

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

**APPLICATION OF BOPCO, L.P. FOR
REVOCATION OF INJECTION
AUTHORITY UNDER ADMINISTRATIVE
ORDER SWD-1073, EDDY COUNTY,
NEW MEXICO**

Case No. 15219

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BOPCO, L.P.'S PRE-HEARING STATEMENT

BOPCO, L.P. ("BOPCO") submits its Pre-Hearing Statement as required by the Oil Conservation Division.

APPEARANCES

BOPCO is the applicant in this case. Its business address is 201 N. Main Street, Suite 2900, Fort Worth, Texas 76102. BOPCO is represented by the undersigned counsel.

STATEMENT OF THE CASE

BOPCO's application requests an order revoking the injection authority granted to Chevron USA, Inc. ("Chevron") under Administrative Order SWD-1073.

Administrative Order SWD-1073, as amended by Administrative Order IPI-425, authorizes Chevron to utilize its Lotos 11 Federal Well No. 2 (API 30-015-28821) for the disposal of produced water into the Bell Canyon and Cherry Canyon members of the Delaware Mountain Group through perforations from 4,570 feet to 5,632 feet. The Lotos 11 Federal Well No. 2 is located 1,780 feet from the North line and 660 feet from the East line, Unit Letter H of Section 11, Township 24 South, Range 31 East in Eddy County.

BOPCO asserts that produced water injected into Chevron's Lotos 11 Federal Well No. 2 disposal well has migrated to four of BOPCO's producing wells in its Poker Lake Unit through a

geological fracture and has adversely impacted BOPCO's production of oil from the wells, thereby impairing BOPCO's correlative rights and causing waste.

PROPOSED EVIDENCE

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Andy Morrison (Landman)	10	Approx. 2
Brian Pregger (Geologist)	20	Approx. 6
Cary McGregor (Engineer)	20	Approx. 12

BOPCO reserves the right to call a rebuttal witness(es) if appropriate.

PROCEDURAL MATTERS

BOPCO is not aware of any procedural matters to be resolved prior to the hearing.

Respectfully submitted,

HINKLE SHANOR LLP



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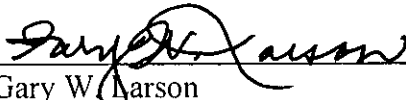
Counsel for BOPCO, L.P.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 9th day of October, 2014 I served a true and correct copy of the foregoing ***BOPCO, L.P.'s Pre-Hearing Statement*** via email to:

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Counsel for Chevron USA, Inc.



Gary W. Larson