

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: 11952
ORDER NO. R-11006

APPLICATION OF NEARBURG EXPLORATION COMPANY, L.L.C. FOR
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on March 19, 1998, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 15th day of July, 1998, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.

(2) The applicant, Nearburg Exploration Company, L.L.C., seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 31, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico, in the following manner:

(a) Lots 1 and 2, NE/4, and E/2 NW/4 (N/2 equivalent) to form a standard 325.37-acre gas spacing and proration unit for any and all pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Buffalo-Pennsylvanian Gas Pool, Undesignated North Lusk-Morrow Gas Pool, and Undesignated South Corbin-Morrow Gas Pool;

(b) Lots 1 and 2 and the E/2 NW/4 (NW/4 equivalent) to form a standard 165.37-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but

is not necessarily limited to the Undesignated East Querecho-Queen Gas Pool; and,

(c) Lot 2 (the SW/4 NE/4 equivalent) to form a standard 42.71-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 Buffalo-Yates Pool, Undesignated Buffalo-Queen Pool, Undesignated Querecho Plains-Upper Bone Spring Pool, Undesignated South Corbin-Bone Spring Pool, Undesignated West Tonto-Bone Spring Pool, Undesignated Querecho Plains-Lower Bone Spring Pool, Undesignated Querecho Plains-Delaware Pool, Undesignated East Lusk-Wolfcamp Pool, and Undesignated South Corbin-Strawn Pool.

(3) Said units are to be dedicated to the applicant's proposed Gazelle "31" Well No. 1 to be drilled at a standard location for all three sizes of units 1980 feet from the North line and 1650 feet from the East line (Lot 2/Unit E) of Section 31.

(4) Prior to the March 19, 1998 hearing, the applicant requested this matter be dismissed.

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

IT IS THEREFORE ORDERED THAT:

Case No. 11952 is hereby dismissed.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery
LORI WROTENBERY
Director