STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES 59 OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF BC OPERATING, INC. FOR AUTHORIZATION TO INJECT, EDDY COUNTY, NEW MEXICO.

Case No. 15442

PRE-HEARING STATEMENT

BC Operating, Inc. ("Applicant") provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

APPLICANT

APPLICANT'S ATTORNEY

BC Operating, Inc.

J. Scott Hall, Esq. Seth C. McMillan, Esq.

MONTGOMERY & ANDREWS, P.A.

P.O. Box 2307

Santa Fe, NM 87504-2307

Tel (505) 982-3873 <u>shall@montand.com</u> <u>smcmillan@montand.com</u>

OPPONENT/OTHER PARTIES

OPPONENT'S ATTORNEY

Devon Energy

James Bruce P.O. Box 1056

Santa Fe, NM 87504 Tel (505) 982-2043 jamesbruc@aol.com

STATEMENT OF THE CASE

Applicant seeks an order authorizing the injection of water for disposal into the Bell Canyon and Upper Cherry Canyon members of the Delaware Mountain Group in the following well:

Grande State #1 SWD (API # 30-015-31910)

660' FNL & 1980' FWL (Unit C) Section 32 T-23-S, R-29-E, NMPM Eddy County, New Mexico

Applicant proposes to reconfigure the well at the above location and utilize it for injection of produced water at depths of 2,780' to 4,900' subsurface. The well is located approximately 5.5 miles Southeast of Loving, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Harmon Murphy – Landman	10 minutes	4
Mike Moylett – Senior Geologist	20 minutes	6
Jason Wacker – Petroleum Engineer	10 minutes	6

OPPONENT

WITNESSES

Unknown at this time.

PROCEDURAL MATTERS

None.

Respectfully submitted,

MONTGOMERY & ANDREWS, P. A.

By: Seth C. McMillan

J. Scott Hall, Esq.
Seth C. McMillan, Esq.
Post Office Box 2307
Santa Fe, New Mexico 87504-2307
(505) 982-3873
(505) 982-4289 fax
shall@montand.com
smcmillan@montand.com
Attorneys for Applicant BC Operating, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served to counsel of record by electronic and U.S. Mail on February 11, 2016.

James Bruce P.O. Box 1056 Santa Fe, NM 87504 jamesbruc@aol.com

Seth C. McMillan
Seth C. McMillan