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 EXPLORATION COMPANY, L.L.C. FOR AN UNORTHODOX GAS WELL LOCATION, LEA COUNTY, NEW MEXICO. Case No. 12,151

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Nearburg Exploration Company, L.L.C. Building 2, Suite 120 3300 North "A" Street Midland, Texas 79705 Attention: Michael Gray (915) 686-8235

APPLICANT'S ATTORNEY

James Bruce P.O. Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

OTHER PARTY

OTHER PARTY'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an unorthodox gas well location for the Range State Well No. 2, to be located 660 feet FSL and 990 feet FEL of §28-21S-35E. The well will be drilled to test the Morrow formation. The location is based on geologic reasons. Applicant has a drilling deadline, and thus requests an expedited order.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	EST. TIME	<u>EXHIBITS</u>
Landman	10 min.	 Land plat Notice letters Waiver letters
Geologist	10 min.	 Isopach Cross-section Production plat
OPPONENT		
WITNESSES	EST. TIME	EXHIBITS

PROCEDURAL MATTERS

-None-

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Attorney for Applicant