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. 23662, 23663

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 ATTORNEYS

BTA Oil Producers, LLC

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INTERESTED PARTIES ATTORNEYS

None at this time.

STATEMENT OF THE CASE

In Case No. 23662, 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 E/2 of Sections 28 and 21, Township 16 South, Range 36 East, Lea County, New Mexico. The spacing unit will be dedicated to the Capitan 22301 28-21 State Com #17H well, to be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 28 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 21.

In Case No. 23663, 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 E/2 of Sections 28 and 21, Township 16 South, Range 36 East, Lea County, New Mexico. The spacing unit will be dedicated to the Capitan 22301 28-21 State Com #18H well, to be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 28 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 21.

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 28-21 State Com #17H and #18H wells are located approximately 3 miles south of Lovington, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Adams Davenport	Landman	Affidavit	Approx. 5
David Childers	Geologist	Affidavit	Approx. 4
PROCEDURAL MATTERS			

Applicant will present these matters 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 245021

QUESTIONS

Operator:	OGRID:
BTA OIL PRODUCERS, LLC	260297
104 S Pecos	Action Number:
Midland, TX 79701	245021
	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.		