



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

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2010 JUL 29 P 3:07

July 29, 2010

Florene Davidson
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

**Re: In the Matter of the Application of BC Operating, Inc. for Authorization to
Conduct Injection Operations, Lea County, New Mexico, NMOCD Case
No. 14525**

Dear Ms. Davidson:

On behalf of BC Operating, Inc., enclosed is BC Operating's Pre-Hearing
Statement.

Thank you.

Very truly yours,

Karen Williams
Assistant to J. Scott Hall

:kw

Enclosure

00207559

REPLY TO:

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

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IN THE MATTER OF THE APPLICATION
OF BC OPERATING, INC. FOR
AUTHORIZATION TO CONDUCT
INJECTION OPERATIONS, LEA COUNTY,
NEW MEXICO.

CASE NO. 14525

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by BC Operating, Inc., as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

BC Operating, Inc.

APPLICANT'S ATTORNEY

J. Scott Hall
Montgomery & Andrews
P.O. Box 2307
Santa Fe, New Mexico 87504-2307
(505) 986-2646

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order authorizing the injection of salt water into the non-productive San Andres formation, San Andres Pool (96121) in the following proposed well:

South Denton "6" State No. 2 SWD
API No. 30-025-39734
330' FNL & 330' FWL (Unit D)
Section 6
T-16-S, R-38-E, NMPM

The subject well will be drilled to a proposed total depth of approximately 6500' and will be utilized for injection of water through a closed system into the San Andres formation (top:

5,200'; base: 6,500') with an injection interval of within the approximate depths of 6,400' to 6,450'. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 960 psig (surface) with a maximum surface injection pressure of 1,280 psig or as permitted by the Division. Applicant proposes injection of water at average daily rates of approximately 2,000 bbls and at maximum daily rates of approximately 2,500 bbls. The lands and well are located approximately 12 miles east of Lovington, New Mexico.

OPPONENT

The application for administrative approval received objections from four individuals: Ronald G. Sears, Tara Burton Rismeni, Cleta Sander, and Dwayne L. Sears. They have been notified of this examiner hearing, but no entry of appearance has been received.

PROPOSED EVIDENCE

APPLICANT

WITNESSES

Jason Wacker, Petroleum Engineer

EST. TIME

20 minutes

EXHIBITS

6

OPPONENT

EST. TIME

EXHIBITS

WITNESSES

PROCEDURAL MATTERS

N/A

Respectfully submitted,

MONTGOMERY & ANDREWS, P. A.

By: _____

J. Scott Hall

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Attorneys for BC Operating, Inc.