2311 ... -1:

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

APPLICATION OF BLACK MOUNTAIN OPERATING LLC FOR A NON-STANDARD OIL SPACING AND PRORATION UNIT, COMPULSORY POOLING, AND AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO

CASE NO. 15656

AMENDED PRE-HEARING STATEMENT

Black Mountain Operating LLC ("Black Mountain") provides this Amended Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

<u>APPLICANT</u>:

BLACK MOUNTAIN OPERATING

LLC'S ATTORNEY

BLACK MOUNTAIN OPERATING LLC

J. Scott Hall

Seth C. McMillan

MONTGOMERY & ANDREWS, P.A.

P.O. Box 2307

Santa Fe, NM 87504-2307

(505) 982-3873

shall@montand.com

smcmillan@montand.com

OPPONENT/OTHER PARTIES

OPPONENT'S ATTORNEY

GMT EXPLORATION COMPANY LLC DEVON ENERGY PRODUCTION CO, LP

BTA OIL PRODUCERS, LLC

James Bruce

Post Office Box 1056

Santa Fe, NM 87504 jamesbruc@aol.com

STATEMENT OF THE CASE

Black Mountain Operating LLC seeks an order (1) approving a non-standard oil spacing and proration unit in the Bone Spring formation comprised of the E/2SW/4 of Section 35,

Township 21 South, Range 34 East, NMPM, Lea County, New Mexico, and the E/2W/2 of Section 2, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying the non-standard unit, and approving an unorthodox well location.

PROPOSED EVIDENCE

| APPLICANT'S WITNESSES | EST. TIME | <u>EXHIBITS</u> |
|---------------------------------------|-----------|-----------------|
| Luke Mildren, Land | 20 min. | 5 |
| Jay Moore, Geologist | 20 min. | 5 |
| Michael McCracken, Petroleum Engineer | 20 min. | 5 |
| OPPONENT'S WITNESSES | EST. TIME | EXHIBITS |

PROCEDURAL MATTERS

The Application in this matter is opposed by GMT Exploration Company LLC, Devon Energy Production Company, L.P., and BTA Oil Producers, LLC. It should be consolidated for hearing with Case Nos. 15655, 15659 and 15660.

Black Mountain is also filing herewith a Motion for Continuance of these matters that is opposed by GMT Exploration Company LLC.

Respectfully submitted,

MONTGOMERY & ANDREWS, P. A.

By:

J. Scott Hall
Seth C. McMillan

Post Office Box 2307

Santa Fe, New Mexico 87504-2307

(505) 982-3873

(505) 982-4289 fax

shall@montand.com smcmillan@montand.com

Attorneys for Black Mountain Operating LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on May 4, 2017:

James Bruce Post Office Box 1056 Santa Fe, NM 87504 jamesbruc@aol.com

Seth C. McMillan