

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:

APPLICATION OF NEARBURG
EXPLORATION COMPANY, L.L.C. FOR
AN UNORTHODOX WELL LOCATION,
LEA COUNTY, NEW MEXICO.

CASE 11902

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A.,
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Nearburg Exploration Company, L.L.C.
c/o Michael M. Gray
3300 North "A" Street, Suite 120
Midland, TX 79705
(915) 686-8235

name, address, phone and
contact person

ATTORNEY

William F. Carr, Esq.
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

OTHER PARTY

name, address, phone and
contact person

ATTORNEY

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Nearburg Exploration Company, L.L.C., applicant seeks authority to drill a well to the Morrow formation, Undesignated Gem-Morrow Gas Pool, at an unorthodox well location 660 feet from the South line and 1650 feet from the East line (Unit O) of Section 16, Township 19 South, Range 33 East. The E/2 of said Section 16 is to be dedicated to said well forming a standard 320-acre spacing and proration unit.

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

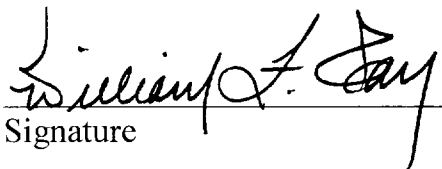
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Mike Gray, Land	10 Min.	Approximately 3
Ted Gawloski, Geology	10 Min.	Approximately 3

OTHER PARTY

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

(Please identify any procedural matters which need to be resolved prior to hearing)


Signature