

**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 HARDSHIP GAS WELL  
CLASSIFICATION PURSUANT TO DIVISION RULES  
408, 409, 410 AND 412, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 12607**

OIL CONSERVATION DIV.  
01 MAR - 5 PM 4:50

**PRE-HEARING STATEMENT**

This Pre-Hearing Statement is submitted by Holland & Hart LLP and Campbell & Carr, as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

APPLICANT  
Nearburg Exploration Co., L.L.C.  
Attn: Duke Roush  
3300 North "A" Street  
Building 2, Suite 120  
Midland, Texas 79705  
(915) 686.8235

ATTORNEY  
William F. Carr, Esq.  
Holland & Hart LLP and Campbell & Carr  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988.4421

## STATEMENT OF CASE

### APPLICANT

Applicant seeks a determination that its Shelby Federal Well No. 3 (**API No. 30-015-25949**), located 1900 feet from the South line and 2150 feet from the West line (Unit K) of Section 12, Township 22 South, Range 24 East, McKittrick Hills-Upper Pennsylvanian Gas Pool, is a hardship gas well under Division Rule 408 that should be granted priority access to pipeline takes in order to avoid waste. This well is located approximately 13 miles west of Carlsbad, New Mexico.

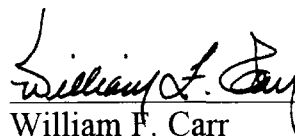
## PROPOSED EVIDENCE

### APPLICANT

WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Duke Roush (Land)	10 Minutes	Approx. 3
Clyde Findlay (Engineering)	20 Minutes	Approx. 8

## PROCEDURAL MATTERS

Nearburg Exploration Company, LLC has none at this time.



William F. Carr

Attorney for Nearburg Exploration Company, LLC