

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

**AMENDED APPLICATION OF BC OPERATING, INC., CROWN OIL PARTNERS V,  
CRUMP ENERGY PARTNERS, AND NADEL AND GUSSMAN PERMIAN, LLC FOR A  
NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY  
POOLING, EDDY COUNTY, NEW MEXICO.**

**Case No.: 15594**

**APPLICANTS' PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by applicants BC Operating, Inc., Crown Oil Partners V, Crump Energy Partners, and Nadel & Gussman Permian, LLC (collectively, "Applicants") in accordance with the Oil Conservation Division's regulations.

**APPEARANCES**

**APPLICANTS**

BC Operating, Inc., Crown Oil Partners  
V, Crump Energy Partners, and Nadel  
& Gussman Permian, LLC  
4000 N. Big Spring, Suite 310  
Midland, Texas 79705

**ATTORNEY**

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**OTHER PARTIES**

Primero Operating  
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**APPLICANT'S STATEMENT OF THE CASE**

In Case No. 15594, BC seeks an order (1) creating a 160-acre, more or less, non-standard spacing and proration unit comprised of the SE/4 of Section 25, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted interest owners in the Wolfcamp formation (WC; Salt Draw; Wolfcamp (G) Pool (Pool Code 97721)) underlying the E/2 of Section 36 and the proposed non-standard spacing and proration unit comprised of the SE/4 of Section 25 to form a 480-acre non-standard spacing and proration unit for the proposed horizontal well. The 480-acre non-standard spacing and proration unit will be the project area for the proposed **Southern Comfort 25-36 State Com X #2H Well**, which will be drilled horizontally from the NE/4 SE/4 (Unit I) of Section 25 to a non-standard bottomhole location in the SE/4 SE/4 (Unit P) of Section 36. Applicant will apply administratively for an unorthodox location for this well.

**APPLICANT'S PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Brandon Gianfala Landman	Approx. 15 minutes	Approx. 7
Mike Moylette Geologist	Approx. 10 minutes	Approx. 5

**PROCEDURAL MATTERS**

None at this time.

Respectfully submitted,

HOLLAND & HART LLP



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ATTORNEYS FOR APPLICANTS

### CERTIFICATE OF SERVICE

I hereby certify that on December 30, 2016, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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