

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. 11906
ORDER NO. R-11017

**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 July 9, 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 having been given, the Division has jurisdiction of this case and its subject matter.

(2) The applicant, Nearburg Exploration Company, L.L.C. ("Nearburg"), seeks an order pooling all mineral interests from the surface to the base of the Canyon formation underlying the following described acreage in Section 5, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico, in the following manner:

(a) Lots 1 and 2 and the S/2 NE/4 (NE/4 equivalent) to form a standard 160.45-acre 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; and,

(b) the SW/4 NE/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) Both units are to be dedicated to the applicant's S. P. Johnson Com. Well No. 2 (API No. 30-015-29993), recently drilled at a location that is considered to be standard for both sizes of units 1650 feet from the North line and 1980 feet from the East line (Unit G) of Section 5.

(4) This application was originally filed by Mewbourne Oil Company ("Mewbourne") on December 16, 1997 and first appeared on the Division's January 8, 1998 hearing docket. On March 20, 1998, after several continuances, legal counsel for both Mewbourne and Nearburg requested the applicant in this case be changed. Nearburg, therefore, was named the applicant in this matter.

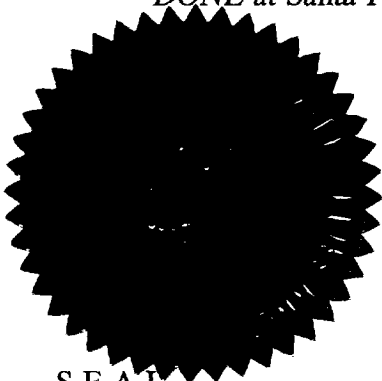
(5) Prior to the July 9, 1998 hearing, Nearburg requested this matter be dismissed.

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

IT IS THEREFORE ORDERED THAT:

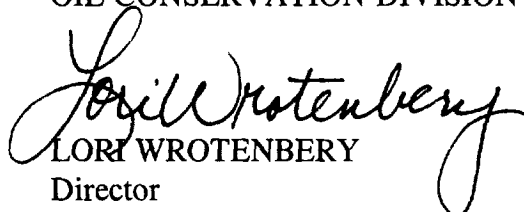
Case No. 11906 is hereby dismissed.

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



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


LORI WROTENBERY
Director