



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

October 20, 1998

Nearburg Exploration Company, L.L.C.
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

Administrative Order NSL-4156

Dear Mr. Bruce:

Reference is made to your application dated October 17, 1998 on behalf of the operator, Nearburg Exploration Company, L.L.C., for an unorthodox Morrow gas well location for its proposed Cone Butte "19" Federal Com. Well No. 1 to be drilled 622 feet from the North line and 1987 feet from the East line (Unit B) of Section 19, Township 22 South, Range 24 East, NMPM, Undesignated South Indian Basin-Morrow Gas Pool, Eddy County, New Mexico.

Lots 3 and 4, the NE/4, and the E/2 NW/4 (N/2 equivalent) of Section 19 being a standard 307.72-acre gas spacing and proration unit for this pool is to be dedicated to the well.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox Morrow gas well location is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad