

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

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

Case No. 20866

**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

Gary W. Larson
Dana S. Hardy
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
Facsimile: (505) 982-8623
glarson@hinklelawfirm.com
dhardy@hinklelawfirm.com

NOV 07 2019 PM04:24

STATEMENT OF THE CASE

Applicant Marathon Oil Permian LLC ("Marathon") requests an order pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the 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 640-acre horizontal spacing unit to the Valkyrie 12 WXY Federal Com 1H, Valkyrie WA Federal Com 3H, Valkyrie 12 WXY Federal Com 5H, Valkyrie 12 WD Federal Com 2H, Valkyrie 12 WD Federal Com 4H, and Valkyrie 12 WD Federal Com 6H wells.

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 locations directly conflict 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

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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



Gary W. Larson

Dana S. Hardy

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

glarson@hinklelawfirm.com

dhardy@hinklelawfirm.com

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:

Danna 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

Counsel for Marathon Oil Permian LLC


Gary W. Larson