

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. 11983
ORDER NO. R-11019

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

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on June 11, 1998, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 4th day of August, 1998, the Division Director, having considered 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 4, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico, in the following manner:

(a) Lots 3 and 4, the S/2 NW/4, and the SW/4 (W/2 equivalent) to form a standard 320.78-acre gas spacing and proration unit for any and all pools developed on 320-acre spacing within that vertical extent, which presently include but are not necessarily limited to the Undesignated North Cemetery-Wolfcamp Gas Pool, Undesignated Dagger Draw-Strawn Gas Pool, Undesignated East Dagger Draw-Strawn Gas Pool, Undesignated North Cemetery-Atoka Gas Pool, and Undesignated Dagger Draw-Morrow Gas Pool;

(b) Lots 3 and 4 and the S/2 NW/4 (NW/4 equivalent) to form a standard 160.78-acre gas spacing and proration unit for

any and all formations and/or pools developed on 160-acre spacing within that vertical extent, which presently include but are not necessarily limited to the Undesignated North Dagger Draw-Upper Pennsylvanian Pool;

(c) Lot 3 and the SW/4 NW/4 (W/2 NW/4 equivalent) to form a standard 80.34-acre oil spacing and proration unit for any pools developed on 80-acre spacing within that vertical extent; and,

(d) the SW/4 NW/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 that vertical extent, which presently include but are not necessarily limited to the Undesignated Seven Rivers-Yeso Pool.

(3) The units are to be dedicated to the applicant's proposed Culver "4" Federal Com. Well No. 1 to be drilled 1650 feet from the North line and 660 feet from the West line (Unit E) of said Section 4.

(4) Prior to the June 11, 1998 hearing, the applicant requested this matter be dismissed.

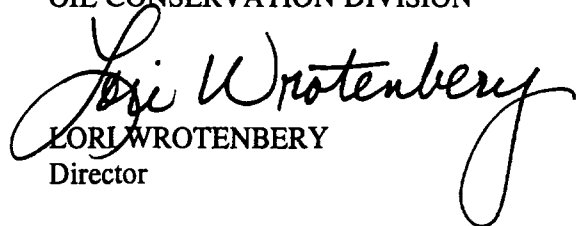
(5) Dismissal of this case should therefore be granted.

IT IS THEREFORE ORDERED THAT:

Case No. 11983 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


LORI WROTENBERG
Director

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