

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

**APPLICATION OF BC OPERATING, INC.,
CROWN OIL PARTNERS V, CRUMP ENERGY
PARTNERS, AND NADEL AND GUSSMAN
PERMIAN, LLC FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

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Case No.: 15661

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

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

OTHER PARTIES

S.K. Warren Resources

ATTORNEY

Earl E. Debrine, Jr.
Jennifer L. Bradfute
Modrall, Sperling, Roehl, Harris & Sisk, P.A.
Post Office Box 2168
Bank of America Centre
500 Fourth Street NW, Suite 1000
Albuquerque, NM 87103-2168
Tel: 505-848-180
edebrine@modrall.com
Jennifer.Bradfute@modrall.com

William Joseph Foran

James Bruce, Esq.
Post Office Box 1056
Santa Fe, New Mexico 87504-1056
Tel: 505-982-2043
jamesbruc@aol.com

APPLICANT'S STATEMENT OF THE CASE

Applicants seek an order pooling all uncommitted interests in the Wolfcamp formation underlying the 320-acre, more or less, spacing and proration unit comprised of the E/2 of Section 22, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. This acreage is to be dedicated to Applicants' proposed Chicken Fry Federal Com No. 1H Well (API No. 30-015-42882), which will be drilled horizontally from the NE/4 NE/4 (Unit A) to the SE/4 SE/4 (Unit P) of Section 22. Under Order R-14262 this acreage has now been placed within the Purple Sage Wolfcamp Gas Pool (Pool Code 98220). Pursuant to Rule 2 of the Special Rules for this pool, the perforated interval of this proposed horizontal wellbore will no closer than 330 feet to the exterior boundary of the spacing unit and will therefore be at a standard location.

APPLICANT'S PROPOSED EVIDENCE

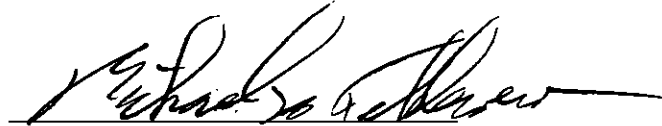
WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Brandon Gianfala Landman	Approx. 15 minutes	Approx. 5
Mike Moylette Geologist	Approx. 10 minutes	Approx. 4

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART LLP

A handwritten signature in black ink, appearing to read "Michael H. Feldewert", written over a horizontal line.

Michael H. Feldewert

Jordan L. Kessler

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421

(505) 983-6043 Facsimile

mfeldewert@hollandhart.com

jlkessler@hollandhart.com

ATTORNEYS FOR APPLICANTS

CERTIFICATE OF SERVICE

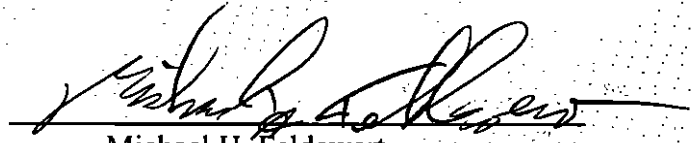
I hereby certify that on March 23, 2017, I served a copy of the foregoing document to the following via electronic mail to:

Earl E. DeBrine, Jr.
Jennifer Bradfute
Modrall, Sperling, Roehl, Harris & Sisk, PA
Post Office Box 2168
Bank of America Centre
500 Fourth Street NW, Suite 1000
Albuquerque, NM 87103-2168
Tel: (505) 848-1800
Fax: (505) 848-9710
Email: edebrane@modrall.com
Email: Jennifer.bradfute@modrall.com

James Bruce, Esq.
Post Office Box 1056
Santa Fe, New Mexico 87504-1056
Tel: 505-982-2043
jamesbruc@aol.com

ATTORNEY FOR WILLIAM JOSEPH FORAN

ATTORNEYS FOR S.K. WARREN RESOURCES



Michael H. Feldewert