

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

2007 JUN 21 AM 9 34

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

APPLICATION OF NEARBURG EXPLORATION
COMPANY, L.L.C. FOR AN EXCEPTION TO
DIVISION RULE 104.C.(2)(c), LEA
COUNTY, NEW MEXICO.

Case No. 13283

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by
the Oil Conservation Division.

APPEARANCES

APPLICANT

Nearburg Exploration
Company, L.L.C.
Building 2, Suite 120
3300 North "A" Street
Midland, Texas 79705

APPLICANT'S ATTORNEY

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attention: Robert G. Shelton

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order granting an exception to Division Rule 104.C.(2)(c) to allow two operators in all formations developed on 320-acre spacing in the N½ of Section 14, Township 21 South, Range 34 East, NMPM, to form a standard 320-acre gas spacing and proration unit in the Wilson-Atoka Gas Pool and Wilson-Morrow Gas Pool. The unit will be simultaneously dedicated to the existing Corner Pocket 14 State Well No. 1, operated by ConocoPhillips Company, located in the NE¼NE¼ of Section 14, and the proposed Outland South 14 State Well No. 1, to be operated by applicant, located in the NE¼NW¼ of Section 14.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

Robert Shelton
(landman)

EST. TIME

15 Min.

EXHIBITS

- (a) Land plat
- (b) Letter of support
- (c) Notice affidavit

OPPONENT

WITNESSES

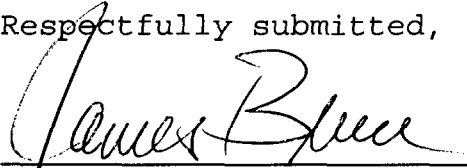
EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



James Bruce
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Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Nearburg
Exploration Company, L.L.C.