

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

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

IN THE MATTER OF THE APPLICATION
OF NEARBURG EXPLORATION COMPANY, LLC
FOR A NON-STANDARD SPACING AND PRORATION
UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

CASE NO. 14826

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Nearburg Exploration Company, LLC as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

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

ATTORNEY

Michael H. Feldewert
Adam G. Rankin
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STATEMENT OF THE CASE

Nearburg Exploration Company, LLC seeks an order (1) creating a non-standard 160-acre spacing and proration unit comprised of the W/2 W/2 of Section 23, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests for all producing reservoirs in the Bone Spring formation underlying this acreage to form a 160-acre

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(37580)

project area in this formation to be dedicated to its proposed Laguna 23 Fed Com Well No. 2H well, which will be horizontally drilled from a surface location 330 feet from the South line and 660 feet from the West line (Unit M) to a bottom hole location 330 feet from the North line and 660 feet from the West line (Unit D) of Section 23.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Russell Wickman, Landman	Approx. 15 minutes	Approx. 5
Keith Williams , Petroleum Geologist	Approx. 30 minutes	Approx. 5

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP



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**ATTORNEYS FOR
NEARBURG EXPLORATION COMPANY, LLC**