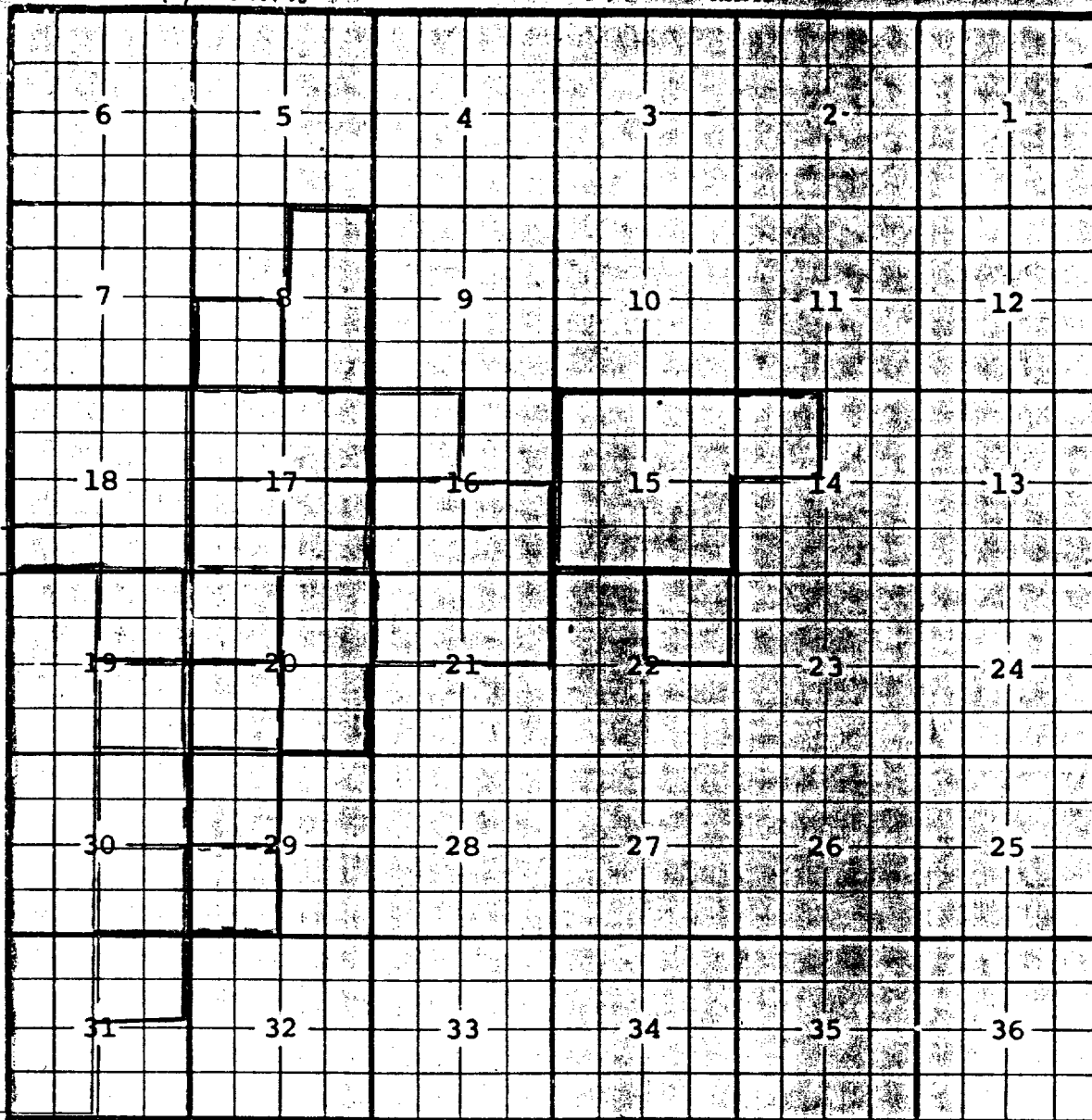


COUNTY EddyPOOL North Dagger Draw Eddy ReynoldsTOWNSHIP 19 SouthRANGE 25 East

NMPL



Description: All Sec 18, $\frac{W}{2}$ Sec 19, $\frac{W}{2}$ Sec 30, $\frac{W}{2}$ Sec 31 (R-4691, 1-1-74)

Ext: $\frac{N}{2}$ Sec 17 (R-4821, 8-1-74) Ext: $\frac{S}{2}$ Sec 17 (R-5063, 7-1-75)

Ext: $\frac{SE}{4}$ Sec 30 (R-5309, 11-1-76) Ext: $\frac{NW}{4}$ Sec 16 (R-5667, 4-1-78)

