

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 BOTTOMHOLE
LOCATION AND DIRECTIONAL DRILLING,
EDDY COUNTY, NEW MEXICO.

CASE 11690

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 Producing Company, L.L.C.
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., applicant seeks authorization to directionally drill its McKittrick Federal 11 Well No. 1-Y from a surface location 2310 feet from the South line and 960 feet from the East line to an unorthodox bottomhole location 2550 feet from the North line and 400 feet from the East line (Unit H) of Section 11, Township 22 South, Range 24 East, in the Canyon formation, Undesignated Indian Basin-Upper Pennsylvanian Associated Pool. The N/2 of said section 11 shall be the project area for this well which will be simultaneously dedicated to the new well and the existing Chama Federal Well No. 1 located 780 feet from the North line and 1350 feet from the East line (Unit B) of said Section 11.

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

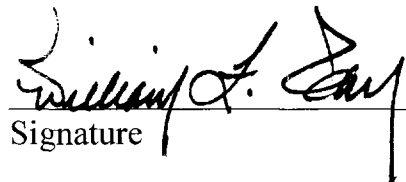
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Mike Gray, Land	10 Min.	Approximately 3
Jerry Elger, Geology	10 Min.	Approximately 2
Tim McDonald, Engineering	10 Min.	Approximately 2

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