

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan-Grisham
Governor

Melanie A. Kenderdine
Cabinet Secretary

Ben Shelton
Deputy Secretary

Erin Taylor
Deputy Secretary

Albert C.S. Chang
Division Director
Oil Conservation Division



Jaclyn M. McLean
jmclean@hardymclean.com

Administrative Order NSP – 2290

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

BTA Oil Producers, LLC [OGRID 260297]

Manila 8408 19 30 31 State Com Well No. 3H [API No. 30-025-53170]

Manila 8408 19 30 31 State Com Well No. 4H [API No. 30-025-53171]

HSU: SE/4 Section 19, E/2 Section 30 and NE/4 Section 31, T17S R36E, Lea County

Reference is made to your application received on May 7th, 2025.

You have requested approval of a non-standard horizontal spacing unit to be included in your proposed horizontal spacing unit, as follows:

Proposed Increased Horizontal Spacing Unit:

Description	Acres	Pool	Pool Code
SE/4 Section 19	640	Wildcat; Upper Penn	98333
E/2 Section 30			
NE/4 Section 31			

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a non-standard horizontal spacing unit consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter - quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(1) NMAC.

We understand that you are seeking this exception for an allowance to create a non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above within Lea County, New Mexico.

NSP - 2290
BTA Oil Producers, LLC
Page 2 of 2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units which are to be being included.

You have requested this non-standard horizontal spacing unit in order to reduce surface facility acreage, to improve economics and to protect the correlative rights within the Penn formation. Thereby, preventing waste underlying the SE/4 Section 19, E/2 Section 30 and the NE/4 Section 31 within the referenced Horizontal Spacing Unit.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the above-described **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the non-standard spacing unit, the well(s) must be in the same horizontal spacing unit and pool/formation. The new well's APD shall reference this NSP order number on Form C-102 with an adjacent letter stating this request.

General Provisions

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.



Albert C.S. Chang
Division Director
AC/lrl

Date: 7/3/2025

Revised March 23, 2017

ID NO. 459674

NSP - 2290

RECEIVED: 05/07/25	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: BTA Oil Producers, LLC **OGRID Number:** 260297
Well Name: MANILA 8408 19-30-31 State Com Wells **API:** 30-025-53170; 30-025-53171
Pool: WC-025 G-09 S173615C, UPPER PENN **Pool Code:** 98333

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL☒ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☒ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete☐ Application
Content
Complete

3) CERTIFICATION: I hereby certify that the information submitted with this application for
 administrative approval is **accurate** and **complete** to the best of my knowledge. I also
 understand that **no action** will be taken on this application until the required information and
 notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

5/7/2025

Date

Jaclyn M. McLean

Print or Type Name

505-230-4410

Phone Number

Jaclyn M. McLean

Signature

Digitally signed by Jaclyn M. McLean
 Date: 2025.05.07 09:12:40 -06'00'

jmclean@hardymclean.com

e-mail Address



May 7, 2025

VIA ONLINE FILING

Gerasimos Razatos
Acting Division 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 Non-Standard Horizontal Spacing
Unit**

Manila 8408 19-30-31 State Com Spacing Unit
SE/4 of Section 19, E/2 of Section 30 and the NE/4 of Section 31, Township 17 South,
Range 36 East, Lea County, New Mexico.
WC-025 G-09 S173615C; Upper Penn Pool (Code 98333)

Dear Mr. Razatos,

BTA Oil Producers, LLC ("BTA") (OGRID No. 260297) pursuant to Division Rules 19.15.16.15(B)(5) and 19.15.15.11 NMAC, seeks administrative approval of Non-Standard Horizontal Spacing Unit for its Manila 8408 19-30-31 State Com Spacing Unit, in a 640-acre, more or less, non-standard horizontal spacing unit, underlying the SE/4 of Section 19, E/2 of Section 30, and the NE/4 of Section 31, Township 17 South, Range 36 East, Lea County, New Mexico.

