

**KELLAHIN, KELLAHIN AND AUBREY**

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285  
TELEFAX (505) 982-2047

W. THOMAS KELLAHIN  
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN  
OF COUNSEL

September 13, 1990

HAND DELIVERED

RECEIVED

SEP 13 1990

OIL CONSERVATION DIVISION

Mr. William J. LeMay  
Oil Conservation Division  
State Land Office  
Santa Fe, New Mexico 87501

10116

Re: Administrative Application of  
BTA Oil Producers for Approval  
to Directionally Drill the 8808  
JV-P Pardue "C" 1-Y Well,  
SE/4SW/4 Section 11, T23S, R28E,  
Eddy County, New Mexico

Dear Mr. LeMay:

On behalf of Bird Creek Resources, Inc. and in accordance with Division Rule 111, we object to the referenced request by BTA Oil Producers to directionally drill the subject well as more specifically set forth in their C-101 and C-102 attached hereto.

BTA Oil Producers' application was received by Bird Creek on August 31, 1990 and we are filing our opposition today within the twenty day objection period.

Accordingly, we would request that this matter be set for hearing.

Very truly yours,



W. Thomas Kellahin

WTK/tic

Mr. William J. LeMay  
September 13, 1990  
Page 2

cc: Mr. Mike Williams, Supervisor  
New Mexico Oil Conservation Division  
Post Office Drawer DD  
Artesia, New Mexico 88210

Mr. Lawrence W. Robinette  
Bird Creek Resources, Inc.  
1412 South Boston, Suite 550  
Tulsa, Oklahoma 74119

BTA Oil Producers  
104 South Pecos  
Midland, Texas 79701

William F. Carr, Esq.  
Campbell & Black, P.A.  
Post Office Box 2208  
Santa Fe, New Mexico 87504

Submit to Appropriate District Office  
 State Lease - 6 copies  
 Fee Lease - 5 copies

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-101  
 Revised 1-1-89

**OIL CONSERVATION DIVISION**

P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

DISTRICT I  
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
 1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCD on New Wells)
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

<b>APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK</b>	
1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>	7. Lease Name or Unit Agreement Name
b. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER Directional SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>	Pardue -C-, 8808 JV-P
2. Name of Operator BTA Oil Producers	8. Well No. 1-Y
3. Address of Operator 104 South Pacos, Midland, TX 79701	9. Pool name or Wildcat Loving, East (Delaware)
4. Well Location Surface Unit Letter N : 611 Feet From The South Line and 1504 Feet From The West Line Section 11 Township 23-S Range 28-E NMPM Eddy County	

10. Proposed Depth 6450	11. Formation Delaware	12. Rotary or C.T. Rotary
13. Elevations (Show whether DF, RT, GR, etc.) 2977' GR 2990' RT	14. Kind & Status Plug Bond Blanket	15. Drilling Contractor Hondo Drlg. Co.
		16. Approx. Date Work will start 10-1-90

17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4	8-5/8	24	500	400	Surface
7-7/8	5-1/2	15.5 & 17	6450	2000	Surface

4. Unorthodox Surface location  
 Targeted BHL of 660' FSL & 1980' FWL

BOP - 3000 psi - Attached Schematic

BTA operates the Pardue -C- #1 in this quarter-quarter section.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Dorothy Houghton TITLE Regulatory Administrator DATE 8-27-90  
 TYPE OR PRINT NAME Dorothy Houghton TELEPHONE NO. 915-682-

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate District Office  
 State Lease - 4 copies  
 Fee Lease - 3 copies

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

DISTRICT I  
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
 P.O. Drawer DD, Artesia, NM 88210

