

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 10227

APPLICATION OF NEARBURG PRODUCING  
COMPANY FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

RECEIVED

FEB 1

OIL CONSERVATION DIVISION

**PRE-HEARING STATEMENT**

This Prehearing statement is submitted by William F. Carr, as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

Nearburg Producing Company\_\_\_\_\_  
401 E. Illinois, Suite 300\_\_\_\_\_  
Midland, Texas 79701\_\_\_\_\_  
Attn: Mark Nearburg\_\_\_\_\_

(915) 686-8235\_\_\_\_\_  
name, address, phone and  
contact person

**ATTORNEY**

William F. Carr\_\_\_\_\_  
Campbell & Black, P.A.\_\_\_\_\_  
Post Office Box 2208\_\_\_\_\_  
Santa Fe, New Mexico 87504\_\_\_\_\_

(505) 988-4421\_\_\_\_\_

**OPPOSITION OR OTHER PARTY**

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\_\_\_\_\_  
name, address, phone and  
contact person

**ATTORNEY**

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**STATEMENT OF CASE**

**APPLICANT**

Nearburg seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the N/2 of Section 29, Township 18 South, Range 25 East, to form a 320-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre gas spacing which presently includes, but is not necessarily limited to the Undesignated Penasco Draw San Andres-Yeso Associated Pool, Undesignated Penasco Draw-Permo Pennsylvanian Gas Pool, Undesignated Penasco Draw-Atoka Gas Pool and Penasco Draw-Morrow Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard gas well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

**OPPOSITION OR OTHER PARTY**

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

**PROPOSED EVIDENCE**

APPLICANT

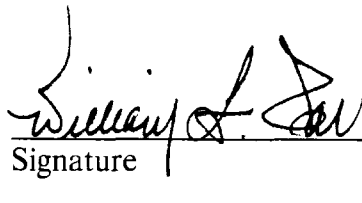
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Bob Shelton, (Landman)	15 Min.	Approximately 5
Jerry Elger, (Geologist)	10 Min.	Approximately 3

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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**PROCEDURAL MATTERS**

None

  
Signature