

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 14413

APPLICATION OF THE OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST BTA OIL PRODUCERS, LLC, FINDING THE OPERATOR IN VIOLATION OF ORDER NO. R-9147-C, 19.15.26.10.B, NMAC, 19.15.34NMAC, 19.15.17 NMAC, AND 19.15.29 NMAC AS TO A SALT WATER DISPOSAL FACILITY; REQUIRING THE OPERATOR TO SUBMIT A DELINEATION REPORT AND REMEDIATE THE FACILITY SITE; IN THE EVENT OF NON-COMPLIANCE REQUIRING THE OPERATOR TO PLUG AND ABANDON THE DISPOSAL WELL AUTHORIZE THE DIVISION TO TAKE THOSE ACTIONS AND FORFEIT THE APPLICABLE FINANCIAL ASSURANCE; AND HOLD OPERATOR IN VIOLATION OF 19.15.5.9 NMAC UNTIL OPERATOR COMPLETES ALL ORDERED CORRECTIVE ACTION, EDDY COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart, LLP on behalf of BTA Oil Producers, LLC as required by Oil Conservation Rule 19.15.14.1204 B NMAC.

APPEARANCES OF PARTIES

APPLICANT
Oil Conservation Division

ATTORNEY
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BTA Oil Producers

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BTA OIL PRODUCERS LLC'S STATEMENT OF CASE

BTA Oil Producers LLC desires to enter an agreement with the Oil Conservation Division for the remediation of the site at the Pardue C 8808 JVP Well No. 1 in accordance with the Division's rules. An amendment to the agreement previously entered between BTA and the Division is being drafted by the attorneys for the Division and BTA and hopefully it will be ready for presentation to the Division at the March 4th Examiner Hearing. BTA will appear at the hearing and make its interest in entering such an agreement a matter of record and will be available to respond to questions concerning its prior actions to address the contamination at this well site.

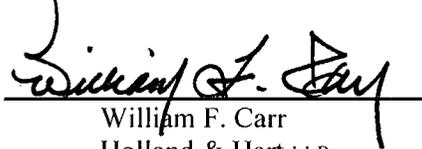
PROPOSED EVIDENCE

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Ben Grimes Company Representative (May Call)	Approx. 15 min.	Approx. 2
Joseph A. Baca PG Environmental Coordinator (May Call)	Approx. 10 Min.	Approx. 1
Mark Larson Consultant (May Call)	Approx. 15Min.	Approx. 2

PROCEDURAL MATTERS

The parties are negotiating an amendment to the stipulated order previously entered and will present it to the Examiner.

Respectfully Submitted:
Holland & Hart LLP



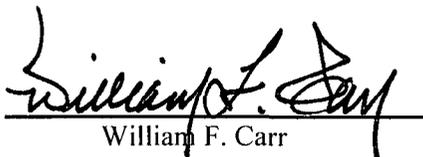
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ATTORNEYS FOR BTA OIL PRODUCERS

CERTIFICATE OF SERVICE

I hereby certify that on this 25th day of February 2010, I have caused to be delivered by Facsimile a copy of the **Pre-Hearing Statement** in the above mentioned case to the following counsel of record:

Gail MacQuesten Esq.
Deputy General Counsel
Department of Energy, Minerals
and Natural Resources
1220 South Saint Francis Drive
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William F. Carr