

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. 12748
ORDER NO. R-11699

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

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on November 1, 2001, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 5th day of December 2001, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

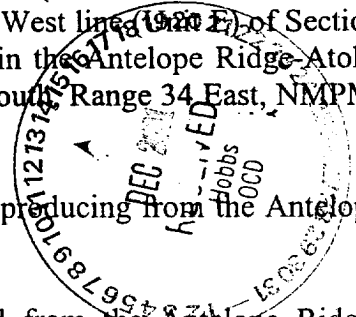
FINDS THAT:

(1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.

(2) The applicant, BTA Oil Producers ("BTA"), seeks an exception to Division Rule 104.C.(2)(b) to permit the simultaneous dedication of the Maddox Federal "B" No. 1 (API No. 30-025-27941), located 1980 feet from the North and West lines (Unit F) of Section 35, and the Maddox Federal "B" No. 2 (API No. 30-025-30128), located 1980 feet from the North line and 660 feet from the West line (Unit F) of Section 35, to a standard 320-acre gas spacing and proration unit in the Antelope Ridge-Atoka Gas Pool comprising the N/2 of Section 35, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico.

(3) The Maddox Federal "B" No. 2 is currently producing from the Antelope Ridge-Atoka Gas Pool.

(4) The Maddox Federal "B" No. 1 produced from the Antelope Ridge-Morrow Gas Pool from 1982 until August, 1995. The well is currently temporarily abandoned, with no potential for further production from the Morrow formation.



(5) The applicant proposes to recomplete the Maddox Federal "B" No. 1 to the Atoka "B" interval.

(6) The Maddox Federal "B" No. 2 is currently producing from the Atoka "A" and "C" intervals.

(7) The applicant testified that the Atoka "B" interval cannot be produced within the Maddox Federal "B" No. 2 due to poor reservoir quality.

(8) No offset operator or interest owner appeared at the hearing in opposition to the application.

(9) Approval of the subject application will allow the applicant to recover additional gas reserves from the Antelope Ridge-Atoka Gas Pool that may otherwise not be recovered, thereby preventing waste and the drilling of unnecessary wells, and will not violate correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, BTA Oil Producers, is granted an exception to Division Rule No. 104.C.(2)(b), and is hereby authorized to simultaneously dedicate its Maddox Federal "B" No. 1 (API No. 30-025-27941), located 1980 feet from the North and West lines (Unit F) of Section 35, and the Maddox Federal "B" No. 2 (API No. 30-025-30128), located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 35, to a standard 320-acre gas spacing and proration unit in the Antelope Ridge-Atoka Gas Pool comprising the N/2 of Section 35, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico.

(2) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery
LORI WROTENBERY
Director