## 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.

## **APPLICATION**

Pursuant to NMSA 1978, § 70-2-17, BTA Oil Producers, LLC (OGRID No. 260297) ("BTA" or "Applicant") applies for an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 SE/4 of Section 19, the W/2 E/2 of Section 30 and the W/2 NE/4 of Section 31, Township 17 South, Range 36 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 **Manila 8408 19-30-31 State Com 4H** well ("Well"), to be drilled from a surface hole location in the NW/4 SE/4 (Unit J) of Section 19 to a bottom hole location in the SW/4 NE/4 (Unit G) of Section 31.
  - 3. The completed interval of the Well will be orthodox.
- 4. 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.
- 5. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

6. 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 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 October 10, 2024, 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 charges and costs of supervision while drilling and

after completion, together with a provision adjusting the rates 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,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

Dylan M. Villescas

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com dvillescas@hinklelawfirm.com Counsel for BTA Oil Producers, LLC