

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:

*CASE NO. 11797
ORDER NO. R-10912*

**APPLICATION OF NEARBURG PRODUCING COMPANY FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on September 18, 1997 at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 5th day of November, 1997, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Nearburg Producing Company, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation, underlying the following described acreage in Section 13, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico, and in the following manner:

- (a) the N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent;
- (b) the NE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent;
- (c) the N/2 NW/4 to form a standard 80-acre oil spacing

and proration unit for any and all pools developed on 80-acre spacing within said vertical extent, which currently there are none; and,

(d) the NW/4 NE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Pearl-Queen Pool and the Undesignated Southeast Scharb-Wolfcamp Pool.

(3) Said units are to be dedicated to its proposed Stetson Federal "13" Well No. 1 to be drilled at a location that is considered to be "standard" for all four of the above-described unit sizes.

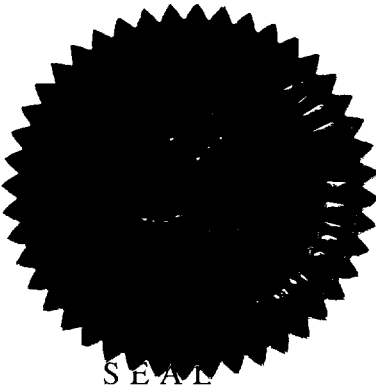
(4) Prior to the hearing, the applicant requested this matter be dismissed.

(5) Dismissal of this case should therefore be granted.

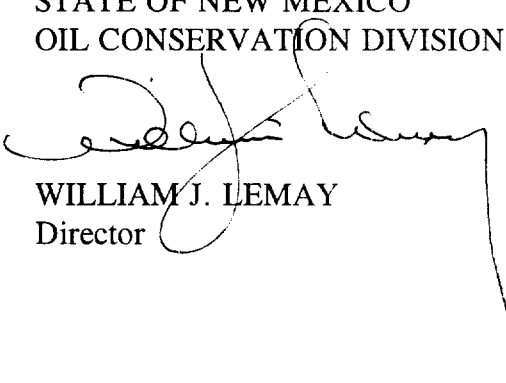
IT IS THEREFORE ORDERED THAT:

Case No. 11797 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director