

**BEFORE THE
OIL CONSERVATION DIVISION**

Santa Fe, New Mexico

Case No. 11535 Exhibit No. 1

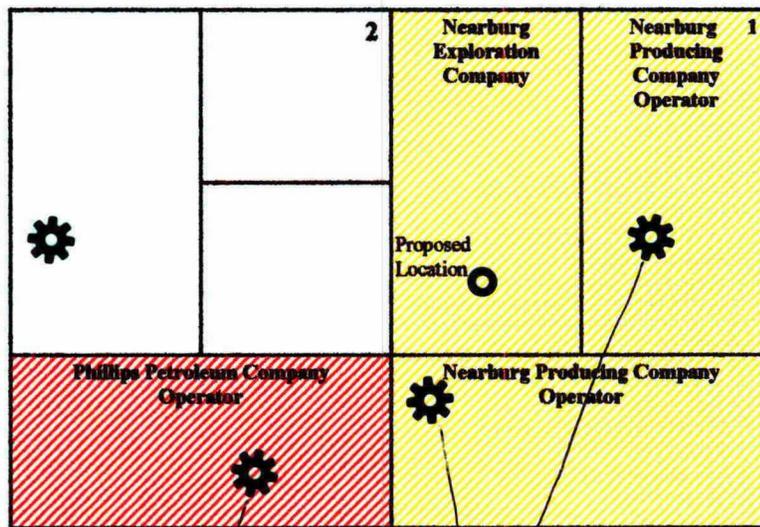
Submitted by: Nearburg Exploration Company

Hearing Date: May 16, 1996

**Locator Map
NEARBURG EXPLORATION COMPANY, L. L. C.**

Minis "1" Federal Com. No. 3
3300' FSL & 1310' FWL
Sec. 1-21S-32E
Lea County, New Mexico
OCD Case No. 11535

NEARBURG EXPLORATION COMPANY, L. L. C.
Minis "1" Federal Com. No. 3
3300' FSL & 1310' FWL
Sec. 1-21S-32E
Lea County, New Mexico
OCD Case No. 11535



Morrow well

Morrow Wells.

BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11535 Exhibit No. 2

Submitted by: Nearburg Exploration Company

Hearing Date: May 16, 1996

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

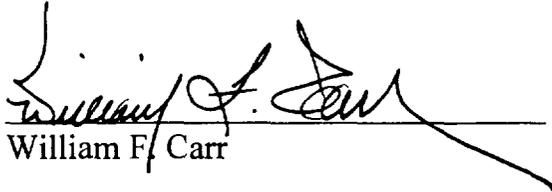
IN THE MATTER OF THE APPLICATION
OF NEARBURG EXPLORATION COMPANY
FOR AN UNORTHODOX GAS WELL
LOCATION AND NON-STANDARD GAS
PRORATION UNIT,
LEA COUNTY, NEW MEXICO.

CASE NO. 11535

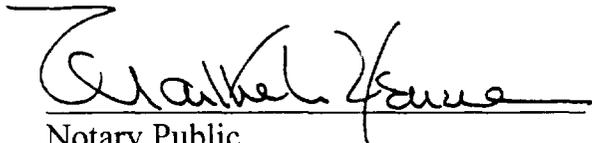
AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

William F. Carr, authorized representative of Nearburg Exploration Company, the Applicant herein, being first duly sworn, upon oath, states that in accordance with the notice provisions of Rule 1207 of the New Mexico Oil Conservation Division the Applicant has attempted to find the correct addresses of all interested persons entitled to receive notice of this application and that notice has been given at the addresses shown on Exhibit "A" attached hereto as provided in Rule 1207.


William F. Carr

SUBSCRIBED AND SWORN to before me this 13th day of May, 1996.


