STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION ICATION OF MARATHON OIL HAN LLC FOR COMPULSORY STATE OF NEW MEXICO

APPLICATION OF MARATHON OIL PERMIAN LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 20865

BTA OIL PRODUCERS, LLC'S PRE-HEARING STATEMENT

BTA Oil Producers, LLC ("BTA") submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Marathon Oil Permian LLC

APPLICANT'S ATTORNEYS

Deana M. Bennett Nicole T. Russell Modrall, Sperling, Roehl, Harris & Sisk, P.A. Post Office Box 2168 Santa Fe, NM 87103-2168 deana.bennett@modrall.com ntr@modrall.com

OPPONENT

BTA Oil Producers, LLC

OPPONENT'S ATTORNEYS

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STATEMENT OF THE CASE

Applicant Marathon Oil Permian LLC ("Marathon") requests an order pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the S/2 N/2 of Section 12, Township 23 South, Range 28 East and Section 7, Township 23 South, Range 29 East in Eddy County. Marathon proposes to dedicate the 320-acre horizontal spacing unit to the Valkyrie 12 SB Federal Com 13H well.

Pursuant to a Joint Operating Agreement, BTA is the operator of the acreage comprising the N/2 of Section 7 and the NW/4 of Section 8, Township 23 South, Range 29 East. Because Marathon's proposed well location directly conflicts with BTA's ongoing development plan for that acreage, the granting of Marathon's application would result in an impairment of BTA's correlative rights.

PROPOSED EVIDENCE

WITNESSES	EST. TIME	EXHIBITS
Willis Price (landman)	15 minutes	Approximately 5
Britton McQuien (engineer)	15 minutes	Approximately 4
Nick Eaton (engineer)	15 minutes	Approximately 2

BTA reserves its right to call a rebuttal witness(es) if appropriate.

PROCEDURAL MATTERS

BTA is not aware of any procedural matters to be resolved prior to the hearing.

Respectfully submitted,

HINKLE SHANOR LLP

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Counsel for BTA Oil Producers, LLC

CERTIFICATE OF SERVICE

I hereby certify that on this 7th day of November, 2019 I served a true and correct copy of the foregoing *Entry of Appearance* via email to:

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Counsel for Marathon Oil Permian LLC

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