

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**Heather Riley, Division Director**  
Oil Conservation Division



November 27, 2018

Surface Commingling Order PLC-535

**BTA OIL PRODUCERS, LLC**  
Attention: Mr. Ben Stone

Pursuant to your application received on November 6, 2018, BTA Oil Producers, LLC (OGRID 260297) is hereby authorized to surface commingle oil and gas production and off lease-measure from the following pools located in Township 22 South, Range 34 East, NMPM, Lea County, New Mexico;

GRAMA RIDGE; BONE SPRINGS, WEST                      (28432)  
WILDCAT; BONE SPRING (OIL)                              (97922)

and from the following diversely owned federal wells and leases in said Section, Township, and Range in Lea County, New Mexico.

Lease:            Federal Communitization Agreement NMNM 136767  
Description:    W/2 W/2 of Section 9, and W/2 W/2 of Section 16, all in Township 22 South,  
                         Range 34 East  
Well:            Grama 8817 JV-P Federal Com Well No. 2H            API 30-025-43426  
Pool:            Grama Ridge; Bone Springs, West

Lease:            Pending Grama 8817 16-9 Federal Com Well No. 4H Communitization  
                         Agreement  
Description:    E/2 and the E/2 W/2 of Section 9, and E/2 and the E/2 W/2 of Section 16, all in  
                         Township 22 South, Range 34 East  
Wells:           Grama 8817 16-9 Federal Com Well No. 4H            API 30-025-43870  
                         Grama 8817 16-9 Federal Com Well No. 4H            API 30-025-43871  
Pool:            Wildcat; Bone Spring (Oil)

The commingled oil and gas production from the wells shall be measured and sold at the Grama Federal Commingle Central Tank Battery (CTB), located in Unit P of Section 16, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

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 Division Rule 19.15.12.10.C (2) NMAC.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

This approval is subject to like approval from Bureau of Land Management before commencing commingling operations.

The Operator shall notify the transporter of this commingling authority and the Hobbs District Office prior to implementation of commingling operations.

Subsequently drilled wells that produce from the subject pool within the horizontal spacing units approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

  
**HEATHER RILEY**  
**Director**

HR/mam

cc: Oil Conservation Division District Office – Hobbs  
Bureau of Land Management – Carlsbad