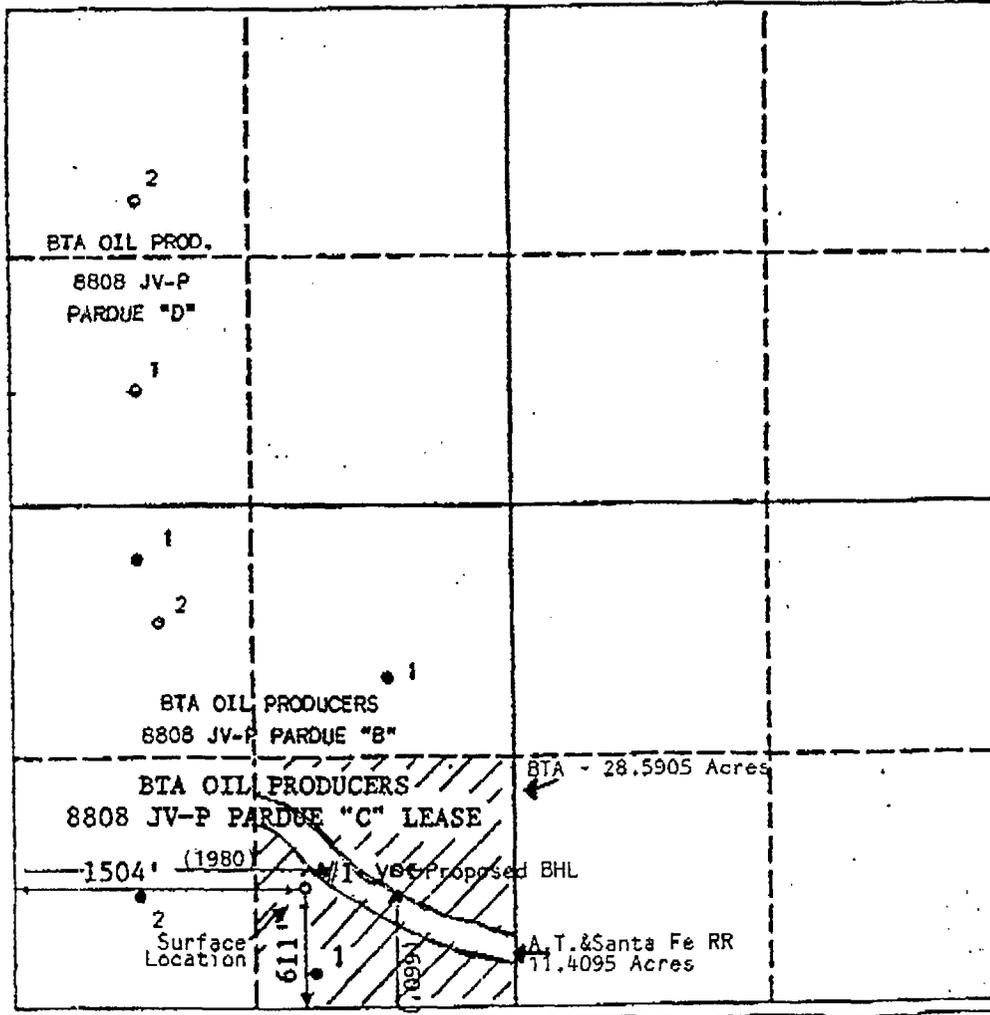
DISTRICT III  
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator <b>BTA OIL PRODUCERS</b>			Lease <b>8808 JV-P PARDUE "C"</b>		Well No. <b>1-Y</b>
Unit Letter <b>"N"</b>	Section <b>11</b>	Township <b>-23-S</b>	Range <b>-28-E</b>	County <b>EDDY</b>	
Actual Footage Location of Well: <b>611</b> feet from the <b>SOUTH</b> line and <b>1504</b> feet from the <b>WEST</b> line					
Ground level Elev. <b>2977</b>	Producing Formation <b>Delaware</b>		Pool <b>LOWING EAST DELAWARE</b>		Dedicated Acreage: <b>40</b> Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).  
 BTA - 28.5905 Acres, A.T.&SantaFe RR - 11.4095 Acres
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
 Yes     No    If answer is "yes" type of consolidation Communitization  
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary).  
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Dorothy Houghton*  
 Printed Name: **Dorothy Houghton**  
 Position: **Regulatory Administrator**  
 Company: **BTA Oil Producers**  
 Date: **8-27-90**

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes actual surveys made by me or under supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: **AUGUST 15, 1990**

Signature & Seal of Professional Surveyor:  
*Max A. Schumann*  
**MAX A. SCHUMANN, P.S.**

