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

APPLICATION OF BLACK MOUNTAIN OPERATING LLC FOR A NON-STANDARD OIL SPACING AND PRORATION UNIT, COMPULSORY POOLING, AND AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO

CASE NO. 15655

AMENDED PRE-HEARING STATEMENT

Black Mountain Operating LLC ("Black Mountain") provides this Amended Pre-Hearing

Statement as required by the rules of the Division.

APPEARANCES

APPLICANT:

BLACK MOUNTAIN OPERATING LLC

BLACK MOUNTAIN OPERATING LLC'S ATTORNEY

J. Scott Hall Seth C. McMillan MONTGOMERY & ANDREWS, P.A. P.O. Box 2307 Santa Fe, NM 87504-2307 (505) 982-3873 shall@montand.com smcmillan@montand.com

OPPONENT/OTHER PARTIES

OPPONENT'S ATTORNEY

GMT EXPLORATION COMPANY LLC DEVON ENERGY PRODUCTION CO, LP BTA OIL PRODUCERS, LLC James Bruce Post Office Box 1056 Santa Fe, NM 87504 jamesbruc@aol.com

STATEMENT OF THE CASE

Black Mountain Operating LLC seeks an order (1) approving a non-standard oil spacing

and proration unit in the Bone Spring formation comprised of the W/2SW/4 of Section 35,

Township 21 South, Range 34 East, NMPM, Lea County, New Mexico, and the W/2W/2 of Section 2, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying the non-standard unit, and approving an unorthodox well location.

PROPOSED EVIDENCE

APPLICANT'S WITNESSES	<u>EST. TIME</u>	<u>EXHIBITS</u>
Luke Mildren, Land	20 min.	5
Jay Moore, Geologist	20 min.	5
Michael McCracken, Petroleum Engineer	20 min.	5
OPPONENT'S WITNESSES	EST. TIME	<u>EXHIBITS</u>

PROCEDURAL MATTERS

The Application in this matter is opposed by GMT Exploration Company LLC, Devon Energy Production Company, L.P., and BTA Oil Producers, LLC. It should be consolidated for hearing with Case Nos. 15656, 15659 and 15660.

Black Mountain is also filing herewith a Motion for Continuance of these matters that is opposed by GMT Exploration Company LLC, Devon Energy Production Company, L.P., and BTA Oil Producers, LLC.

Respectfully submitted,

MONTGOMERY & ANDREWS, P. A.

By:

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Attorneys for Black Mountain Operating LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on May 4, 2017:

James Bruce Post Office Box 1056 Santa Fe, NM 87504 jamesbruc@aol.com

Seth C. McMillan