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JUL 26 1988

OIL CONSERVATION DIVISION

July 26, 1988

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HAND DELIVERED

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

*Case 9466*

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

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

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

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

Dear Mr. LeMay:

Enclosed are four Applications of Nearburg Producing Company in  
the above-referenced cases. Nearburg Producing Company  
respectfully requests that this matter be placed on the docket  
for the Examiner hearings scheduled for August 17, 1988.

Your assistance in this matter is appreciated.

Very truly yours,

*W. F. Carr*

WILLIAM F. CARR  
Enclosures  
WFC/mlh  
cc: Mr. Mark Nearburg  
Nearburg Producing Company

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

RECEIVED

JUL 26 1966

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF  
NEARBURG PRODUCING COMPANY FOR A NON-  
STANDARD GAS PRORATION UNIT,  
and UNORTHODOX WELL LOCATION,  
EDDY COUNTY, NEW MEXICO.

CASE NO. 9466

APPLICATION

NEARBURG PRODUCING COMPANY, by its undersigned attorneys, hereby makes application to the Oil Conservation Division for a non-standard gas proration unit, and in support thereof would show the Division:

1. Applicant is the operator of the N/2 of Section 12, Township 19 South, Range 25 East, N.M.P.M., Eddy County, New Mexico and proposes to drill its Rose 12A Well #1 at a location 990 feet from the East and North lines of Section 12 to a depth sufficient to adequately test the Morrow formation in the undesignated area near the West 4 Mile Draw Pool with a standard 320 acre spacing and proration unit comprised of the N/2 of said Section 12 dedicated thereto.

2. Alternatively, applicant seeks approval of a 160-acre non-standard spacing and proration unit comprised of the NE/4 of Section 12 dedicated to the well to be drilled at the aforementioned location.

3. 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 to adequately test the Morrow formation, Undesignated West 4 Mile Draw Gas Pool.

4. That approval of this application will afford applicant the opportunity to produce its just and equitable share of the hydrocarbons 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 August 17, 1988, and that after notice and hearing as required by law, the Division enter its order approving the proposed non-standard gas proration unit, and providing such other and further relief as is proper.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By 

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

ATTORNEYS FOR NEARBURG PRODUCING COMPANY