N BEFORE THE OIL CONSERVATION COMMISSION odr. STATE OF NEW MEXICO

NO.

IN THE MATTER OF THE APPLICATION OF NEARBURG & INGRAM FOR AN ORDER OF THE COMMISSION DE-FINING AN OIL POOL DISCOVERED IN THE PENNSYL-VANIAN-ATOKA SAND FORMATION BY ITS NO.1 MIDHURST WELL IN THE NWLNWL, SECTION 35, TOWNSHIP 12 SOUTH, RANGE 37 EAST, LEA COUNTY, NEW MEXICO; ESTABLISHING TEMPORARY 80 ACRE SPACING AND PROPATION UNITS IN SAID POOL PERMITTING DUAL COMPLETION OF SAID WELL IN THE PENNSYLVANIAN-ATOKA SAND AND DEVONIAN \checkmark Formations; Authorizing the installation of AUTOMATIC CUSTODY TRANSFER EQUIPMENT; AND \checkmark PERMITTING THE COMMINGLING OF OIL FROM THE PENNSYLVANIAN-ATOKA SAND AND DEVONIAN FORMA-TIONS ON THE LEASE ON WHICH SAID WELL IS LOCATED

APPLICATION

als. or COMES NOW Nearburg & Ingram, through its Attorneys, Campbell & Russell, and states:

It is the operator of the Nearburg & Ingram No. 1 1. Midhurst well situated 510 feet from the North line and 660 feet from the West line of Section 35, Township 12 South, Range 37 East, in Lea County, New Mexico.

This well was completed in the Devonian formation 2. and is subject to the rules established by the Commission for the Southwest Gladiola Devonian Pool.

It encountered commercial shows of oil in the 3. Pennsylvanian-Atoka Sand formation and desires to complete said well as a dual completion.

4. It would be in the best interests of conservation to establish the same spacing pattern for the Pennsylvanian-Atoka Sand formation as the Commission has established in the Devonian formation by its Order No. R-1724.

5. It desires to install automatic custody transfer equipment and commingle oil from said formations.

6. Attached hereto are the following exhibits:

Exhibit 1 - OCC form "Application for Dual Completion" Exhibit 2 - Diagrammatic sketch of Dual Completion Exhibit 3 - Diagrammatic sketch of Christmas Tree Assembly Exhibit 4 - Plat showing Applicant's and offset leases WHEREFORE, Applicant requests the Commission to set this matter down for hearing before an Examiner for the Commission, to publish notice as required by law and, after hearing, to enter its order:

 Establishing a new oil pool in the Pennsylvanian-Atoka Sand formation discovered by the Nearburg & Ingram No. 1 Midhurst Well.

2. Providing for temporary 80 acre spacing and proration units for said pool co-extensive with order No. R-1724 and upon the same conditions as to well location.

3. Permitting the dual completion of Nearburg & Ingram No. 1 Midhurst Well in the Pennsylvanian-Atoka Sand and Devonian formations.

4. Authorizing the installation of lease automatic custody transfer equipment for Applicant's Midhurst lease consisting of the NW¹/₄ of Section 35, Township 12 South, Range 37 East.

5. Permitting the commingling of oil produced from the Pennsylvanian-Atoka Sand and Devonian formations on said lease.

Respectfully submitted, NEARBURG & INGRAM

BY CAMPBELL

F. O. Box 766 **** Roswell, New Mex**1**co

Its Attorneys

DATED: October 27, 1960

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