Certificate No.: **1510**

CAMPBELL & BLACK, P.A.  
LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

October 25, 1990

**HAND-DELIVERED**

**RECEIVED**

OCT 25 1990

OIL CONSERVATION DIVISION

William J. LeMay, Director  
State of New Mexico  
Energy and Minerals Department  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87501

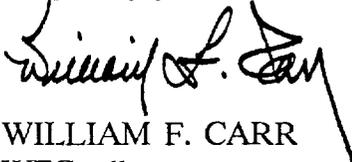
Re: Oil Conservation Commission Case 10116:  
Application of BTA Oil Producers for Directional Drilling, Eddy County,  
New Mexico

Dear Mr. LeMay:

BTA Oil Producers hereby requests that the above-referenced case currently scheduled for hearing before a Division Examiner on October 31, 1990 be continued to the Examiner hearings scheduled November 14, 1990.

Your attention to this request is appreciated.

Very truly yours,



WILLIAM F. CARR  
WFC:mlh

cc: Mr. Keith Logan  
Karen Aubrey, Esq.



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

October 26, 1990

GARREY CARRUTHERS  
GOVERNOR

William F. Carr, Esq.  
Campbell & Black, P.A.  
P.O. Box 2208  
Santa Fe, New Mexico 87504

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Re: NMOCD Case 10116  
Application of BTA Oil Producers  
For Directional Drilling

Dear Bill:

In Examiner case 9883 BTA Oil Producers presented testimony that an unorthodox location was necessary because there was no suitable orthodox location and directional drilling to an orthodox location was not feasible. In the de novo hearing before the Commission held after the well was drilled, the Commission did not admit evidence offered by the offset, Bird Creek Resources, that there was a suitable location. This Commission ruling was based upon a belief that BTA had presented its evidence to the examiner in good faith.

After the Commission order imposed a substantial production limitation on the BTA well, BTA has determined that a directional well from another location is feasible. This raises significant questions about the testimony presented at the original examiner hearing in case 9883. The Division would like an explanation about the inconsistency between that testimony and the current application.

You are therefore requested to make available at the October 31, 1990, hearing or any continuation thereof those persons who testified in case 9883 and the decision maker in the company who has the final say over when and where a well is to be drilled. These people should be available to be sworn for examination by the Division and by any other party in the case. If those persons do not appear at the hearing, I may request that the examiner continue the case to allow the Division to compel their appearance or even dismiss the application.

I am disappointed that your client has placed me in the position of having to make this request, but our process depends on being able to rely on representations made by operators. I hope the BTA witnesses will be able to satisfy us that our confidence is not misplaced.

Sincerely,

  
Robert G. Stovall  
General Counsel

cc: Karen Aubrey

**KELLAHIN, KELLAHIN AND AUBREY**

ATTORNEYS AT LAW  
EL PATIO BUILDING  
117 NORTH GUADALUPE  
POST OFFICE BOX 2265

TELEPHONE (505) 982-4285  
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W. THOMAS KELLAHIN  
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN  
OF COUNSEL

SANTA FE, NEW MEXICO 87504-2265

October 25, 1990

William F. Carr, Esq.  
Campbell & Black, P.A.  
Post Office Box 2208  
Santa Fe, New Mexico 87504

HAND DELIVERED

RE: Application of BTA Oil Producers  
for Directional Drilling  
NMOCD Case No. 10116

Dear Mr. Carr:

This letter is to inform you that Bird Creek Resources, Inc. will require the presence of Mr. Keith Logan and Mr. Peter B. Wilkinson at the hearing on October 31, 1990. As you may recall, Mr. Logan testified at the Examiner hearing in Case No. 9883, and was present, but did not testify, at the De Novo hearing in Case No. 9883 on June 21, 1990. Mr. Wilkinson testified at the Commission hearing. In addition please make the exhibits Mr. Wilkinson proposed to use on the directional drilling issue available to us no later than Tuesday, October 30, 1990. I believe those were Exhibits 1-5 (see page 21 of the transcript of Mr. Wilkinson's testimony, attached).