Notary Public

My Commission Expires:

August 19, 1999

EXHIBIT A

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762
Attn: James S. Welin

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

**AFFIDAVIT,
Page 2**

Case No. 11535 Exhibit No. 3

Submitted by: Nearburg Exploration Company

Hearing Date: May 16, 1996

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO
PAUL R. OWEN

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1100 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

April 25, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762
Attn: James S. Welin

Re: Application of Nearburg Producing Company for an Unorthodox Gas Well
Location, Lea County, New Mexico

Dear Mr. Welin:

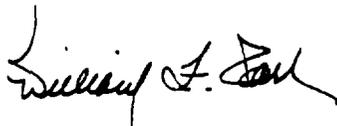
This letter is to advise you that Nearburg Producing Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking approval of an unorthodox gas well location for its Minis "1" Federal Com Well No. 3 in the Morrow formation, Hat Mesa-Morrow Gas Pool. This well is to be drilled at an unorthodox location 3300 feet from the South line and 1310 feet from the West line of Irregular Section 1, Township 21 South, Range 32 East, N.M.P.M., Lea County, New Mexico. A standard 317.66-acre spacing unit comprised of Lots 3, 4, 5, 6, 11, 12, 13 and 14 of said Irregular Section 1 will be dedicated to this well.

This application has been set for hearing before a Division Examiner on May 16, 1996. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Phillips Petroleum Company
Attn: James S. Welin
April 25, 1996
Page 2

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in cursive script, appearing to read "William F. Carr".

WILLIAM F. CARR
ATTORNEY FOR NEARBURG PRODUCING COMPANY
WFC:mlh
Enc.
cc: Mr. Bob Shelton

Is your **RETURN ADDRESS** completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762
Attn: James S. Welin

4a. Article Number

P 326 931 971

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

5-3-96 (96)

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature (Addressee or Agent)

X *[Signature]*

PS Form 3811, December 1994

Domestic Return Receipt

P 326 931 971

US Postal Service
Receipt for Certified Mail

No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to Attn: James S. Welin
Phillips Petroleum Company

