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

APPLICATION OF BTA OIL PRODUCERS, LLC TO EXPAND THE GRAMA RIDGE; BONE SPRINGS, WEST POOL (CODE 28432), LEA COUNTY, NEW MEXICO.

CASE NO.

APPLICATION

BTA Oil Producers, LLC ("BTA" or "Applicant") (OGRID No. 260297), through its undersigned counsel, files this application with the Oil Conservation Division ("Division") to expand the Grama Ridge; Bone Springs, West Pool (Code 28432) to include all of Sections 9 and 16, Township 22 South, Range 34 East, Lea County, New Mexico. In support of its application, BTA states the following.

On August 26, 2002, the Division entered Order No. R-11818, which expanded the Grama Ridge; Bone Springs, West Pool (Code 28432) to include the W/2 of Section 9, Township 22 South, Range 34 East, Lea County. *See* Order No. R-11818 at ¶ z.

2. On November 9, 2018, the New Mexico State Land Office approved a Communitization Agreement submitted by BTA for the Grama 8817 16-9 Federal Com #004H well (API 30-025-43870) ("Grama Well"). This agreement communitized the Bone Spring formation underlying the W/2 E/2 and E/2 W/2 of Sections 9 and 16, Township 22 South, Range 34 East, Lea County, New Mexico ("Communitized Area").

3. On February 13, 2019, the Division approved a 640-acre horizontal spacing unit for the Grama Well, located within the Communitized Area.

4. The Grama Well produces from two (2) pools – the Grama Ridge; Bone Springs, West Pool (Code 28432) and the WC-025 G-06 S223421L; Bone Spring Pool (Code 97922). However, the spacing unit for the Grama Well was erroneously placed within the WC-025 G-06 S223421L; Bone Spring Pool (Code 97922).

5. In order to allow for the most efficient well development pattern and to maximize administrative reporting and efficiency, BTA proposes to expand the limits of the Grama Ridge; Bone Springs, West Pool (Code 28432) to include all of Sections 9 and 16 so that it encompasses the entire Communitized Area.

6. Approval of the expansion of the pool as set forth herein will promote administrative and reporting efficiency.

7. All Division-designated operators of wells within the affected pools, or within the same formation within one mile of the Communitized Area, have been provided notice of this application.

WHEREFORE, BTA requests that this Application be set for hearing on August 7, 2025, and after notice and hearing, the Division enter its order approving the application.

Respectfully submitted,

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ATTORNEYS FOR BTA OIL PRODUCERS, LLC