



MIDLAND PARTNERS

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BTA OIL PRODUCERS

104 SOUTH PECOS
MIDLAND, TEXAS 79701
AC 915-682-3753

September 20, 1992

ROCKY MOUNTAIN DIVISION

555-17TH STREET
SUITE 835
DENVER, CO 80202
AC 303-292-9299

RE: Application for Unorthodox Location
Antelope Ridge, Morrow
State "2", 8016 JV-P, Well No. 2
1980' FSL & 990' FWL
Sec. 2, T23S, R34E
Lea County, New Mexico

STATE OF NEW MEXICO
Energy & Minerals Department
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attn: Mr. Michael Stogner

Dear Mr. Stogner:

BTA hereby requests administrative approval to drill at the above referenced unorthodox location.

In our opinion, the Lower Morrow sands will be much better developed at this location than at a standard location. We are currently producing our 8016 JV-P State "2" #1 from the Atoka formation on the same 320 acre proration unit as our proposed well. Based on our experience in the area, we think it is possible to find correlative sands which are not in communication with offset wells. Therefore, we expect to have a chance to encounter sands in the Lower Morrow with very close to virgin bottom hole pressures.

We are enclosing a "Lower Morrow Isopach Map" of porosity greater than 6%. It can be seen from this map that the proposed well should find much thicker Lower Morrow Sands than was found in the State "2" #1. This interpretation, coupled with the possibility of encountering near virgin reservoir pressure, necessitates this request for an unorthodox location for the State "2" #2. Approval of this location will allow us to produce reserves which would otherwise be left behind, thus, preventing waste.

All offset operators and mineral owners, as shown on the enclosed county map and listing, have been notified of our application by certified mail. Please advise should further information be required to grant this application.

Sincerely,

DOROTHY HOUGHTON
For BTA Oil Producers

DH/pdi

Attachments

Kc: OCD - Hobbs