

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

**APPLICATION OF BTA OIL PRODUCERS, LLC
TO EXTEND TIME TO COMMENCE
DRILLING OPERATIONS,
LEA COUNTY, NEW MEXICO.**

**Case No. _____
Order No. R-23119**

APPLICATION

BTA Oil Producers, LLC (“BTA” or “Applicant”) (OGRID No. 260297) files this application with the Oil Conservation Division (“Division”) requesting a one-year extension of time to commence drilling two (2) of the wells authorized by Order No. R-23119. In support of its application, BTA states the following.

1. The Division issued Order No. R-23119 in Case No. 24128 on March 27, 2024, approving a 640-acre, more or less, standard horizontal spacing unit comprised of the S/2 of Sections 3 and 4, Township 23 South, Range 34 East, Lea County, New Mexico (“Unit”), and designating BTA as operator of the Unit.

2. The Order further pooled all uncommitted interests within the Ojo Chiso; Bone Spring, South Pool (Code 97293) underlying the Unit and dedicated the Unit to the Bobwhite 22304 4-3 Fed Com #1H, Bobwhite 22304 4-3 Fed Com #2H, Bobwhite 2234 4-3 Fed Com #3H, Bobwhite 22304 4-3 Fed Com #4H, and Bobwhite 22304 4-3 Fed Com #5H wells (collectively “Wells”).

3. The Order requires BTA to commence drilling the Wells within one (1) year of the date of the Order unless BTA obtains a time extension from the Division Director for good cause shown.

6. BTA requests an extension of time to drill the Bobwhite 22304 4-3 Fed Com #4H and Bobwhite 22304 4-3 #5H wells.

7. BTA plans to spud the Bobwhite 22304 4-3 Fed Com #1H, Bobwhite 22304 4-3 Fed Com #2H, and Bobwhite 22304 4-3 Fed Com #3H wells by the March 27, 2025, deadline. However, BTA will not be able to spud the Bobwhite 22304 4-3 Fed Com #4H and Bobwhite 22304 4-3 #5H wells by the deadline set out in the Order due to a limitation on sour gas takeaway in the area. BTA expects the gas takeaway constraint to be relieved by mid-2025.

8. Therefore, good cause exists for the requested extension of time to drill the Bobwhite 22304 4-3 Fed Com #4H and Bobwhite 22304 4-3 #5H wells.

9. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Bobwhite 22304 4-3 Fed Com #4H and Bobwhite 22304 4-3 #5H wells to March 27, 2026.

WHEREFORE, BTA requests that this application be set for hearing on December 5, 2024, and after notice and hearing, the Division extend the deadline for BTA to commence drilling the Bobwhite 22304 4-3 Fed Com #4H and Bobwhite 22304 4-3 #5H wells until March 27, 2026.

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

Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

dvilescaas@hinklelawfirm.com

Counsel for BTA Oil Producers, LLC