

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. 12212
ORDER NO. R-11222

**APPLICATION OF NEARBURG EXPLORATION COMPANY, L.L.C. FOR AN
UNORTHODOX GAS WELL LOCATION, LEA COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on July 8, 1999, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 13th day of July, 1999, 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. ("Nearburg"), seeks approval to drill its Diamondback "25" Federal Well No. 1 at an unorthodox Morrow gas well location 990 feet from the South line and 660 feet from the East line (Unit P) of Section 25, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico. The E/2 of Section 25, being a standard 320-acre stand-up gas spacing and proration unit for either the Undesignated East Lusk-Morrow Gas Pool or the Undesignated Gem-Morrow Gas Pool, is to be dedicated to the well.

(3) Nearburg originally filed this application with the Division on June 3, 1999 for administrative review pursuant to the provisions of Division Rule 104.F.

(4) An objection filed by Mitchell Energy Corporation ("Mitchell") caused this application to be set for hearing.

(5) Prior to the hearing, Mitchell withdrew its objection. This case was then remanded to the Division's administrative process.

(6) By Administrative Order NSL-4318, dated June 25, 1999, the Division approved the subject application, thereby making this case unnecessary.

(7) Furthermore, the applicant, prior to the hearing, requested this matter be dismissed.

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

IT IS THEREFORE ORDERED THAT:

Case No. 12212 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
Director



SEAL