

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF NEARBURG EXPLORATION COMPANY, L.L.C.
FOR AN UNORTHODOX GAS WELL LOCATION,
LEA COUNTY, NEW MEXICO.

CASE NO. 11669

APPLICATION

NEARBURG EXPLORATION COMPANY, L.L.C. ("Nearburg"), through its undersigned attorneys, hereby makes application to the Oil Conservation Division for an order approving an unorthodox well location, and in support of this application states:

1. Applicant is the operator of the W/2 of Section 36, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico, and proposes to drill a well to the Wolfcamp and Morrow formations, Undesignated West Osudo-Morrow Gas Pool, at an unorthodox gas well location 660 feet from the North and West lines of said Section 36.

2. Applicant seeks an exception to the Division's well location requirements to permit the drilling of said well in the Morrow and Wolfcamp formations at the above-described location.

3. A standard 320-acre spacing and proration unit comprised of the W/2 of said Section 36 should be dedicated to the well.

4. Approval of this application will afford Nearburg the opportunity to produce its just and equitable share of the reserves in the subject formations and will otherwise be in

the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Nearburg Exploration Company, L.L.C. requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 5, 1996, that notice be given as required by law and the rules of the Division, and that the Division enter its Order granting this application.

Respectfully submitted,

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

By: 

WILLIAM F. CARR
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR NEARBURG
EXPLORATION COMPANY, L.L.C.