

**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.
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ATTORNEY

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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

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
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



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