The Manila 8408 19-30-31 State Com Spacing Unit will contain the following wells:

- Manila 8408 19-30-31 State Com #3H; and
- Manila 8408 19-30-31 State Com #4H

A non-standard spacing unit is requested to allow BTA to use its preferred well spacing for the horizontal wells in this area, which will maximize recovery, prevent waste, and protect correlative rights. The non-standard spacing unit will allow BTA to minimize

125 Lincoln Avenue, Suite 223
Santa Fe, NM 87501
505-230-4410

HardyMcClean.com

Writer:
Jaclyn M. McLean
Managing Partner
jmclean@hardymcClean.com

Hardy McLean LLC
May 7, 2025

Page 2

surface use. Centralizing equipment for facilities for the Wells will reduce the total acreage needed for surface facility by 4 acres of the total amount that would be necessary absent a non-standard spacing unit. Further, The centralized facilities will result in an overall cost saving of approximately \$4,000,000.00. This will reduce the overall well costs and improve economics for the wells. Finally, a common facility also reduces the number of flares BTA may need to use in the case of emergency from 4 to 1. Additionally, the VOC reduction is nearly 50%. Therefore, BTA respectfully requests approval of this non-standard spacing unit.

Exhibit A are Form C-102s for the Manila 8408 19-30-31 State Com wells showing the location of the wells in the 640-acre non-standard horizontal spacing unit.

Exhibit B is a plat for Sections 19, 30, and 31, Township 17 South, Range 36 East, Lea County, New Mexico, in relation to the adjoining tracts. Exhibit B also identifies the operators of the adjoining tracts.

Exhibit C is a list that identifies all 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, along with the date notice was sent, and a copy of the notice letter to affected persons.

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

Very truly yours,

HARDY McLEAN LLC

/s/ Jaclyn M. McLean
Jaclyn M. McLean

ATTORNEYS FOR BTA OIL PRODUCERS, LLC

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals, & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024 PAGE 1 OF 2
		Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

WELL LOCATION INFORMATION

API Number 30-025-53170	Pool Code 98333	Pool Name WC-025 G-09 S173615C, UPPER PENN
Property Code 366075	Property Name MANILA 8408 19-30-31 STATE COM	Well Number 3H
OGRID No. 260297	Operator Name BTA OIL PRODUCERS, LLC	Ground Level Elevation 3881'
Surface Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL J	Section 19	Township 17S	Range 36E	Lot	Ft. from N/S 2540' FSL	Ft. from E/W 1330' FEL	Latitude (NAD83) 32.81999223	Longitude (NAD83) -103.38980637	County LEA
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Bottom Hole Location

UL H	Section 31	Township 17S	Range 36E	Lot	Ft. from N/S 2590' FNL	Ft. from E/W 350' FEL	Latitude (NAD83) 32.79133431	Longitude (NAD83) -103.38652857	County LEA
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Dedicated Acres 640.00	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code
Order Numbers:			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL H	Section 19	Township 17S	Range 36E	Lot	Ft. from N/S 2140' FNL	Ft. from E/W 350' FEL	Latitude (NAD83) 32.82169855	Longitude (NAD83) -103.38661390	County LEA
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First Take Point (FTP)

UL I	Section 19	Township 17S	Range 36E	Lot	Ft. from N/S 2540' FSL	Ft. from E/W 350' FEL	Latitude (NAD83) 32.82000519	Longitude (NAD83) -103.38661658	County LEA
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Last Take Point (LTP)

UL H	Section 31	Township 17S	Range 36E	Lot	Ft. from N/S 2540' FNL	Ft. from E/W 350' FEL	Latitude (NAD83) 32.79147173	Longitude (NAD83) -103.38652897	County LEA
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Unitized Area or Area of Uniform Interest	Spacing Unit Type: <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation 3881'
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OPERATOR CERTIFICATIONS

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

Sammy Hajar 5/6/2025
Signature Date

Sammy Hajar
Printed Name

Shajar@btaoil.com
Email Address

SURVEYOR CERTIFICATIONS

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.



