

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

**APPLICATION OF BTA OIL PRODUCERS,
LLC FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

CASE NO. 24128

PRE-HEARING STATEMENT

BTA Oil Producers, LLC (“BTA” or “Applicant”) submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT

ATTORNEYS

BTA Oil Producers, LLC

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INTERESTED PARTIES

ATTORNEYS

None.

STATEMENT OF THE CASE

BTA applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the S/2 of Sections 3 and 4, Township 23 South, Range 34 East, Lea County, New Mexico (“Unit”). BTA seeks to dedicate the Unit to the following proposed wells (“Wells”):

- The **Bobwhite 22304 4-3 Fed Com #1H, Bobwhite 22304 4-3 Fed Com #2H, and Bobwhite 22304 4-3 Fed Com #4H** wells, to be drilled from surface hole locations in the NW/4 SW/4 (Unit L) of Section 4 to bottom hole locations in the SE/4 SE/4 (Unit P) of Section 3; and

- The **Bobwhite 22304 4-3 Fed Com #3H** and **Bobwhite 22304 4-3 Fed Com #5H** wells, to be drilled from surface hole locations in the NW/4 SW/4 (Unit L) of Section 4 to bottom hole locations in the NE/4 SE/4 (Unit I) of Section 3.

The completed intervals of the Wells will be orthodox. The completed interval of the Bobwhite 22304 4-3 Fed Com #2H well will be located within 330' of the quarter-quarter section line separating the S/2 S/2 and N/2 S/2 of Sections 3 and 4 to allow for the creation of a 640-acre standard horizontal spacing unit.

Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as the operator of the wells, and a 200% charge for the risk involved in drilling and completing the Wells.

The Wells are located approximately 20 miles west-southwest of Eunice, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Adams Davenport	Landman	Affidavit	Approx. 5
Darin A. Dolezal	Geologist	Affidavit	Approx. 6

PROCEDURAL MATTERS

Applicant will present this case by affidavit if there is no opposition.

Respectfully submitted,

HINKLE SHANOR, LLP

/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 308004

QUESTIONS

Operator: BTA OIL PRODUCERS, LLC 104 S Pecos Midland, TX 79701	OGRID: 260297
	Action Number: 308004
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>