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January 6, 1988

Case 9293

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JAN 6 1988

OIL CONSERVATION DIVISION

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of
Energy, Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

Re: In the Matter of the Application of Nearburg Producing
Company for a Non-Standard Proration Unit and
Unorthodox Well Location, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed is the Application of Nearburg Producing Company in the
above-referenced case. Nearburg Producing Company respectfully
requests that this matter be placed on the docket for the
Examiner hearings scheduled on January 20, 1988.

Very truly yours,


WILLIAM F. CARR

WFC/mlh

Enclosures

cc w/enclosure: Mark K. Nearburg
Nearburg Producing Company

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

RECEIVED

JAN 6 1988

IN THE MATTER OF THE APPLICATION OF
NEARBURG PRODUCING COMPANY FOR A
NON-STANDARD PRORATION UNIT AND,
UNORTHODOX OIL WELL LOCATION,
LEA COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION

CASE NO. 9293

APPLICATION

COMES NOW NEARBURG PRODUCING COMPANY, by and through its undersigned attorneys, hereby makes application to the Oil Conservation Division for a non-standard proration unit and an unorthodox oil well location , and in support thereof would show the Division:

1. Applicant is the operator of the S/2 of the SW/4 of Section 19, Township 16 South, Range 37 East, N.M.P.M., Lea County, New Mexico and proposes to drill the Soledad 19 Well #1 at a point 1400 feet from the West line and 1150 feet from the South line of said Section 19.

2. Applicant seeks an exception to the well location requirements of Oil Conservation Division Rule 104 to permit the drilling of the well at the above described unorthodox location to a depth sufficient to adequately test the Strawn formation.

3. A non-standard 90.35 acre proration unit comprised of Lot 4 and the SE/4 of the SW/4 of said Section 19 should be dedicated to the well.

4. The proration unit is non-standard because of United States Public Land Survey variation.

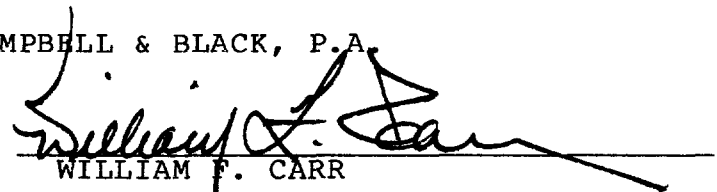
5. That approval of this application will afford applicant the opportunity to produce its just and equitable share of oil underlying this spacing unit and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on January 20, 1988, and that after notice and hearing as required by law, the Division enter its order approving the non-standard proration unit and unorthodox well location of the Soledad 19 Well #1, and providing such other and further relief as is proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

BY



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ATTORNEYS FOR NEARBURG PRODUCING COMPANY