Signature and Seal of Professional Surveyor

Certificate Number

21653

Date of Survey

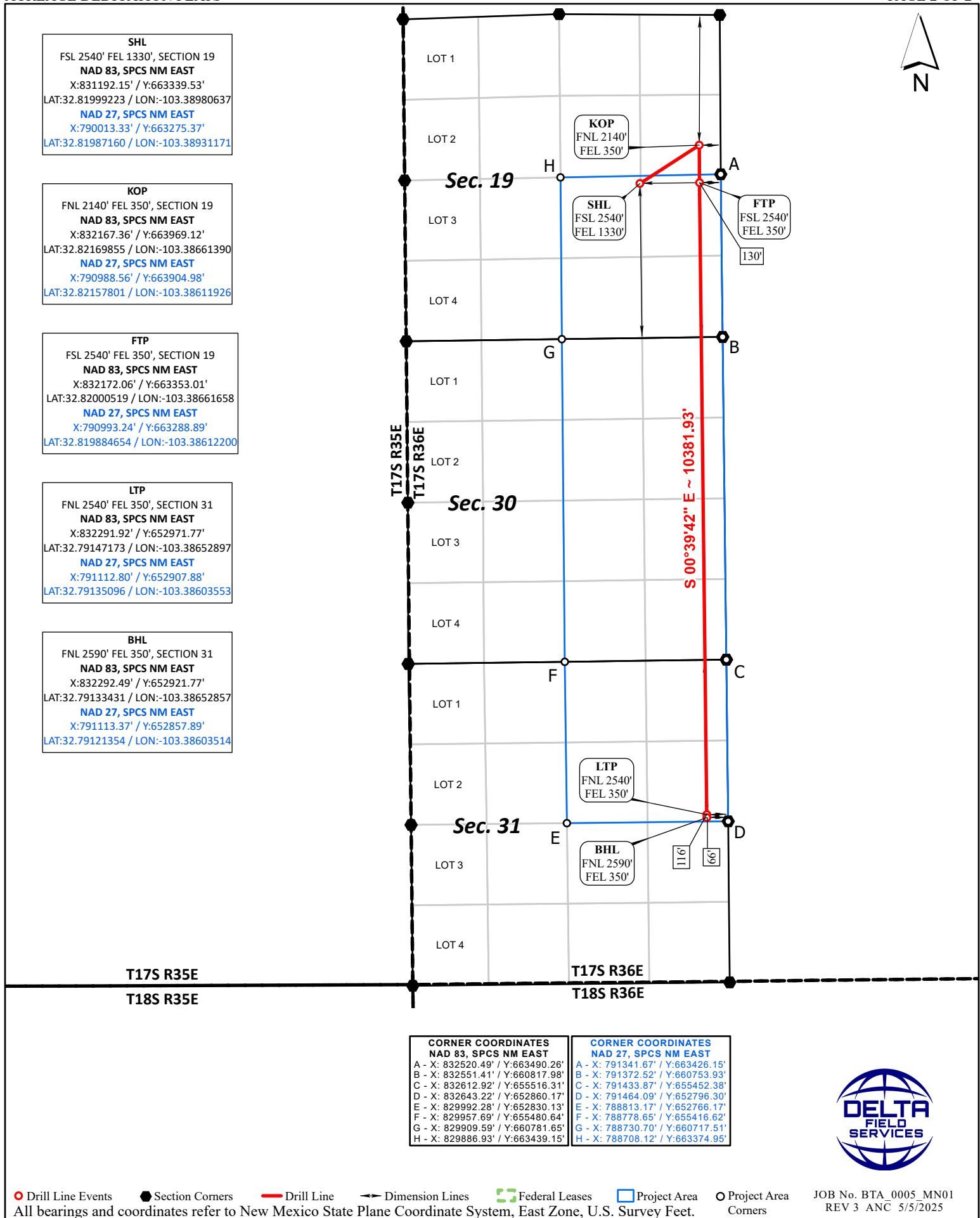
MAY 05, 2025

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.

