

**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. 11087

APPLICATION OF NEARBURG EXPLORATION
CORPORATION FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

13 1994

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by NEARBURG
EXPLORATION COMPANY as required by the Oil Conservation
Division.

APPEARANCE OF PARTIES

APPLICANT

Nearburg Exploration Company
3300 North "A" Street
Midland, Texas 79705
Attn: Bob Shelton
(915) 686-8235

ATTORNEY

W. Thomas Kellahin
KELLAHIN AND KELLAHIN
P.O. Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285

STATEMENT OF CASE

APPLICANT:

Nearburg Exploration Company has the voluntary agreement of approximately 81% of the working interest ownership of the oil & gas minerals from the surface to the base of the Cisco formation underlying the NW/4 of Section 22, T19S, R25E, NMPM, Eddy County, New Mexico.

Nearburg applies for an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Cisco formation underlying the NW/4 of Section 22 forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the North Dagger Draw-Upper Pennsylvanian Pool.

Applicant proposes to dedicate this pooled unit to its Ross Ranch "22" Well No 2 to be drilled and completed at a standard well location (Unit E) said Section 22.

The subject well is to be drilled at a standard oil well location in Unit E of Section 22 to test any and all formations in the pooled interval from the surface to the base of the Cisco formation.

Pursuant to Section 70-2-17 (c) NMSA (1978) and in order to obtain its just and equitable share of potential production underlying this spacing unit, Nearburg needs an order of the Division pooling the identified and described mineral interests involved in order to protect correlative rights and prevent waste.

Pre-Hearing Statement
Case No. 11087
Page 3

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS:
Bob Shelton (Landman)	20 min.	6
Jerry Elger (Geologist)	20 min.	3

PROCEDURAL MATTERS

None anticipated at this time.

KELLAHIN AND KELLAHIN

By: 

W. Thomas Kellahin
P.O. Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285