Ext: $\frac{S}{2}$ Sec 16, $\frac{N}{2}$ Sec 21 (R-7131, 11-30-82) Ext: $\frac{NE}{4}$ Sec 19 (R-8391, 1-22-87)

Ext: $\frac{SE}{4}$ Sec 19 (R-8484, 8-13-87) Ext: $\frac{NE}{4}$ Sec 30 (R-8665, 6/9/89)

Ext: $\frac{SW}{4}$ Sec 8 (R-8827, 12-22-88) Ext: $\frac{NW}{4}$ Sec 20 (R-8945, 5-31-89)

Ext: $\frac{SW}{4}$ Sec 20 (R-9096, 1-1-90) Ext: $\frac{NW}{4}$ Sec 14, All Sec 15 (R-9134, 4-1-90)

Ext: $\frac{E}{2}$ Sec 8, $\frac{NE}{4}$ Sec 31 (R-9578, 9-10-91) Ext: $\frac{NE}{4}$ Sec 20, $\frac{NW}{4}$ Sec 29

(R-9837, 1-27-93) Ext: $\frac{NE}{4}$ Sec 22, $\frac{SW}{4}$ Sec 29 (R-9844, 2-8-93)

Ext: $\frac{SE}{4}$ Sec 20 (R-9884, 4-26-93)

[illegible]

CASE 10731 (Readvertised)

Application of Nearburg Producing Company
for an unorthodox ^{oil} gas well location, Eddy
County, New Mexico.

Applicant seeks approval to drill to the Upper Pennsylvanian formation, North Dagger Draw-Upper Pennsylvanian Pool, its Dagger Draw 31 Federal Well No. 5 at an unorthodox gas well location 330 feet from the North line and 2460 feet from the West line (Unit C) of Section 31, Township 19 South, Range 25 East. The NW/4 of said Section 31 is to be dedicated to said well forming a standard 160-acre gas spacing and proration unit. Said unit is located approximately 2 miles southwest of Lakewood, New Mexico.

to the North Dagger Draw - Upper Pennsylvanian Pool
Applicant, in the above-styled case, seeks approval to drill its
Dagger Draw 31 Federal Well No. 5 at an unorthodox oil well
location 330 feet from the North line and 2460 feet from
the West line (Unit C) of Section 31, Township 19 South,
Range 25 East. Said well to be dedicated to an existing
162.60-acre oil spacing and proration unit comprising lots 1 and
2 and the E₂ NW/4 (NW/4 equivalent) of said Section 31, which
is currently dedicated to the Dagger Draw "31" Federal Well
Nos. 1 and 4 located in Units "D" and "E", respectively, of
Section 31. Said unit is located approximately 9 miles
west by south at Lakewood, New Mexico.

* Note to file: The advertisement in this
matter was prepared by Michael
E. Stoner.

5/12/93

M.S.

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. 10731

Order No. R-9940

APPLICATION OF NEARBURG PRODUCING
COMPANY FOR AN UNORTHODOX OIL WELL
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on June 17, 1993,
at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this _____ day of August, 1993, the Division
Director, having considered the testimony, the record, and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS THAT:

(1) Due public notice having been given as required by law,
the Division has jurisdiction of this cause and the subject matter
thereof.

(2) The applicant, Nearburg Producing Company, seeks approval
to drill its Dagger Draw "31" Federal Well No. 5 at an unorthodox
oil well location 330 feet from the North line and 2460 feet from
the West line (Unit C) of Section 31, Township 19 South, Range 25
East, NMPM, North Dagger Draw-Upper Pennsylvanian Pool, Eddy
County, New Mexico. Said well is to be simultaneously dedicated to
an existing 162.60-acre oil spacing and proration unit comprising
Lots 1 and 2 and the E/2 NW/4 (NW/4 equivalent) of said Section 31,
which is currently dedicated to the Dagger Draw "31" Federal Well
Nos. 1 and 4 located in Units D and E, respectively.

(3) Conoco Inc. and Yates Petroleum Corporation, both offset
operators to the proposed unorthodox location, appeared at the
hearing in opposition to the application.

(4) On August 11, 1993, the Division received a letter from
Nearburg Producing Company requesting that Case No. 10731 be

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WJS 8/13/93

dismissed.

(5) The applicant's request should be granted.

IT IS THEREFORE ORDERED THAT:

(1) The application of Nearburg Producing Company to drill its Dagger Draw "31" Federal Well No. 5 at an unorthodox oil well location 330 feet from the North line and 2460 feet from the West line (Unit C) of Section 31, Township 19 South, Range 25 East, NMPM, North Dagger Draw-Upper Pennsylvanian Pool, Eddy County, New Mexico, is hereby dismissed.

(2) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

S E A L