

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

**APPLICATION OF BC OPERATING, INC.  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 15538**

**APPLICANTS' PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by applicants BC Operating, Inc. in accordance with the Oil Conservation Division's regulations.

**APPEARANCES**

**APPLICANT**

BC Operating, Inc.  
4000 N. Big Spring, Suite 310  
Midland, Texas 79705

**ATTORNEY**

Michael H. Feldewert  
Jordan L. Kessler  
Holland & Hart, LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile  
mfeldewert@hollandhart.com  
jlkessler@hollandhart.com

2016 AUG 25 P 3:38  
RECEIVED OOD

**APPLICANT'S STATEMENT OF THE CASE**

BC Operating Inc. seeks an order to compulsory pool all uncommitted interests in the Wolfcamp formation (WC; Salt Draw; Wolfcamp, (Gas) (97721)) underlying the 320-acre, more or less, spacing and proration unit comprised of the E/2 of Section 34, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. This standard spacing and proration unit will be the project area for the proposed **Kyle 34 Federal Com No. 5H Well**, which will be drilled horizontally from the SE/4 SE/4 (Unit P) to a non-standard bottomhole location in the NE/4 NE/4 (Unit A) of Section 34. Applicant's request for a non-standard location was

previously submitted and approved by the Division by administrative application. See NSL-7445.

**APPLICANT'S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Caleb Hopson Landman	Approx. 10 minutes	Approx. 5

**PROCEDURAL MATTERS**

Pursuant to NMAC 19.15.4.12.A(1)(b), if BC Operating, Inc. receives no objection to this application, then the case will be presented by affidavit.

Respectfully submitted,

HOLLAND & HART, LLP



---

Michael H. Feldewert  
Jordan L. Kessler  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile

**ATTORNEYS FOR BC OPERATING, INC.**