Street & Number
4001 Penbrook

Post Office, State, & ZIP Code
Odessa, TX 79762

Postage \$

Certified Fee

Special Delivery Fee

Restricted Delivery Fee

Return Receipt Showing to Whom & Date Delivered

Return Receipt Showing to Whom, Date, & Addressee's Address

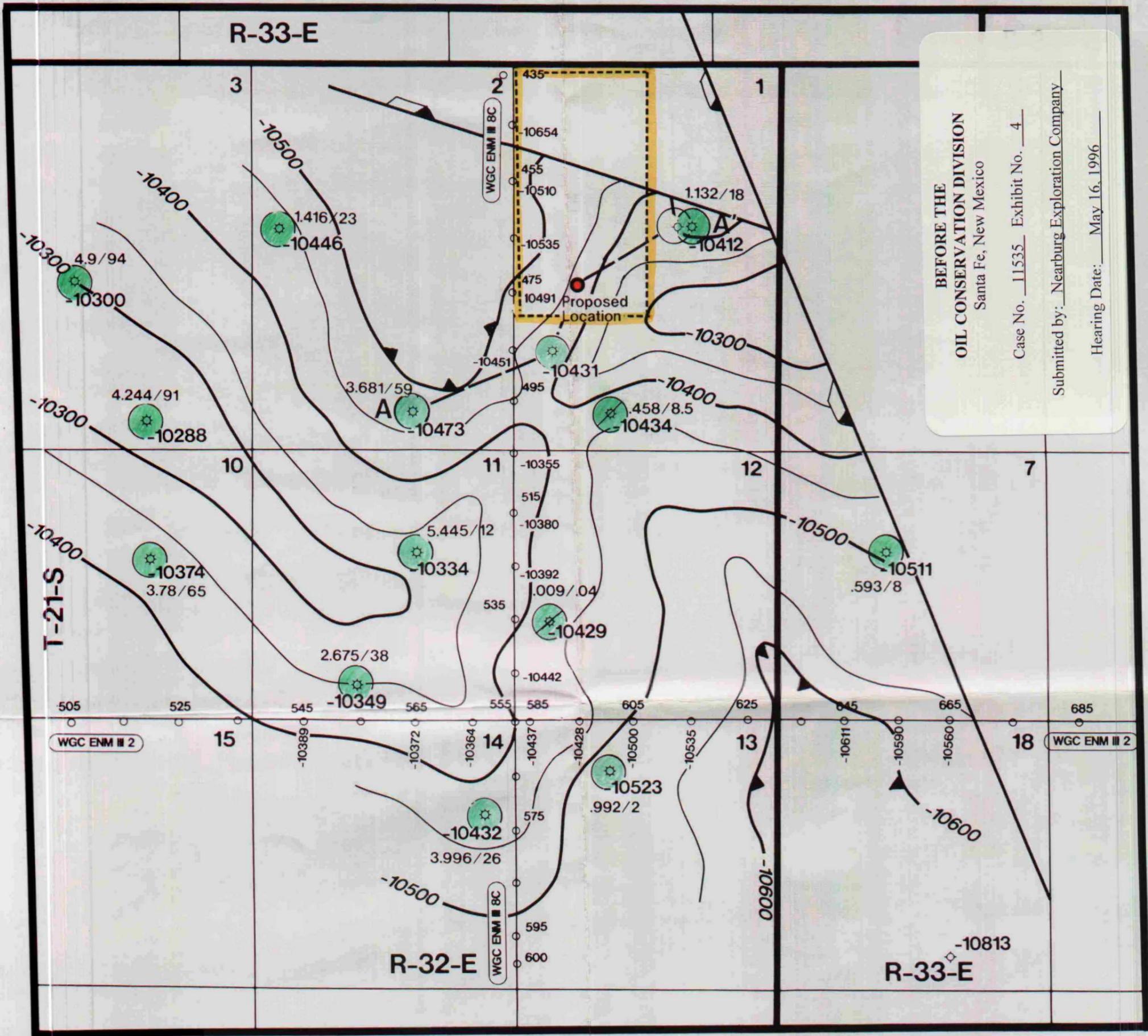
TOTAL Postage & Fees \$

Postmark or Date

April 25, 1996

PS Form 3800, April 1995

Thank you for using Return Receipt Service.



BEFORE THE
 OIL CONSERVATION DIVISION
 Santa Fe, New Mexico

Case No. 11535 Exhibit No. 4

Submitted by: Nearburg Exploration Company

Hearing Date: May 16, 1996

LEGEND

- ⊙ Active Morrow Producer
 - ⊗ Abandoned Morrow Producer
 - ⊛ 3.2 BCF/96 MBO
- PRODUCTION TO 10/95

