

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. 10937

APPLICATION OF BTA OIL PRODUCERS
FOR SIMULTANEOUS DEDICATION,
LEA COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by BTA OIL PRODUCERS as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

BTA Oil Producers
104 South Pecos
Midland, Texas, 79701
Attn: Mr. Steve Salmon
(915) 683-3753

ATTORNEY

W. Thomas Kellahin
KELLAHIN AND KELLAHIN
P.O. Box 2265
Santa Fe, NM 87504
(505) 982-4285

STATEMENT OF CASE

APPLICANT

BTA Oil Producers seeks an exception to Division General Rule 104.C(2) as outlined in Division Memorandum dated August 3, 1990 to authorize the simultaneous dedication of the N/2 of Section 11, T23S, R34E, to its Hudson State 8016 JV-P Well No. 1-Y (Unit C) with its Hudson State 8016 JV-P Well No. 2 (Unit E).

The Well No. 2 (Unit E) is currently producing gas from an Atoka sandstone member of the Antelope Ridge-Atoka Gas Pool.

In compliance with Division Memorandum dated August 3, 1990, the Well No. 1-Y (Unit C) is shut-in but is capable of producing gas from the Atoka limestone member of the Antelope Ridge-Atoka Gas Pool.

There are currently producing offsetting gas wells to the N/2 of Section 11 which are producing gas from the Atoka limestone and which are subjecting the N/2 of Section 11 to drainage.

The currently producing Well No. 2 is completed in the Atoka sandstone member of the pool and is not capable of protecting the N/2 of Section 11 from drainage by the offsetting Atoka limestone gas producers.

Unless the Well No. 1-Y is allowed to produce currently with the Well No. 2, the N/2 of Section 11 will be drained by offsetting Atoka limestone gas producers.

The Well No. 1-Y and the Well No. 2 are each producing out of a separate member of the subject pool and neither well is capable of affecting production from the other.

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PROPOSED EVIDENCE

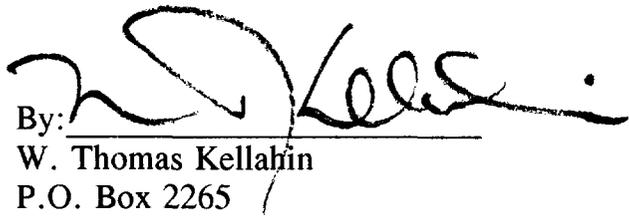
APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Steve Salmon (P.E.)	30-40 Min.	est. 6 exhibits

PROCEDURAL MATTERS

None applicable at this time.

KELLAHIN AND KELLAHIN

By: 

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