Since the initial order covering the BTA well resulted from Mr. Logan's testimony regarding the unavailability of a standard location (see page 18 of transcript of June hearing, attached), and since the Commission would not permit us to call Mr. Logan as a witness in June, we believe that his testimony at the October hearing is necessary for a full consideration of BTA's present claims. Further, since Mr. Wilkinson was prepared to testify on directional drilling in June 1990, we will require him to be available for examination.

In the event that BTA will not voluntarily make Messrs. Wilkinson and Logan available, and produce the requested exhibits, we will ask Case No. 10116 be dismissed, and/or ask that a subpoena be issued.

William F. Carr, Esq.  
October 25, 1990  
Page 2

Please let me know in sufficient time to have a subpoena issued and served if our requests are not going to voluntarily be granted.

Sincerely,

  
Karen Aubrey

KA/tic

xc: Lawrence W. Robinette  
Bird Creek Resources, Inc.  
1412 South Boston, Suite 550  
Tulsa, Oklahoma 74119

Robert G. Stovall, Esq.  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87502

1 at this point.

2 MR. CARR: May it please the Commission, at  
3 this time we would call Pete Wilkinson.

4 For the record, I would state we were  
5 prepared to call Mr. Greg Hair and Mr. Keith Logan  
6 whose testimony would be virtually identical to the  
7 testimony presented at the Examiner Hearing and address  
8 geology, which the parties at that level stipulated was  
9 not a controlling factor in the drilling of a well, and  
10 Mr. Logan's testimony will focus solely on topographic  
11 -- or primarily on topographical conditions. I will  
12 not call them, consistent with your ruling.

13 I will call Mr. Pete Wilkinson, a petroleum  
14 engineer with BTA.

15 PETER B. WILKINSON,

16 the witness herein, after having been first duly sworn  
17 upon his oath, was examined and testified as follows:

18 DIRECT EXAMINATION

19 BY MR. CARR:

20 Q. Would you state your full name for the  
21 record, please?

A. My name is Peter B. Wilkinson.

Q. Mr. Wilkinson, where do you reside?

A. Midland, Texas.

Q. By whom are you employed and in what

1 throughout southeastern New Mexico, and in this  
2 particular area, based on the volumetric calculations  
3 and the short amount of decline-curve analysis that we  
4 had, we felt as if we had a good reservoir in the  
5 Delaware, better than normal, and we decided to drill  
6 these wells.

7 Q. Now, Mr. Wilkinson, I'm going to jump forward  
8 in your testimony.

9 Mr. Wilkinson was actually present, may it  
10 please the Commission, to testify about considerations  
11 related to directional drilling, and we will go over  
12 those and simply address questions concerning  
13 correlative rights.

14 Mr. Wilkinson, could you identify what has  
15 been marked as BTA Exhibit Number 6?

16 A. BTA Exhibit Number 6 is simply a copy of the  
17 latest producing capacities of the four wells that we  
18 have completed in the Loving East Field. Included are  
19 Wells B-1, B-2, C-1 and C-2, with the C-1 being the  
20 well in question here at this hearing.

21 We have barrels of oil per day, barrels of  
22 water per day, the amount of gas being produced in  
23 association with the oil, the gas-oil ratio, the choke  
24 size and the flowing-tubing pressure.

25 Q. Now, how recently have the wells in this area

# FAX COVER SHEET

Date: 10/30/90

Log No.

Time:

Number of Pages: 3  
(Including cover sheet)

TO: Mr./Ms FLORENCE DAVIDSON

FROM: Mr./Ms. KAREN AUBREY

Of: OCD

Of: **KELLAHIN, KELLAHIN & AUBREY**  
P. O. Box 2885  
Santa Fe, NM 87504-2265

FAX #: 827-5741

Address:

FAX #: 982-2047

**COPY TO:**

Re: BTA OIL  
PRODUCERS CASE 10116

**SPECIAL INSTRUCTIONS:**

- Confidential
- Urgent
- Please reply
- For your information

**MESSAGE:**

- COPY OF 10/24/90 LETTER TO  
BIRD CREEK RESOURCES FROM  
WILLIAM F. CARR.
- COPY OF 10/25/90 LETTER TO  
WILLIAM J. LEMAY FROM WILLIAM  
F. CARR