ACREAGE DEDICATION PLATS

MANILA 8408 19-30-31 STATE COM 3H

PAGE 2 OF 2



C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals, & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024 PAGE 1 OF 2
		Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

WELL LOCATION INFORMATION

API Number 30-025-53171	Pool Code 98333	Pool Name WC-025 G-09 S173615C, UPPER PENN
Property Code 366075	Property Name MANILA 8408 19-30-31 STATE COM	Well Number 4H
OGRID No. 260297	Operator Name BTA OIL PRODUCERS, LLC	Ground Level Elevation 3881'
Surface Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL J	Section 19	Township 17S	Range 36E	Lot	Ft. from N/S 2540' FSL	Ft. from E/W 1360' FEL	Latitude (NAD83) 32.81999183	Longitude (NAD83) -103.38990402	County LEA
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Bottom Hole Location

UL G	Section 31	Township 17S	Range 36E	Lot	Ft. from N/S 2590' FNL	Ft. from E/W 1650' FEL	Latitude (NAD83) 32.79131822	Longitude (NAD83) -103.39075858	County LEA
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Dedicated Acres 640.00	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code
Order Numbers:			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL G	Section 19	Township 17S	Range 36E	Lot	Ft. from N/S 2140' FNL	Ft. from E/W 1650' FEL	Latitude (NAD83) 32.82174841	Longitude (NAD83) -103.39084524	County LEA
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First Take Point (FTP)

UL J	Section 19	Township 17S	Range 36E	Lot	Ft. from N/S 2540' FSL	Ft. from E/W 1650' FEL	Latitude (NAD83) 32.81998798	Longitude (NAD83) -103.39084793	County LEA
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Last Take Point (LTP)

UL G	Section 31	Township 17S	Range 36E	Lot	Ft. from N/S 2540' FNL	Ft. from E/W 1650' FEL	Latitude (NAD83) 32.79145564	Longitude (NAD83) -103.39075898	County LEA
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Unitized Area or Area of Uniform Interest	Spacing Unit Type: <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation 3881'
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OPERATOR CERTIFICATIONS

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

Sammy Hajar 5/6/2025
Signature Date

Sammy Hajar
Printed Name

Shajar@btaoil.com
Email Address

SURVEYOR CERTIFICATIONS

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.



