

MD
11-30-99

**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. 12286

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

OIL CONSERVATION DIV.
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PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A.,
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Nearburg Exploration Company, L.L.C.
c/o Bob Shelton
3300 North "A" St., Bldg. 2, Ste. 120
Midland, TX 79705
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(915) 686-7826 Fax

ATTORNEY

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Santa Fe, New Mexico 87504
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OPPOSITION OR OTHER PARTY

ATTORNEY

STATEMENT OF CASE

APPLICANT

Applicant seeks an exception to Division Rule 104C(2), revised by Division Order R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, to drill its South Boyd "27" Well No. 10 to the Morrow formation at an unorthodox gas well location 510 feet from the North line and 990 feet from the East line (Unit A) of Section 27, Township 19 South, Range 25 East. The N/2 of Section 27 is to be dedicated to this well in order to form a standard 320-acre gas spacing and proration unit for the Undesignated Cemetery-Morrow Gas Pool. This unit is located approximately 6 miles west of Lakewood, New Mexico.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

APPLICANT

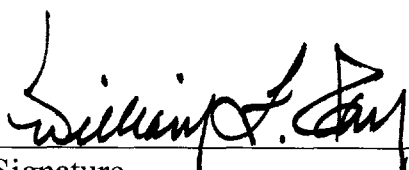
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Bob Shelton (Landman)	15 Min.	Approx. 15
Jerry Elger (Geology)	10 Min.	Approx. 2
Tim McDonald (Engineering)	10 Min.	Approx. 3

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to hearing)



Signature