

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

**APPLICATION OF BTA OIL PRODUCERS, LLC
FOR COMPULSORY POOLING AND APPROVAL
OF NON-STANDARD SPACING UNIT, EDDY
COUNTY, NEW MEXICO,**

CASE NO. 25002

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 PARTY

Permian Resources Corporation

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STATEMENT OF THE CASE

BTA applies for an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 640 acre, more or less, non-standard horizontal spacing unit comprised of the W/2 SW/4 of Section 12, W/2 W/2 of Section 13, W/2 NW/4 of Section 24, E/2 SE/4 of Section 11, E/2 E/2 of Section 14, and the E/2 NE/4 of Section 23, Township 17 South, Range 35 East, Lea County, New Mexico (“Unit”). The Unit will be dedicated to the following wells (“Wells”):

- a. **Box Elder 22115 24-13-12 State Com #3H**, which will 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 SW/4 (Unit L) of Section 12; and
- b. **Box Elder 22115 23-14-11 State Com #4H**, which will 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 NE/4 SE/4 (Unit I) of Section 11.

The completed intervals of the Wells will be orthodox.

Applicant requests approval of a non-standard horizontal spacing unit to allow for the consolidation of surface facilities and thereby prevent surface, environmental, and economic waste.

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 operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 7 miles southwest of Lovington, New Mexico.

PROPOSED EVIDENCE

| <u>Witness</u> | <u>Occupation</u> | <u>Estimated Time</u> | <u>Exhibits</u> |
|-----------------------|--------------------------|------------------------------|------------------------|
| Kristeen Ramos | Landman | Affidavit | Approx. 6 |
| J.T. Truong | Geologist | Affidavit | Approx. 5 |

PROCEDURAL MATTERS

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

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

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Counsel for BTA Oil Producers, LLC

CERTIFICATE OF SERVICE

I hereby certify that on December 30, 2024, I served a true and correct copy of the foregoing pleading on the following counsel of record by electronic mail:

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
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QUESTIONS

Action 415670

QUESTIONS

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| Operator: BTA OIL PRODUCERS, LLC 104 S Pecos Midland, TX 79701 | OGRID: 260297 |
| | Action Number: 415670 |
| | Action Type: [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

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