Signature and Seal of Professional Surveyor

Certificate Number

21653

Date of Survey

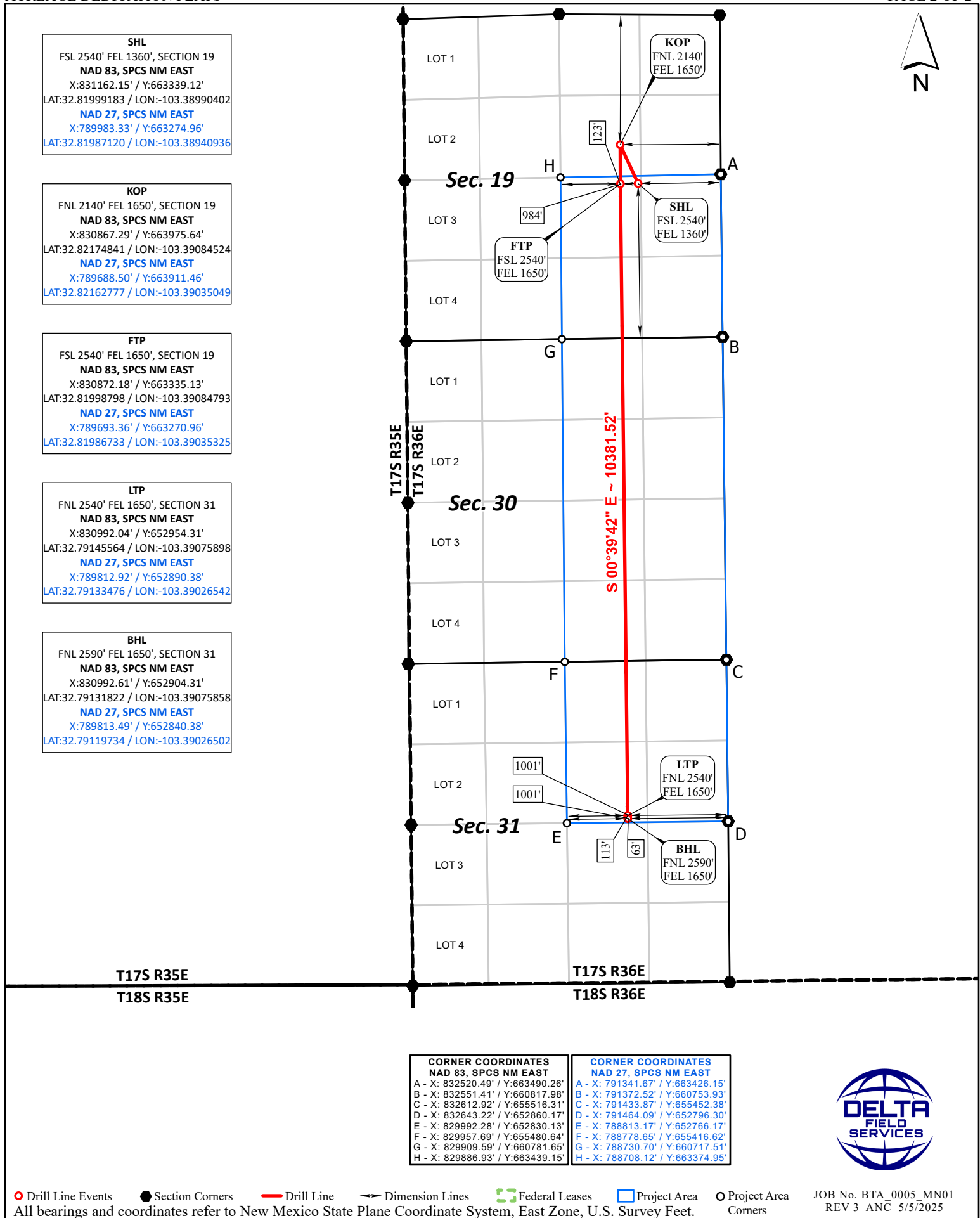
MAY 05, 2025

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.