If not received correctly, please call:

982-4285

CAMPBELL & BLACK, P.A.  
LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY

JEFFERSON PLACE  
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SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

October 25, 1990

HAND-DELIVERED

RECEIVED OCT 26 1990

William J. LeMay, Director  
State of New Mexico  
Energy and Minerals Department  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87501

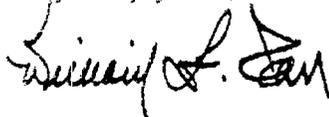
Re: Oil Conservation Commission Case 10116:  
Application of BTA Oil Producers for Directional Drilling, Eddy County,  
New Mexico

Dear Mr. LeMay:

BTA Oil Producers hereby requests that the above-referenced case currently scheduled for hearing before a Division Examiner on October 31, 1990 be continued to the Examiner hearings scheduled November 14, 1990.

Your attention to this request is appreciated.

Very truly yours,



WILLIAM F. CARR  
WFC:mjh

cc: Mr. Keith Logan  
Karen Aubrey, Esq.

OCT 30 '90 12:43

P.2

CAMPBELL & BLACK, P.A.  
LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

October 24, 1990

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Bird Creek Resources  
1412 S. Boston, Suite 550  
Tulsa, OK 74119

Re: Case 10116:  
Application of BTA Oil Producers for Directional Drilling, Eddy County,  
New Mexico

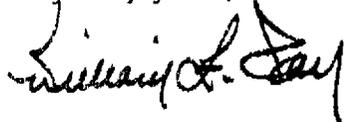
Gentlemen:

This letter is to advise you that BTA Oil Producers have filed an application with the New Mexico Oil Conservation Division seeking approval to directionally drill its Pardue -C-, 8808 JV-P Well No. 1-Y from a surface location 611 feet from the South line and 1504 feet from the West line of Section 11, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, to a standard bottomhole oil well location in the Delaware formation, Undesignated East Loving-Delaware Pool, at a point 660 feet from the South line and 1980 feet from the West line of said Section 11.

This application has been set for hearing before an Examiner of the Oil Conservation Division on November 14, 1990. You do not need to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at the hearing or otherwise become a party of record at that time will preclude you from challenging this matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR BTA OIL PRODUCERS  
WFC:mih

RECEIVED OCT 26 1990

CAMPBELL & BLACK, P.A.  
LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
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SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

November 6, 1990

HAND-DELIVERED

William J. LeMay, Director  
State of New Mexico  
Energy and Minerals Department  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87501

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NOV 6 1990

OIL CONSERVATION DIV.  
SANTA FE

Re: Application of BTA Oil Producers for Directional Drilling, Eddy County,  
New Mexico

Dear Mr. LeMay:

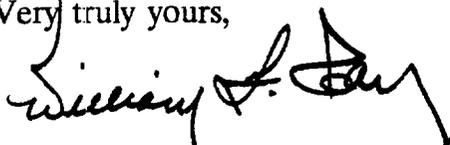
**BTA Oil Producers hereby requests that Division Case 10116 which is currently set for hearing before a Division Examiner on November 14, 1990 be dismissed.**

Enclosed in triplicate is a new application for BTA seeking authority to reenter the existing well in the SE/4 SW/4 of Section 11, Township 23 South, Range 28 East, and directionally drill this well to a standard bottomhole location within 50 feet of a point 660 feet from the South line and 1980 feet from the West line of Section 11. This new application will permit BTA to go forward with development of this tract and, at the same time, avoid problems inherent with other surface locations on this spacing unit.

BTA requests that this matter be included on the Examiner hearing docket scheduled for November 28, 1990.

Your attention to this request is appreciated.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

Enclosure

cc w.enc.: Karen Aubrey, Esq.

BEFORE THE  
OIL CONSERVATION DIVISION  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION  
OF BTA OIL PRODUCERS FOR  
DIRECTIONAL DRILLING,  
EDDY COUNTY, NEW MEXICO.