Nearburg Producing Company
 Exploration and Production
 Dallas, Texas

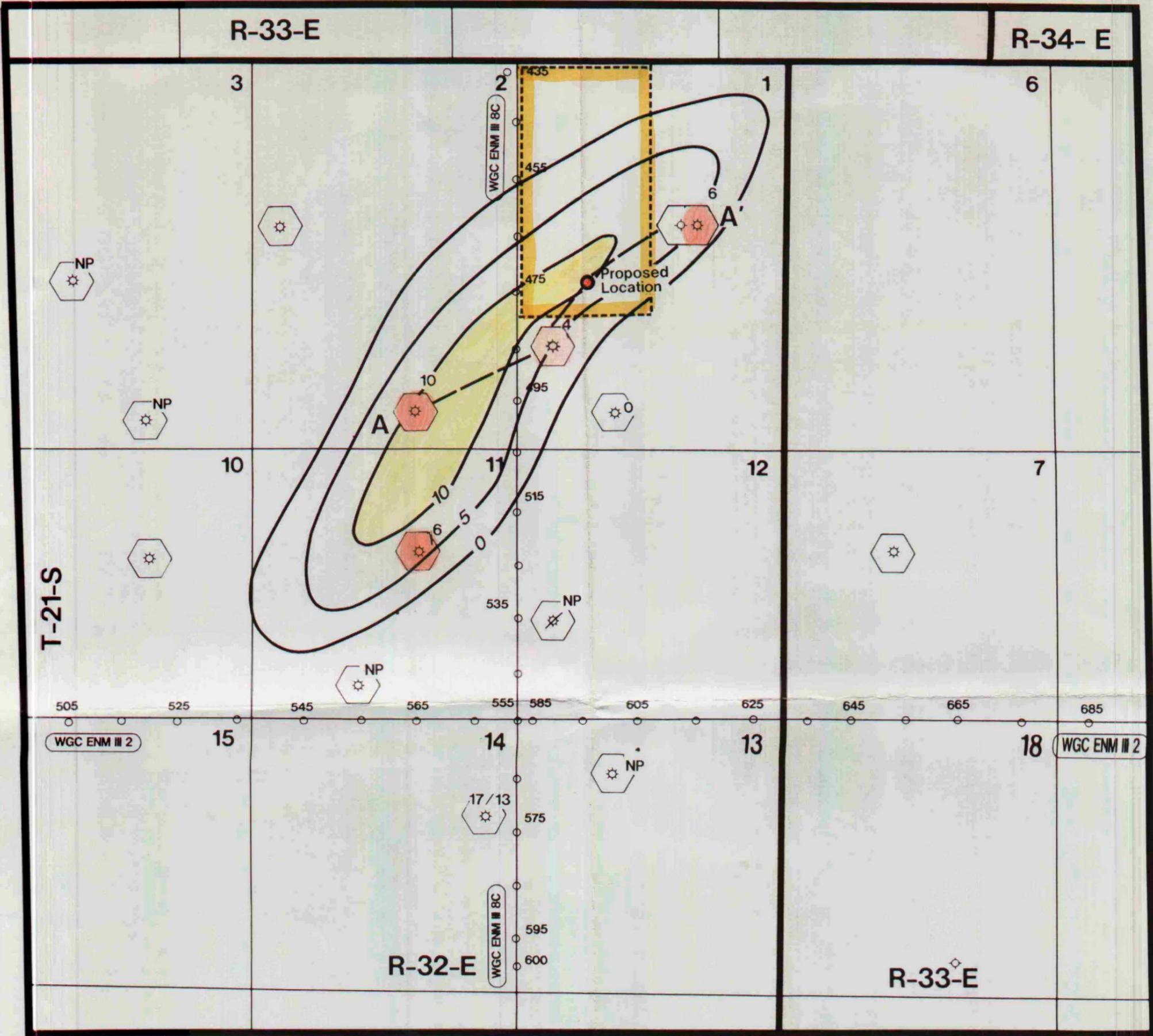
MINIS "1" FEDERAL #3
 LEA COUNTY, NEW MEXICO

STRUCTURE
TOP LOWER MORROW

Scale : 1" = 2000'

C. I. = 50'

GEOLOGY BY	DATE	DRAWN BY	FILE NO.
J. B. E. / D. A. H.	5/96	L. C. G.	Seis. By T. E. D.



