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

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

Case Nos. 20959 and 20960

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by BTA Oil Producers, LLC ("BTA") as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

BTA Oil Producers, LLC 104 South Pecos

Midland, Texas 79701

APPLICANT'S ATTORNEY

James Bruce P.O. Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attention:

Willis Price

(432) 682-3753

OPPONENT

OPPONENT

STATEMENT OF THE CASE

APPLICANT

Case 20959: BTA Oil Producers, LLC seeks an order pooling of all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2W/2 of Section 35, Township 22 South, Range 34 East, N.M.P.M. and Lot 4 and the SW/4NW/4 of Section 2, Township 23 South, Range 34 East, N.M.P.M. The unit will be dedicated to the North Ridge 8040 Fed. Com. Well No. 1H, with a first take point in the NW/4NW/4 of Section 35 and a last take point in the SW/4NW/4 of Section 2

Case 20960: BTA Oil Producers, LLC seeks an order pooling of all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2W/2 of Section 35, Township 22 South, Range 34 East, N.M.P.M. and Lot 3 and the SE/4NW/4 of Section 2, Township 23 South, Range 34 East, N.M.P.M. The unit will be dedicated to the North Ridge

8040 Fed. Com. Well No. 2H, with a first take point in the NE/4NW/4 of Section 35 and a last take point in the SE/4NW/4 of Section 2.

Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

WITNESSES	EST. TIME	EXHIBITS
Rex Barker (landman)	20 min.	Approx. 6
Darin Dolezal (geologist)	15 min.	Approx. 6
<u>OPPONENT</u>		

PROCEDURAL MATTERS

EST. TIME

If the cases are unopposed applicant will present the cases by affidavit.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

EXHIBITS

(505) 982-2043

Attorney for BTA Oil Producers, LLC