



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

June 4, 1998

Nearburg Exploration Company, L.L.C.
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

Administrative Order NSL-4052

Dear Mr. Bruce:

Reference is made to your application dated May 20, 1998 on behalf of the operator, Nearburg Exploration Company, L.L.C., for an unorthodox Morrow gas well location for its proposed Eagle Creek "14" Well No. 1 (API No. 30-015-30246) to be drilled 1070 feet from the North line and 2061 feet from the West line (Unit C) of Section 14, Township 17 South, Range 25 East, NMPM, Undesignated East Eagle Creek Atoka-Morrow Gas Pool, Eddy County, New Mexico.

The N/2 of Section 14 being a standard 320-acre gas spacing and proration unit for the pool is to be dedicated to the well.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox gas well location will be at a more favorable geologic position within the Morrow formation than a well drilled at a location considered to be standard.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox gas well location is hereby approved.

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad