

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
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. 25499

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

Dana S. Hardy
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Hardy McLean LLC
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INTERESTED PARTY

None.

ATTORNEYS

STATEMENT OF THE CASE

BTA seeks to expand the limits of 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 so that it encompasses the entire area covered by the Communization Agreement approved by the New Mexico State Land Office on November 9, 2018, which will allow for the most efficient well development pattern and maximize administrative reporting and efficiency.

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

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). BTA currently has three (3) wells, the Grama 8817 16 9 Federal #005H, Grama 8817 16 9 Federal #006H, and the Grama 8817 16 9 Federal #007H producing from the WC-025 G-06 S223421L; Bone Spring Pool (Code 97922) in the E/2 of Sections 9 and 16, Township 22 South, Range 34 East, Lea County.

The Division has requested that BTA expand the Grama Ridge; Bone Springs, West Pool (Code 28432) to include the E/2 of Sections 9 and 16. Expanding the pool in this manner would allow for the most efficient well development pattern and maximize administrative reporting and efficiency. Accordingly, in the interest of promoting administrative and reporting efficiency, BTA seeks 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.

PROPOSED EVIDENCE

<u>Witness</u>	<u>Occupation</u>	<u>Estimated Time</u>	<u>Exhibits</u>
Kristeen Ramos	Landman	Affidavit	Approx. 3
Darin Dolezal	Geologist	Affidavit	Approx. 3

PROCEDURAL MATTERS

None.

Respectfully submitted,

HARDY McLEAN LLC

/s/ Dana S. Hardy

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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QUESTIONS

Action 496666

QUESTIONS

Operator: BTA OIL PRODUCERS, LLC 104 S Pecos Midland, TX 79701	OGRID: 260297
	Action Number: 496666
	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.