ACREAGE DEDICATION PLATS

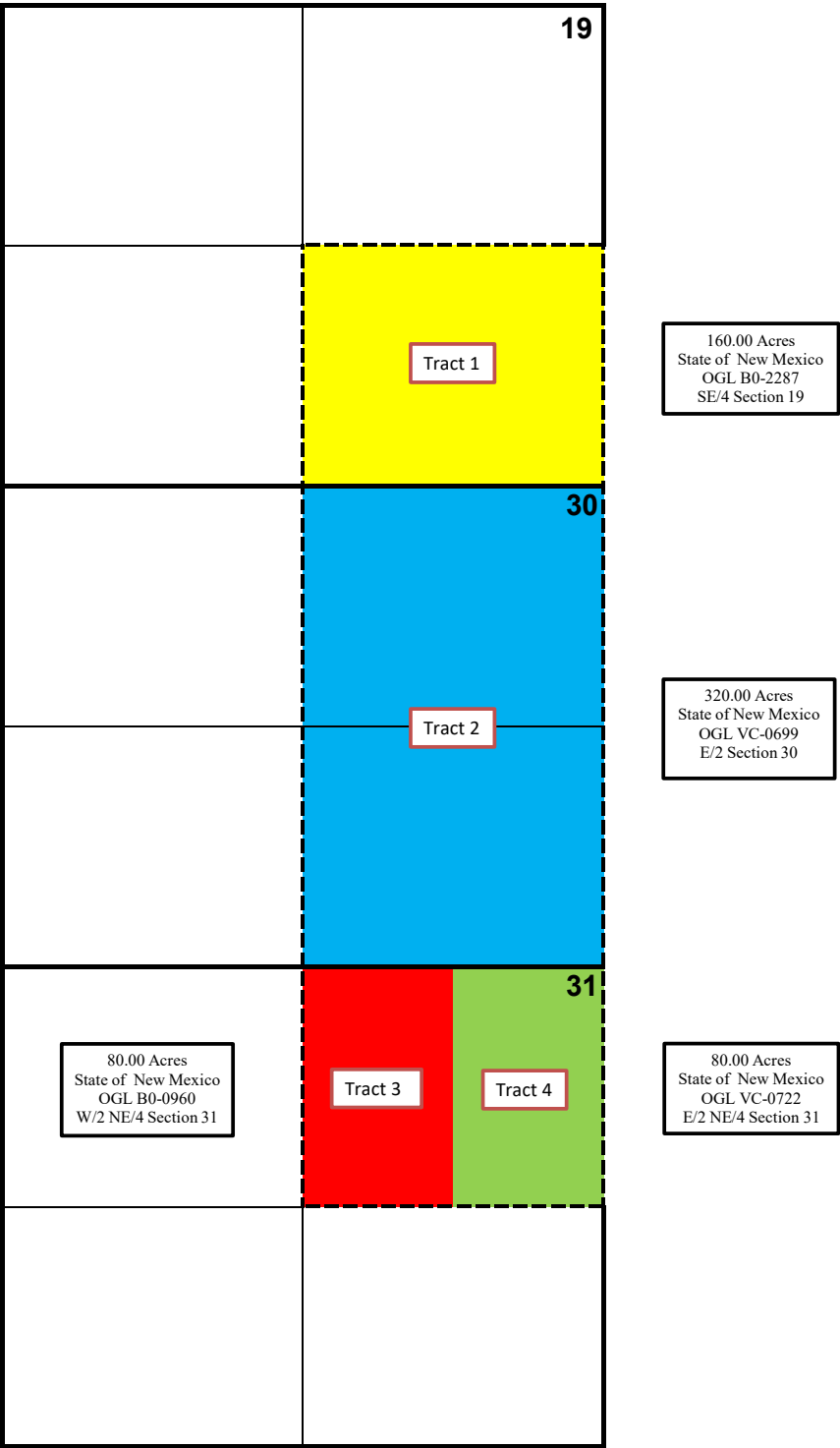
MANILA 8408 19-30-31 STATE COM 4H

PAGE 2 OF 2



640 Acre Spacing Unit for the Manila 8408 19-30-31 State Com #3H Well and
the Manila 8408 19-30-31 State Com #4H Well

SE/4 of Section 19, E/2 of Section 30 and the NE/4 of Section 31, T17S, R36E, Lea Co., NM



**Offset Ownership Plat to the 640 Acre Spacing Unit for the Manila 8408 19-30-
31 State Com #3H Well and the Manila 8408 19-30-31 State Com #4H Well**

SE/4 of Section 19, E/2 of Section 30 and the NE/4 of Section 31, T17S, R36E, Lea Co., NM



