

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. 11910
ORDER NO. R-11035

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

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on February 19, 1998, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 19th day of August, 1998, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.

(2) The applicant, Nearburg Exploration Company, seeks an order pooling all mineral interests from the surface to the base of the Cisco formation underlying the following described acreage in Section 13, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico, in the following manner:

- (a) the NE/4 to form a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within that vertical extent, which presently include but are not necessarily limited to the Undesignated North Dagger Draw-Upper Pennsylvanian Pool;
- (b) the S/2 NE/4 to form a standard 80-acre oil spacing and proration unit for any pools developed on 80-acre spacing

within that vertical extent, of which currently there are none;
and

(c) the SW/4 NE/4 to form a standard 40-acre oil spacing
and proration unit for any and all formations and/or pools
developed on 40-acre spacing within that vertical extent.

(3) These units are to be dedicated to the applicant's proposed Lakewood Farms
"13" Well No. 1 to be drilled at a standard location 1650 feet from the North and East lines
(Unit G) of Section 13.

(4) Prior to the February 19, 1998 hearing, the applicant requested this matter be
dismissed.

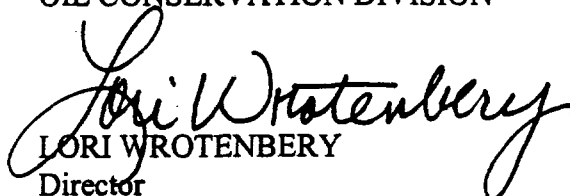
(5) Dismissal of this case should therefore be granted.

IT IS THEREFORE ORDERED THAT:

Case No. 11910 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


LORI WROTENBERY
Director

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