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

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

CASE NOS. 23340 & 23341

CONSOLIDATED PRE-HEARING STATEMENT

BTA Oil Producers, LLC ("BTA" or "Applicant") submits its Consolidated Pre-Hearing

Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT

BTA Oil Producers, LLC

ATTORNEYS

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

INTERESTED PARTIES None.

ATTORNEYS

STATEMENT OF THE CASE

In Case No. 23340, BTA applies for an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Section 13 and the E/2 NW/4 of Section 24, Township 17 South, Range 35 East, Lea County, New Mexico. The spacing unit will be dedicated to the **Box Elder** 22115 24-13 State Com #1H well, to be drilled from a surface hole location in the SE/4 NW/4 (Unit F) of Section 24 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 13.

In **Case No. 23341**, BTA applies for an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Section 13 and the W/2 NW/4 of Section 24, Township 17 South, Range 35 East, Lea County, New Mexico. The spacing unit will be dedicated to the **Box Elder 22115 24-13 State Com #2H** well, to be drilled from a surface hole location in the SW/4 NW/4 (Unit E) of Section 24 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 13.

The completed intervals of the wells will be orthodox. 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 Box Elder 22115 24-13 State Com wells are located approximately 9.5 miles southwest of Lovington, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Kristeen Ramos	Landman	Affidavit	Approx. 5
David Childers	Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

Applicant will present this matter by affidavit if there is no opposition. Applicant requests that the above-referenced matters be consolidated for hearing.

.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy Dana S. Hardy Jaclyn McLean Yarithza Peña P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com ypena@hinklelawfirm.com *Counsel for BTA Oil Producers, LLC*

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

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

QUESTIONS			
Operator:	OGRID:		
BTA OIL PRODUCERS, LLC	260297		
104 S Pecos	Action Number:		
Midland, TX 79701	189697		
	Action Type:		
	[HEAR] Prehearing Statement (PREHEARING)		

QUESTIONS

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

Page 4 of 4