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

APPLICATIONS OF BTA OIL PRODUCERS, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NOS. 23481 - 23484

CONSOLIDATED PRE-HEARING STATEMENT

BTA Oil Producers, LLC ("BTA" or "Applicant") submits its Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT

BTA Oil Producers, LLC

ATTORNEYS

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INTERESTED PARTIES

ATTORNEYS

None.

STATEMENT OF THE CASE

In Case No. 23481, BTA applies for an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Section 28 and the W/2 W/2 of Section 33, Township 16 South, Range 36 East, Lea County, New Mexico. The spacing unit will be dedicated to the Capitan 22301 28-33 State Com #9H well, to be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 28 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 33.

In Case No. 23482, BTA applies for an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Section 28 and the E/2 W/2 of Section 33, Township 16 South, Range 36 East, Lea County, New Mexico. The spacing unit will be dedicated to the Capitan 22301 28-33 State Com #10H well, to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 28 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 33.

In Case No. 23483, BTA applies for an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 319.42-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Section 33, Township 16 South, Range 36 East, and Lot 2, SW/4 NE/4, W/2 SE/4 (W/2 E/2 equivalent) of irregular Section 4, Township 17 South, Range 36 East, Lea County, New Mexico. The spacing unit will be dedicated to the Capitan 22301 33-4 State Com #11H well, to be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 33, Township 16 South, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 4, Township 17 South.

In Case No. 23484, BTA applies for an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 319.37-acre, more or less, standard horizontal spacing unit comprised of the E/2 E/2 of Section 33, Township 16 South, Range 36 East, and Lot 1, SE/4 NE/4, E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 4, Township 17 South, Range 36 East, Lea County, New Mexico. The spacing unit will be dedicated to the Capitan 22301 33-4 State Com #12H well, to be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 33, Township 16 South, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 4, Township 17 South.

The completed intervals of the wells will be orthodox. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as the operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

The Capitan 22301 28-33 State Com wells are located approximately 2 miles southwest of Lovington, New Mexico, and the Capitan 22301 33-4 State Com wells are located approximately 3 miles southwest of Lovington, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Adams Davenport	Landman	Affidavit	Approx. 5
David Childers	Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

Applicant will present this matter by affidavit if there is no opposition. Applicant requests that the above-referenced matters be consolidated for hearing.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 211489

QUESTIONS

Operator:	OGRID:
BTA OIL PRODUCERS, LLC	260297
104 S Pecos	Action Number:
Midland, TX 79701	211489
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony			
Please assist us by provide the following information about your testimony.			
Number of witnesses	Not answered.		
Testimony time (in minutes)	Not answered.		