LEGEND

 Perforated This Interval

BEFORE THE
 OIL CONSERVATION DIVISION
 Santa Fe, New Mexico

Case No. 11535 Exhibit No. 5

Submitted by: Nearburg Exploration Company

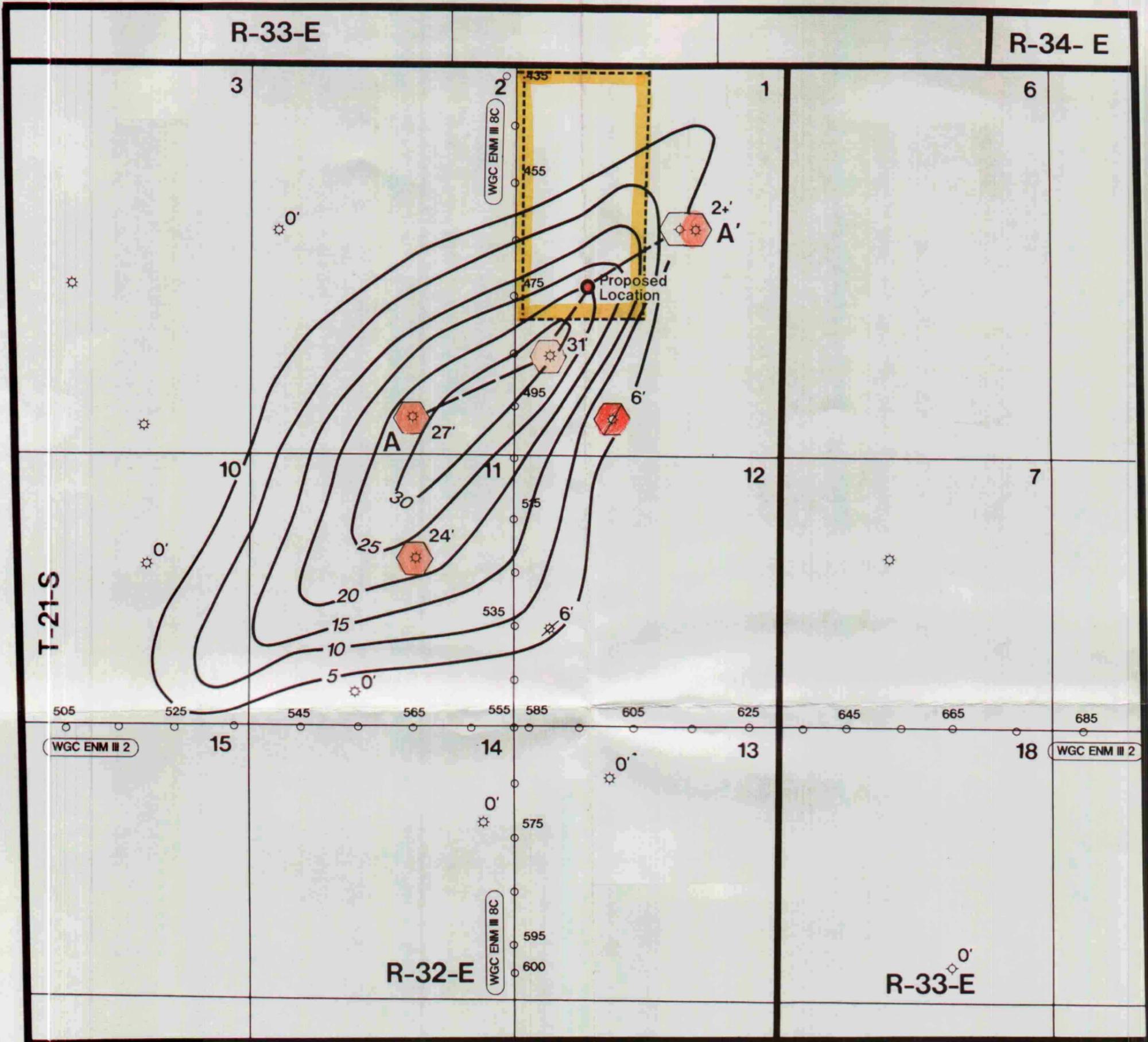
Hearing Date: May 16, 1996

Nearburg Producing Company
 Exploration and Production
 Dallas, Texas

MINIS "1" FEDERAL #3
 LEA COUNTY, NEW MEXICO
 NET SAND ISOPACH
 1ST SAND/UPPER MORROW
 ≥ 8% DENSITY ≥ 62 MSEC△T

Scale: 1" = 2000' C.I. = 5'

GEOLOGY BY	DATE	DRAWN BY	FILE NO.
J. B. Elger	5/96	L. C. G.	



