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

APPLICATION OF THE NEW MEXICO 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, 19.15.34 NMAC, 19.15.17 NMAC AND 19.15.29 NMAC AS TO A SALT WATER DISPOSAL FACILITY; REQUIRING 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 AND REMEDIATE THE ASSOCIATED FACILITY BY A DATE CERTAIN AND 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.

MOTION FOR CONTINUANCE OF THE 11-18-10 HEARING

The Oil Conservation Division (OCD) moves to continue the November 18, 2010 heating in Case 14413 until the <u>December 16, 2010</u> docket. Opposing counsel concurs in the motion. The following grounds support this motion:

Case 14413 is a compliance action brought by the OCD against BTA Oil Producers LLC (BTA) regarding an unpermitted, unlined pit at the site of the Pardue C 8808 JVP well, API 30-015-26341. The OCD and BTA have entered into a series of stipulated orders and settlement agreements to move the remediation forward and resolve the issues in Case 14413.

The most recent stipulated order, R-13218-B, provides in relevant part that by November 1, 2010 BTA shall file with the OCD's Environmental Bureau a final remediation plan addressing water contamination. The order continued the case until November 18, 2010: "At that time the issue to be determined will be the sufficiency of BTA's final remediation plan addressing water contamination, and the next step to be taken in the remediation process." R-13218-B, paragraph 7.

The November 1, 2010 deadline has passed, and BTA has not filed a final remediation plan addressing water contamination, as required by R-13218-B. According to BTA's pre-hearing statement, it intends to file a plan "prior to the hearing." Unfortunately, that will not give the OCD's Environmental Bureau sufficient time to evaluate the plan.

The OCD moves to continue Case 14413 until December 16, 2010. At that time, the parties hope to be able to submit a stipulated order to the examiners setting out the next step in the remediation process. Alternatively, the case may proceed to hearing and the OCD will seek a hearing order.

William F. Carr, attorney for BTA Oil Producers, LLC, is out of the office this week. Ocean Munds-Dry, Mr. Carr's associate, concurs in this motion. Travelers Indemnity Company, the surety for BTA, has not entered an appearance in this case.

Respectfully submitted

this <u>9*</u> day of November 2010 by

Gail MacQuesten

Oil Conservation Division

Energy, Minerals and Natural

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Certificate of Service

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I certify that I faxed a copy of this pleading to Mr. William Carr and Ms. Ocean Munds-Dry at 505 983-6043 and mailed a copy of this pleading to Travelers Indemnity Company at 1 Tower Square, Hartford, CT 06183 this 5th day of November 2010.

Gail MacQuesten