



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

April 27, 1999

BTA Oil Producers
Attention: Dorothy Houghton
104 South Pecos
Midland, Texas 79701

(Case 12189)

RE: *Administrative application of BTA Oil Producers to drill its Grama "C" 8817 JV-P Well No. 1 at an unorthodox Morrow gas well location 660' FS & WL (Unit M) of Section 16, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico, in which the S/2 of Section 16 is to be dedicated in order to form a standard 320-acre gas spacing and proration unit within the Undesignated Grama Ridge-Morrow Gas Pool.*

Dear Ms. Houghton:

On April 26, 1999 the Division received an objection from Santa Fe Energy Resources, Inc. to the subject application, see copy of a letter attached.

This application will therefore be set for hearing before a Division Hearing Examiner on the next available docket scheduled for May 27, 1999. Please provide adequate notice pursuant to Rule 1207.A(5) of the Division's Rules and Regulations.

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 827-8185.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
Santa Fe Energy Resources, Inc. (Attn. Meg Muhlinghouse) - Midland, Texas
Kathy Valdes - OCD, Santa Fe