Manila 8408 19-30-31 State Com Offset Ownership List by Tract

All in T17S, R36E, Lea County, New Mexico

- Tract 1** S/2 NE/4, SE/4 NW/4 & E/2 SW/4 Section 19
State of New Mexico OGL B0-2287-0005
Samson Resources Co. - Record Title
BTA Oil Producers, LLC - Operator
- Tract 2** E/2 NW/4 of Section 30
State of New Mexico OGL LG-6478-0000
BTA Oil Producers, LLC - Record Title
BTA Oil Producers, LLC - Operator
- Tract 3** NE/4 SW/4 of Section 30
State of New Mexico OGL VC-0691-0000
BTA Oil Producers, LLC - Record Title
BTA Oil Producers, LLC - Operator
- Tract 4** SE/4 SW/4 of Section 30
State of New Mexico OGL LG-6478-0000
BTA Oil Producers, LLC - Record Title
BTA Oil Producers, LLC - Operator
- Tract 5** E/2 NW/4 of Section 31
State of New Mexico OGL VC-0611-0001
Armstrong Energy Corporation - Record Title
BTA Oil Producers, LLC - Operator
- Tract 6** NE/4 SW/4 of Section 31
State of New Mexico OGL VC-0932-0001
Armstrong Energy Corporation - Record Title
- Tract 7** N/2 SE/4 of Section 31
Unleased
- Tract 8** NW/4 SW/4 of Section 32
State of New Mexico OGL VC-0303-0002
BTA Oil Producers, LLC - Record Title
BTA Oil Producers, LLC - Operator
- Tract 9** W/2 NW/4 of Section 32
State of New Mexico OGL VC-0293-0002
BTA Oil Producers, LLC - Record Title
BTA Oil Producers, LLC - Operator

Manila 8408 19-30-31 State Com Offset Ownership List continued

All in T17S, R36E, Lea County, New Mexico

- Tract 10** W/2 SW/4 of Section 29
State of New Mexico OGL VC-0632
BTA Oil Producers, LLC - Record Title
BTA Oil Producers, LLC - Operator
- Tract 11** W/2 NW/4 of Section 29
State of New Mexico OGL VC-0698-0001
BTA Oil Producers, LLC - Record Title
BTA Oil Producers, LLC - Operator
- Tract 12** W/2 SW/4 & SW/4 NW/4 of Section 20
State of New Mexico OGL VC-0289-0002
BTA Oil Producers, LLC - Record Title
BTA Oil Producers, LLC - Operator

Manila 8408 19-30-31 State Com Contact List

Overriding Royalty Interest Owners within the Manila 640 acre proposed unit

COG Operating LLC
600 W. Illinois Avenue
Midland, TX 79701
(432) 683-7443

Date Notice Sent: 5/7/25
Tracking Number: 9414836208551282204206

Manila 640 acre NSP Operator and 100% Working Interest Owner

BTA Oil Producers, LLC
104 S. Pecos
Midland, TX 79701
(432) 682-3753

Manila 640 acre NSP Offset Record Title Owners and Operators

Armstrong Energy Corporation
500 N. Main Street, Suite 2010
Roswell, NM 88201
(575) 625-2222

Date Notice Sent: 5/7/25
Tracking Number: 9414836208551282204190

BTA Oil Producers, LLC
104 S. Pecos
Midland, TX 79701
(432) 682-3753

Samson Resources Co.
c/o Rob Duran
210 Park Avenue, Suite 2125
Oklahoma City, OK 73102
(303) 296-2119

Date Notice Sent: 5/7/25
Tracking Number: 9414836208551282204176

New Mexico State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87501

Date Notice Sent: 5/7/25
Tracking Number: 9414836208551282204183

EXHIBIT C



May 7, 2025

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: BTA Oil Producers, LLC
Request for Administrative Approval of Non-Standard Horizontal Spacing Unit

Enclosed is a copy of an administrative applications requesting approval of a non-standard spacing unit for BTA Oil Producers, LLC's Manila 8408 19-30-31 State Com wells. An administrative application for the non-standard spacing unit was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty (20) days from the date this application is received by the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact Rex Barker, Landman, at rbarker@btaoil.com.

Sincerely,

HARDY MCLEAN LLC

/s/ Jaclyn M. McLean
Jaclyn M. McLean

ATTORNEYS FOR BTA OIL PRODUCERS, LLC

125 Lincoln Avenue, Suite 223
Santa Fe, NM 87501
505-230-4410

HardyMcClean.com

Writer:
Jaclyn M. McLean
Managing Partner
jmclean@hardymclean.com

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 459674

CONDITIONS

Operator: BTA OIL PRODUCERS, LLC 104 S Pecos Midland, TX 79701	OGRID: 260297
	Action Number: 459674
	Action Type: [UF-NSP] Non-Standard Proration (NSP)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	5/10/2025