LEGEND

 Perforated This Interval

BEFORE THE
 OIL CONSERVATION DIVISION
 Santa Fe, New Mexico

Case No. 11535 Exhibit No. 7

Submitted by: Nearburg Exploration Company

Hearing Date: May 16, 1996

Nearburg Producing Company
 Exploration and Production
 Dallas, Texas

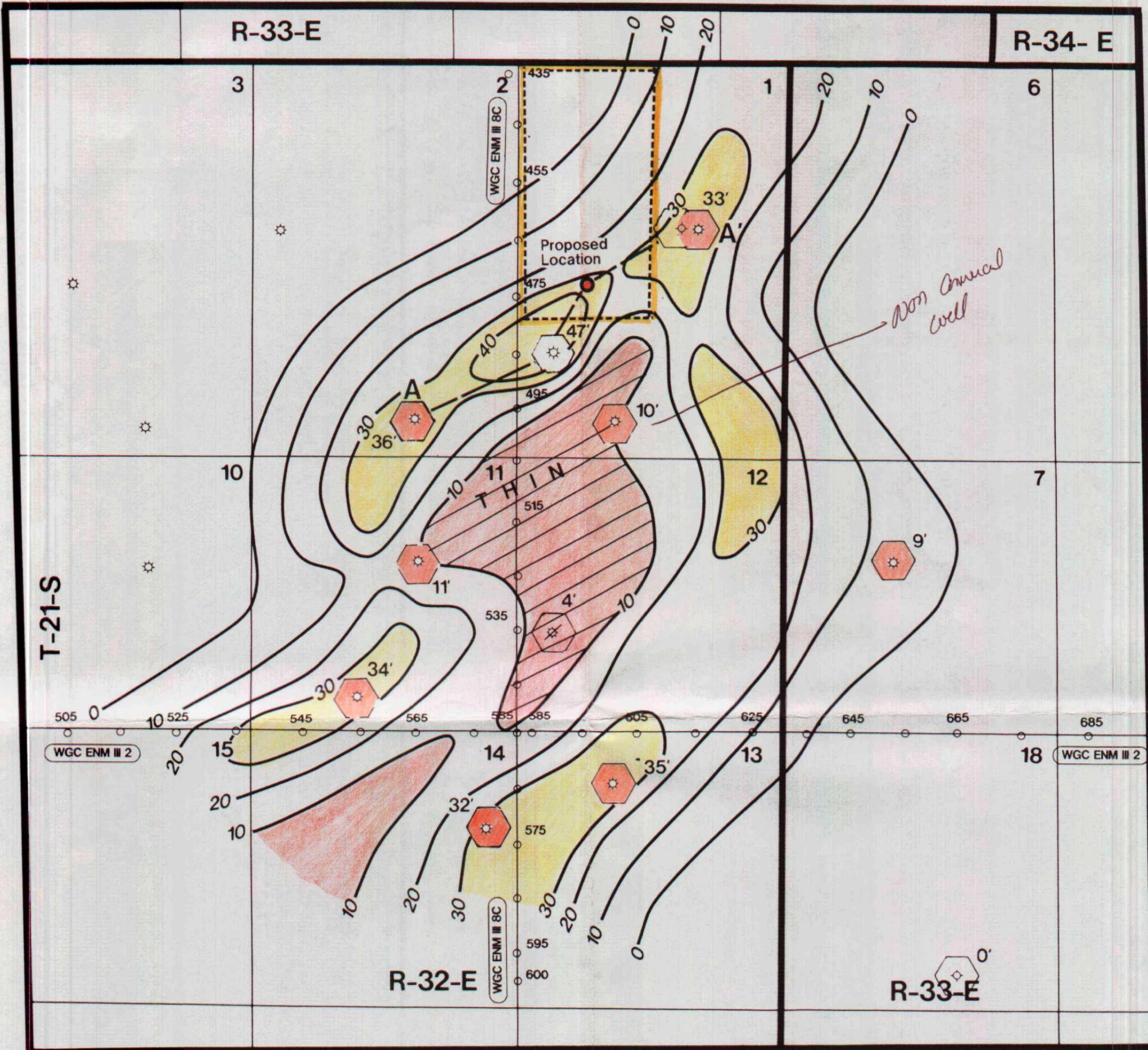


MINIS "1" FEDERAL #3
 LEA COUNTY, NEW MEXICO
 NET SAND ISOPACH
 EARLY MIDDLE MORROW
 $\geq 8\%$ DENSITY ≥ 62 MSEC ΔT

Scale : 1" = 2000'

C. I. = 5'

GEOLOGY BY	DATE	DRAWN BY	FILE NO.
J. B. E./D. A. H.	9/25/95	L. C. G.	



LEGEND

 Perforated This Interval

BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11535 Exhibit No. 6

Submitted by: Nearburg Exploration Company

Hearing Date: May 16, 1996

Nearburg Producing Company
Exploration and Production
Dallas, Texas

MINIS "1" FEDERAL #3

LEA COUNTY, NEW MEXICO

NET SAND ISOPACH
LATE MIDDLE MORROW

$\geq 8\%$ DENSITY ≥ 62 MSEC ΔT

SCALE : 1" = 2000'

C. I. = 10'

GEOLOGY BY	DATE	DRAWN BY	FILE NO.
J. B. E./D. A. H.	5/96	L. C. G.	

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE