

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

APPLICATION OF NEARBURG PRODUCING
COMPANY, L.L.C., FOR AN UNORTHODOX GAS WELL
LOCATION, LEA COUNTY, NEW MEXICO.

CASE 11546

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A.,
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Nearburg Exploration Company
c/o Bob Shelton
3300 North "A" Street, Suite 120
Midland, TX 79705
(915) 686-8235

name, address, phone and
contact person

ATTORNEY

William F. Carr, Esq.
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

OTHER PARTY

name, address, phone and
contact person

ATTORNEY

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Nearburg Producing Company, L.L.C., seeks authorization to drill a well to the Strawn formation, Shipp-Strawn Pool, at an unorthodox well location 2310 feet from the South line and 660 feet from the East line of Section 36, Township 16 South, Range 37 East. The N/2 SE/4 of said Section 36 is to be dedicated to said well forming a standard 80-acre spacing and proration unit. Said unit is located approximately 8 miles east of Lovington, New Mexico

OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

APPLICANT

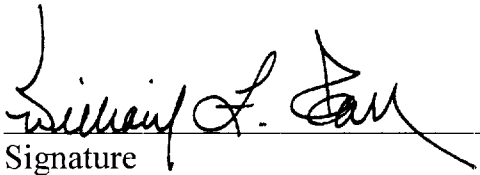
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Bob Shelton, Land	10 Min.	Approximately 3
Jerry Elger, Geology	10 Min.	Approximately 2
Terry Durham, Engineering	10 Min.	Approximately 2

OTHER PARTY

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
-----------------------------------	-----------	----------

PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to hearing)


Signature