State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Heather Riley, Division Director Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-864

July 24, 2018

BTA OIL PRODUCERS, LLC

Attention: Mr. Ben Stone

BTA Oil Producers, LLC (OGRID 260297) is hereby authorized to surface commingle oil and gas production and off-lease measure from Red Hills; Upper Bone Spring Shale; Bone Spring Pool (Pool code 7900) from the following diversely owned federal leases and wells located in Township 25 South, Range 33 East, NMPM in Lea County, New Mexico:

Lease:

Proposed Rojo D 7811 JV P Com Well No. 2H Communitization Agreement

Description:

E/2 E/2 Section 22, and E/2 E/2 of Section 27

Well:

Rojo D 7811 JV P Com Well No. 2H

API No. 30-025-42918

Lease:

Proposed Rojo D 7811 JV P Com Well No. 3H Communitization Agreement

Description:

W/2 E/2 Section 22, and W/2 E/2 of Section 27

Well:

Rojo D 7811 JV P Com Well No. 3H

API No. 30-025-42899

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Rojo D (CTB), located in Unit C, Section 22, Township 25 South, Range 33 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the diversely-owned leases shall be measured with allocation meters.

The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

Subsequent wells within leases approved by this order may be added to this administrative surface commingle application with a Sundry notice to the Engineering Bureau.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

The operator shall notify the Hobbs District office of the Division prior to implementation of the commingling operations.

HEATHER RILEY

Director

HR/mam

cc: Oil Conservation Division – Hobbs

Bureau of Land Management - Carlsbad