLC	22777 Springwoods Village Pkwy, Spring, TX 77389-1425		
ORRI Owner	9600 Venture Properties	104 South Pecos, Midland, TX 79701		
ORRI Owner	Chad Barbe and wife, Marci Barbe	P. O. Box 2107, Roswell, NM 88202		

.

ORRI Owner	BEXP I MAC, LLC	5914 W. Courtyard Drive, Suite 340, Austin, TX 78730
Owner Type	Affected Party	Mailing Address
ORRI Owner	BEXP I OG, LLC	5914 W. Courtyard Drive, Suite 340, Austin, TX 78730
ORRI Owner	BR2 Holdings, LLC	P. O. Box 980552, Houston, TX 77098
ORRI Owner	CCG II LLC	P. O. Box 460929, Denver, CO 80245-0929
ORRI Owner	Cayuga Royalties, LLC	P. O. Box 540711, Houston, TX 77254
ORRI Owner	Gahr Ranch and Investments Partnership	P. O. Box 1889, Midland, TX 79702
ORRI Owner	Gardenia, Inc.	P. O. Box 101621, Fort Worth, TX 76109
ORRI Owner	GPC LLC	4582 Ulster Street, Suite 720, Denver, CO 80237
ORRI Owner	MSH Family Real Estate Partnership II, LLC	4143 Maple Avenue, Suite 500, Dallas, TX 75219
ORRI Owner	Monticello Minerals LLC	4128 Bryn Mawr Drive, Dallas, TX 75225
ORRI Owner	Northern Oil and Gas, Inc.	4350 Baker Road, Suite 400, Minnetonka, MN 55343
ORRI Owner	Oak Valley Mineral and Land, LP	P. O. Box 50820, Midland, TX 79710
ORRI Owner	Pegasus Resources, LP	3230 Camp Bowie Blvd, Suite 300, Fort Worth, TX 76107
ORRI Owner	Post Oak Mavros II, LLC	34 South Wynden Drive, Suite 260, Houston, TX 77056
ORRI Owner	Prevail Energy LLC	641 South Monroe Way, Denver, CO 80209
ORRI Owner	Sitio Permian, LP	1401 Lawrence Street, Suite 1750, Denver, CO 80202
ORRI Owner	SMP Sidecar Titan Mineral Holdings, LP	4143 Maple Avenue, Suite 500, Dallas, TX 75219
ORRI Owner	SMP Titan Flex, LP	4143 Maple Avenue, Suite 500, Dallas, TX 75219
ORRI Owner	SMP Titan Mineral Holdings, LP	4143 Maple Avenue, Suite 500, Dallas, TX 75219
ORRI Owner	Sortida Resources, LLC	P. O. Box 50820, Midland, TX 79710
ORRI Owner	Viper Energy Partners, LLC	900 NW 63rd Street, Suite 200, Oklahoma City, OK 73116
ORRI Owner	Dennis L. Whitney	12723 Richmond Avenue, Grandview, MO 64030-2160
ORRI Owner	D & J Winger Trust	13523 Elmore Road, Longmont, CO 80504
RI Owner	The State of New Mexico	310 Old Santa Fe Trail, Santa Fe, NM 87504
RI Owner	Bureau Of Land Management	301 Dinosaur Trail, Santa Fe, NM 87508

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

Operator:	OGRID:
BTA OIL PRODUCERS, LLC	260297
104 S Pecos	Action Number:
Midland, TX 79701	426879
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By		Condition Date
llowe	None	1/30/2025

Page 13 of 13

Action 426879