

CASE 11389: (Readvertised)

Application of Nearburg Exploration Company for compulsory pooling, an exception to Rule 111, and approval of directional wellbore, and an unorthodox subsurface location, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Strawn formation underlying the N/2 NW/4 of Section 7, Township 17 South, Range 38 East, NMPM. forming a standard 90-acre spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the South Humble City-Strawn Pool. Said unit is to be dedicated to its Stillings 7D Federal Well No. 1, which is located 660 feet from the North line and 773 feet from the West line and is to be re-entered and as an exception to Division General Rule 111 to be directionally drilled to a subsurface location in the Strawn formation within an unorthodox drilling-producing window 330 feet from the north, east and south boundaries and 1103 feet from the western boundary of an 80-acre oil spacing unit consisting of the N/2 NW/4 of Section 7. Also to be considered till be the cost of re-entering, deepening and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Nearburg Producing Company as the operator of the well and unit and a charge for risk involved in re-entering and recompleting said well. Said unit is located approximately 4 miles north of Humble City, New Mexico.