CASE NO. \_\_\_\_\_

APPLICATION

BTA OIL PRODUCERS, through its undersigned attorneys, hereby makes application pursuant to Oil Conservation Division Rule 111 to directionally drill its Pardue "C" 8808 JV-P Well No. 1 to a standard location in the Undesignated East Loving-Delaware Pool, and in support of this application states:

1. Applicant is the operator of the Undesignated East Loving-Delaware Pool, underlying the SE/4 SW/4 of Section 11, Township 23 South, Range 28 East, N.M.P.M., on which it had drilled and completed its Pardue "C" 8808 JV-P Well No. 1 at an unorthodox surface location 176 feet from the South line and 1550 feet from the West line of said Section 11. This location was approved by Division Orders Nos. R-9147 and R-9147-A which set a production limitation on the well.

2. Applicant proposes to reenter said Pardue "C" 8808 JV-P Well No. 1 and directionally drill from the current surface location to a standard bottomhole location within 50 feet of a point 660 feet from the South line and 1980 feet from the West line of Section 11, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico to test the Delaware formation, Undesignated East Loving-Delaware Pool.

3. Applicant proposes to dedicate to this well a standard 40-acre spacing unit described in Paragraph No. 1 of this application.

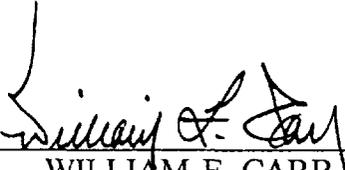
4. The subject well must be directionally drilled to enable the applicant to produce the reserves which underlie the above-described proration unit.

5. Approval of this Application will enable the Applicant to produce hydrocarbons that otherwise would not be produced and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

**WHEREFORE**, Applicant requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on November 28, 1990, after that notice and hearing as required by law and the rules of the Division, that the Division enter its Order granting this application for permission to directionally drill the Pardue "C" 8803 JV-P Well No. 1.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By:   
WILLIAM F. CARR  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR BTA OIL  
PRODUCERS

RECEIVED  
OIL CONSERVATION DIVISION  
30 NOV 13 AM 9 14  
W. THOMAS KELLAHIN  
KAREN AUBREY  
CANDACE HAMANN CALLAHAN  
JASON KELLAHIN  
OF COUNSEL

**KELLAHIN, KELLAHIN AND AUBREY**

ATTORNEYS AT LAW  
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SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285  
TELEFAX (505) 982-2047

November 9, 1990

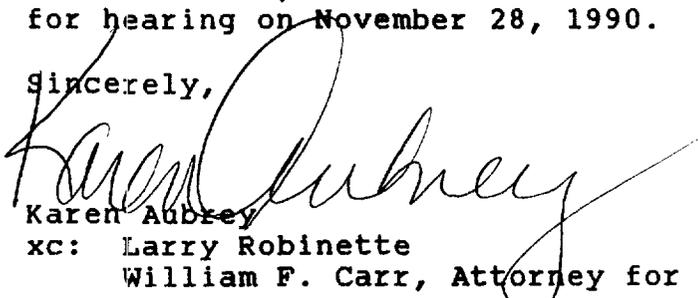
William J. LeMay  
Director  
New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2265

Re: Application of BTA Oil Producers for  
Directional Drilling  
SE/4 SW/4 Section 11, T23S R28E Eddy County

Dear Mr. LeMay:

Bird Creek Resources, as an offset operator to the Pardue "C" 8088 JV-P Well No. 1 located at an unorthodox location, which is subject to a penalized allowable under Order R-9147-A, objects to the application for Directional Drilling filed by BTA Oil Producers on November 6, 1990. We understand that this matter has been set for hearing on November 28, 1990.

Sincerely,



Karen Aubrey  
xc: Larry Robinette  
William F. Carr, Attorney for BTA Oil Producers



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

November 20, 1990

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Mr. William F. Carr  
Campbell & Black  
Attorneys at Law  
Post Office Box 2208  
Santa Fe, New Mexico

Re: CASE NO. 10116  
ORDER NO. R-9364

Applicant:  
BTA Oil Producers

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

*Florene Davidson*

FLORENE DAVIDSON  
OC Staff Specialist

Copy of order also sent to:

Hobbs OCD     x      
Artesia OCD     x      
Aztec OCD           

Other     Karen Aubrey