

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

**APPLICATION OF BTA OIL PRODUCERS, LLC TO
RESCIND APPROVAL OF FOUR APPLICATIONS FOR
PERMITS TO DRILL ISSUED TO TEXAS STANDARD
OPERATING NM LLC, LEA COUNTY, NEW MEXICO.**

CASE NO. 23426

BTA OIL PRODUCERS, LLC’S UNOPPOSED MOTION TO DISMISS

BTA Oil Producers, LLC (“BTA”) submits the following Motion to Dismiss its Application to Rescind Approval of Four Applications for Permits to Drill Issued to Texas Standard Operating NM LLC. In support of this motion, BTA states the following.

1. On January 26, 2021, the New Mexico Oil Conservation Division (“Division”) issued Order No. R-21572, approving the Vindicator Canyon Exploratory Unit (“Unit”), consisting of 6,000 acres of State land located in Township 17 South, Range 36 East, N.M.P.M. Lea County, New Mexico. Manzano LLC (“Manzano”) was designated as operator of the Unit.

2. On April 29, 2021, the Division entered Order No. R-21572-A, which approved the addition of 960-acres of State lands to the Unit.

3. On July 26, 2022, the Division entered Order No. R-21572-B, which removed the E/2 of Section 30 and the E/2 NE/4 of Section 31 from the Unit and added the entirety of Section 21 to the Unit. The Unit currently includes the following 7,200 acres, more or less, of state lands in Lea County, New Mexico:

- TOWNSHIP 17 SOUTH, RANGE 36 EAST, N.M.P.M.
- Section 14: SW/4
- Section 15: All
- Section 20: All
- Section 21: All
- Section 22: All
- Section 23: S/2, NW/4
- Section 26: All

Section 27: All
Section 28: All
Section 29: All
Section 32: N/2, SW/4
Section 33: NE/4
Section 34: E/2 E/2
Section 35: All.

4. BTA assumed operatorship of the Unit effective October 13, 2022.
5. The New Mexico State Land Office (“NMSLO”) issued final approval of the Unit expansion on January 24, 2023. BTA submitted its proposed Plan of Development to the NMSLO on February 20, 2023.
 6. On December 5, 2022, the Division entered Order No. R-22435 in Case No. 23005, which granted Texas Standard Operating NM LLC’s (“TSO”) application to pool all uncommitted interests in the Upper Pennsylvanian Shale formation in a standard horizontal spacing unit underlying the SW/4 of Section 9 and the W/2 of Section 16, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico.
 7. Order No. R-22435 granted TSO pooling authorization for the State 9-16 No. 1H well to be drilled 1330’ FWL of Sections 9 and 16 and designated the well as a proximity tract well that would hold the 480-acre standard spacing unit.
 8. On February 16, 2023, TSO obtained the Division’s approval of Applications for Permit to Drill (“APDs”) the TSO State 9-16 No. 1H (API #30-025-51106), State 9-16 No. 2H (API #30-025-51128), State 9-16 No. 3H (API #30-025-51129), and State 9-16 No. 4H (API #30-025-51130) wells (“Wells”).
 9. BTA’s application sought to revoke TSO’s APDs because the Wells had surface locations within the Unit and were to be drilled through the Unit and the unitized formation to reach the Pennsylvanian Shale formation within the W/2 of Section 16 and SW/4 of Section 9.

10. A hearing was held in this case on June 1, 2023. No order has been issued.
11. TSO has now revised its APDs and relocated the Wells to a location that is satisfactory to BTA. Therefore, BTA wishes to dismiss Case No. 23426.
12. Counsel for TSO was contacted regarding this motion and does not oppose the requested dismissal.

WHEREFORE, BTA requests that the Division enter its Order dismissing Case No. 23426.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on October 9, 2024, I caused a true and correct copy of the foregoing pleading to be electronically served on the following counsel of record:

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