

KELLAHIN, KELLAHIN AND AUBREY

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W. THOMAS KELLAHIN\*  
KAREN AUBREY†

\*NEW MEXICO BOARD OF LEGAL SPECIALIZATION  
RECOGNIZED SPECIALIST IN THE AREA OF  
NATURAL RESOURCES-OIL AND GAS LAW

†ALSO ADMITTED IN ARIZONA

JASON KELLAHIN (RETIRED 1991)

OIL CONSERVATION DIVISION  
RECEIVED

'92 AUG 9 AM 9 13  
TELEPHONE (505) 982-4285  
TELEFAX (505) 982-2047

August 7, 1992

William J. LeMay  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87504

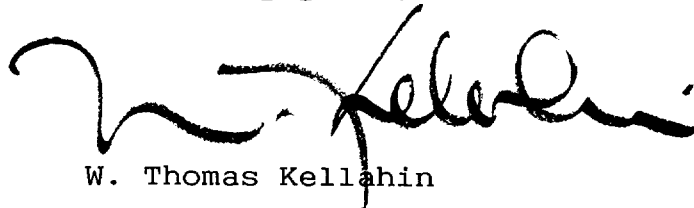
Re: NMOCD Case 10533  
Application of BTA Oil Producers  
for an Unorthodox Gas Well Location  
and Directional Drilling  
Indian 9201 JV-P Well #1  
Sec 20, T22S, R23E  
Eddy County, New Mexico

Dear Mr. LeMay:

On behalf of Marathon Oil Company, please enter our appearance in the referenced case. Marathon Oil Company is an offsetting operator and working interest owner and will be adversely affected if this application is granted. Marathon will appear at the hearing now set for August 20, 1992 in opposition to the applicant.

We would appreciate being notified if this matter is continued.

Very truly yours,



W. Thomas Kellahin

WTK/kkl  
lrrt807.92

cc: Marathon Oil Company  
Attn: Mr. Thomas C. Lowry, Esq.

cc: William F. Carr, Esq.  
Attorney for BTA Oil Producers

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. 10533

APPLICATION OF BTA OIL PRODUCERS,  
FOR DIRECTIONAL DRILLING AND AN  
UNORTHODOX BOTTOMHOLE GAS WELL  
LOCATION, EDDY COUNTY, NEW MEXICO

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AUG 17 1992

OIL CONSERVATION DIVISION

PRE-HEARING STATEMENT

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

**APPEARANCE OF PARTIES**

APPLICANT  
(name, address, phone  
and contact person)

ATTORNEY

BTA Oil Producers

William F. Carr  
CAMPBELL, CARR, BERGE ET AL  
P.O. Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421

OPPOSITION OR OTHER PARTY  
(name, address, phone  
and contact person)

ATTORNEY

Marathon Oil Company  
P.O. Box 552  
Midland, TX 79702  
ATTN: Thomas C. Lowry

W. Thomas Kellahin  
KELLAHIN, KELLAHIN & AUBREY  
P.O. Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-4285

Pre-hearing Statement  
NMOCD Case No. 10533  
Page 2

**STATEMENT OF CASE**

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

SEE APPLICANT FILING

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

Marathon Oil Company seeks either the denial of the applicant's request for an unorthodox well location or in the alternative a 75% production penalty on the applicant's well resulting from a combination of encroachment and non-productive acreage.

**PROPOSED EVIDENCE**

APPLICANT

WITNESSES  
(name and expertise)

EST. TIME

EXHIBITS

SEE APPLICANT FILING

OPPOSITION

WITNESSES  
(name and expertise)

EST. TIME

EXHIBITS

Craig Kent  
Petroleum Engineer

45 Minutes

5 Exhibits

Eric Carlsen  
Geologist

45 Minutes

5 Exhibits

**PROCEDURAL MATTERS**

(Please identify any procedural matters which need to be resolved prior to the hearing)

None at this time.

KELLAHIN and KELLAHIN

By: 

W. Thomas Kellahin

P.O. Box 2265

Santa Fe, New Mexico 87504

(505) 982-4285

**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. 10533

APPLICATION OF BTA OIL PRODUCERS  
FOR DIRECTIONAL DRILLING AND AN  
UNORTHODOX BOTTOMHOLE GAS WELL LOCATION,  
EDDY COUNTY, NEW MEXICO.

RECEIVED

AUG 18 1992

**PRE-HEARING STATEMENT**

OIL CONSERVATION DIVISION

This prehearing statement is submitted by William F. Carr, as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

**ATTORNEY**

BTA Oil Producers \_\_\_\_\_  
105 South Pecos \_\_\_\_\_  
Midland, Texas 79701 \_\_\_\_\_  
Attn: Keith Logan \_\_\_\_\_

William F. Carr \_\_\_\_\_  
Campbell, Carr, Berge & Sheridan, P.A.  
Post Office Box 2208 \_\_\_\_\_  
Santa Fe, New Mexico 87504 \_\_\_\_\_

(915) 682-3753 \_\_\_\_\_

(505) 988-4421 \_\_\_\_\_

name, address, phone and  
contact person

**OPPOSITION OR OTHER PARTY**

**ATTORNEY**

Marathon Oil Company \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

W. Thomas Kellahin, Esq. \_\_\_\_\_  
Kellahin and Kellahin \_\_\_\_\_  
Post Office Box 2265 \_\_\_\_\_  
Santa Fe, New Mexico 87504 \_\_\_\_\_

(505) 982-4285 \_\_\_\_\_

name, address, phone and  
contact person

**STATEMENT OF CASE**

**APPLICANT**

BTA Oil Producers, applicant in the above-captioned cause, seeks authority to deviate from its existing Indian 9201 JV-P Well No. 1 located 1650 feet from the North and East lines (Unit G) of Section 20, Township 22 South, Range 23 East, and recompleat said well in the Indian Basin-Upper Pennsylvanian Gas Pool at a new unorthodox bottomhole location within 50 feet of a point 1300 feet from the North and East lines of said Section 20.

**OPPOSITION OR OTHER PARTY**

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

**PROPOSED EVIDENCE**

**APPLICANT**

**WITNESSES**  
(Name and expertise)

**EST. TIME**

**EXHIBITS**

Keith Logan, Petroleum Engineer

15 Min.

Approximately 6

**OPPOSITION**

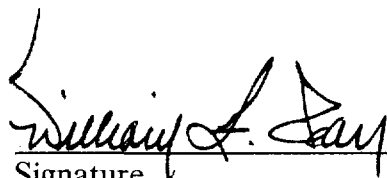
**WITNESSES**  
(Name and expertise)

**EST. TIME**

**EXHIBITS**

**PROCEDURAL MATTERS**

None.

  
Signature