W. Jones

ABOVE THIS LINE FOR DIVISION USE ON

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECK

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE **Application Acronyms:** [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication [A] NSL ☐ NSP ☐ SD Check One Only for [B] or [C] [B] Commingling - Storage - Measurement ☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM [C]Injection - Disposal - Pressure Increase - Enhanced Oil Recovery □ WFX □ PMX □ SWD □ IPI □ EOR □ PPR [D]Other: Specify NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply [2] Working, Royalty or Overriding Royalty Interest Owners [B] Offset Operators, Leaseholders or Surface Owner [C]Application is One Which Requires Published Legal Notice [D] Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office [E] For all of the above, Proof of Notification or Publication is Attached, and/or, [F] Waivers are Attached SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE

[3] OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name	Signature	Title	Date

e-mail Address

NSL5556 Puttes 0763060257

This is the only well in UNIT P.

Nearburg Exploration Company, L.L.C.

Exploration and Production 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705 432/686-8235 FAX: 432/686-7806

January 29, 2007

Oil Conservation Division 1220 S. St. Francis Santa Fe, New Mexico

Attn: Mr. Richard Ezeanyim

Chief Engineer

Re: Application for Non-Standard Location

Wright #2 well 30-025-29999

1200' FSL & 760' FEL Section 12

T-17-S, R-37-E, Lea County, New Mexico

Dear Mr. Ezeanyim:

OGRD 15742

Nearburg Producing Company originally drilled referenced well as a Strawn well on an 80 acre proration unit (S/2SE/4) in the Humble City South Strawn/Field. It was drilled pursuant to Unorthodox Oil Well Location Order No. R-8486

We plan to recomplete the well uphole in the Wolfcamp formation in the Humble City Wolfcamp Field on 40 acre spacing (SE/4SE/4). We seek administrative approval for the non-standard location. The location is non-standard only to the north quarter-quarter line. The 40-acre tract to the north (NE/4SE/4) is operated by Nearburg Producing Company. No other parties require notification.

Thank you for your assistance in this matter. Should you have any questions, please call me at 432-686-8235 Ext. 214.

Sincerely yours,

Nearburg Exploration Company, L. L. C. Lindo H. Hicks

Linda H. Hicks

Land Manager

lhh/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. 9172 Order No. R-8486

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on July 15, 1987, and July 29, 1987, at Santa Fe, New Mexico, before Examiners Michael E. Stogner and David R. Catanach, respectively.

NOW, on this 5th day of August, 1987, 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 of an unorthodox oil well location 1200 feet from the South line and 760 feet from the East line (Unit P) of Section 12, Township 17 South, Range 37 East, NMPM, Humble City-Strawn Pool, Lea County, New Mexico.
- (3) The S/2 SE/4 of said Section 12 is to be dedicated to the well forming a standard 80-acre oil spacing and proration unit for said pool.
- (4) A well at said unorthodox location will better enable applicant to produce the oil underlying the proration unit.
- (5) No offset operator objected to the proposed unorthodox location.

(6) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the affected pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

- (1) The application of Nearburg Producing Company for an unorthodox oil well location for the Humble City-Strawn Pool is hereby approved for a well to be located at a point 1200 feet from the South line and 760 feet from the East line (Unit P) of Section 12, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico.
- (2) The S/2 SE/4 of said Section 12 shall be dedicated to the above-described well.
- (3) Jurisdiction of this cause is 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

SEAL