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. 25004

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

Dana S. Hardy Jaclyn M. McLean Dylan M. Villescas Hinkle Shanor LLP P.O. Box 2068 Santa Fe, NM 87504-2068 (505) 982-4554 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com

INTERESTED PARTIES

ATTORNEYS

None at this time.

STATEMENT OF THE CASE

BTA seeks an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 319.42-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Section 33, Township 16 South, Range 36 East, and Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 4, Township 17 South, Range 36 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the **Capitan 22301 33-4 State Com #23H** well ("Well"), which will produce from a first take point in the NE/4 NW/4 (Unit C) of Section

33, Township 16 South, to a last take point in the SE/4 SW/4 (Unit N) of Section 4, Township 17 South.

The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well.

The Well is located approximately 2 miles south of Lovington, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Adams Davenport	Landman	Affidavit	Approx. 5
J.T. Truong	Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

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

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy Dana S. Hardy Jaclyn M. McLean Dylan M. Villescas P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com dvillescas@hinklelawfirm.com *Counsel for BTA Oil Producers, LLC* Sante Fe Main Office Phone: (505) 476-3441

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

QUESTIONS

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Action 415283

QUESTIONS			
Operator:	OGRID:		
BTA OIL PRODUCERS, LLC	260297		
104 S Pecos	Action Number:		
Midland, TX 79701	415283		
	Action Type:		
	[HEAP] Probagging Statement (PREHEAPINIC)		

QUESTIONS

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