

**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. 24489**

**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**

BTA Oil Producers, LLC

**ATTORNEYS**

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**INTERESTED PARTIES**

None at this time.

**ATTORNEYS**

**STATEMENT OF THE CASE**

BTA seeks an order pooling all uncommitted mineral interests in the Pennsylvanian Shale formation underlying a 279.37-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Section 34, Township 16 South, Range 36 East, and Lot 4 (NW/4 NW/4 equivalent), SW/4 NW/4, and NW/4 SW/4 of irregular Section 3, Township 17 South, Range 36 East, Lea County, New Mexico (“Unit”). The Unit will be dedicated to the Capitan 22301 34-3 State Com #13H well (“Well”), to be drilled from a surface hole location in the NW/4 NW/4 (Unit

D) of Section 34, Township 16 South, Range 36 East, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 3, Township 17 South, Range 36 East of Section 11.

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 3 miles south of Lovington, New Mexico.

**PROPOSED EVIDENCE**

| <b>Witness</b>  | <b>Occupation</b> | <b>Estimated Time</b> | <b>Exhibits</b> |
|-----------------|-------------------|-----------------------|-----------------|
| Adams Davenport | Landman           | Affidavit             | Approx. 5       |
| David Childers  | Geologist         | Affidavit             | Approx. 5       |

**PROCEDURAL MATTERS**

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

Respectfully submitted,

HINKLE SHANOR LLP

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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

Action 351645

**QUESTIONS**

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|---|--|
| Operator:<br>BTA OIL PRODUCERS, LLC<br>104 S Pecos<br>Midland, TX 79701 | OGRID:<br>260297   |
|   | Action Number:<br>351645                                 |
|   | Action Type:<br>[HEAR] Prehearing Statement (PREHEARING) |

**QUESTIONS**

|  |                      |
|--|----------------------|
| <b>Testimony</b>   |                      |
| <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> |