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. 24490

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

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INTERESTED PARTIES ATTORNEYS

None at this time.

STATEMENT OF THE CASE

BTA seeks an order pooling all uncommitted mineral interests in the Pennsylvanian Shale formation underlying 319.42-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Section 34, Township 16 South, Range 36 East, and Lot 3 (NE/4 NW/4 equivalent), SE/4 NW/4, and E/2 SW/4 of 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 #14H well ("Well"), to be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 34,

Township 16 South, Range 36 East, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 3, Township 17 South, Range 36 East.

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

Witness	Occupation	Estimated Time	Exhibits	
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

/s/ Dana S. Hardy

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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 351630

QUESTIONS

Operator:	OGRID:
BTA OIL PRODUCERS, LLC	260297
104 S Pecos	Action Number:
Midland, TX 79701	351630
	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.		