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February 19, 1987

Bill Lemay, Director
New Mexico Oil Conservation Division
New Mexico State Land Office Bldg.
Santa Fe, New Mexico 87501

Case 9088

Re: Application of Nearburg Producing Company for Amendment
to Order No. R-8375 for an Unorthodox Well Location,
Lea County, New Mexico

Dear Mr. Lemay:

Enclosed is the Application of Nearburg Producing Company on
the above matter.

Please set this matter on the docket for the March 4, 1987
examiner hearing.

Very truly yours,

John H Bemis for
J. Scott Hall

JSH/dmg

Application of Nearburg Producing Company for an amendment to Order No. R-8375 issued in case No. 9055. The applicant seeks to amend the previously approved unorthodox oil well location to provide for an approximate bottom-hole location 430 feet from the east line and 1,980 feet from the north line of Section 12, Township 17 South, Range 37 East, N.M.P.M., Lea County, New Mexico in the Undesignated South Humble City-Strawn Pool.

RECEIVED

FEB 8 1957

OIL CONSERVATION DIVISION

2/19/57

Spoke w/ Sect 7 well

Requesting directional drilling
and a target point of

00 feet off the above described
location.

M.S.

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

IN THE MATTER OF THE APPLICATION OF
NEARBURG PRODUCING COMPANY FOR
AMENDMENT TO ORDER NO. R-8375 FOR
AN UNORTHODOX OIL WELL LOCATION,
LEA COUNTY, NEW MEXICO

Case 9088

APPLICATION

Nearburg Producing Company, by its undersigned attorneys, applies to the Oil Conservation Division for an amendment to Order No. R-8375 issued in Case No. 9055 on December 23, 1986. In support thereof, applicant states:

1. Applicant is the operator of the Strawn Formation underlying the E/2 NE/4 of Section 12, Township 17 South, Range 36 East, N.M.P.M., Lea County, New Mexico.

2. On December 26, 1986, the Oil Conservation Division issued Order No. R-8375 in Case No. 9055 approving the applicant's request for an unorthodox well location for its Howenstein No. 1 Well at a point 1665 feet from the north line and 830 feet from the east line of said Section 12.

3. Geologic evidence obtained during the drilling of the Howenstein No. 1 well compelled that the well be sidetracked.

4. Applicant continues to seek an exception to the well location requirements of Rule 104(C) to permit the drilling and completion of the Howenstein No. 1 Sidetrack Well to a new unorthodox bottom-hole location of approximately 430 feet from

the east line and 1,980 feet from the north line of Section 12 to a depth sufficient to adequately test all formations of the Undesignated South Humble City-Strawn Pool.

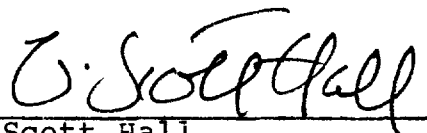
5. A standard 80 acre proration unit comprising the east half of the northeast quarter of Section 12 should be dedicated to Howenstein No. 1 Sidetrack Well.

6. Approval of this Application will afford the applicant the opportunity to produce its just and equitable share of oil from the South Humble City-Strawn Pool and will otherwise be in the best interests of conservation, the protection of correlative rights and the prevention of waste.

WHEREFORE, applicant requests that this matter be set for hearing before a duly appointed examiner of the Oil Conservation Division at the next regularly scheduled hearing, that notice be given as required by law in the rules of the Division, and that the Division enter its order amending Order No. R-8375 and approving the unorthodox location of the Howenstein No. 1 Side Track Well and providing such other relief as is appropriate.

Respectfully submitted:

CAMPBELL & BLACK, P.A.

By 
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