CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL BRUCE D. BLACK MICHAEL B. CAMPBELL WILLIAM F. CARR BRADFORD C. BERGE MARK F. SHERIDAN WILLIAM P. SLATTERY ANNIE-LAURIE COOGAN

JEFFERSON PLACE SUITE I - 110 NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE: (505) 988-4421 TELECOPIER: (505) 983-6043

July 2, 1991

HAND-DELIVERED

RECEIVED

JUL 02 1991 OIL CONSERVATION DIV.

SANTA FE

Case 10354

William J. LeMay, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources State Land Office Building Santa Fe, New Mexico 87503

In the Matter of the Application of Nearburg Producing Company for an Re: Unorthodox Well Location, Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is an Application of Nearburg Producing Company in the abovereferenced case. Nearburg Producing Company respectfully requests that this matter be placed on the docket for the July 25, 1991 Examiner hearings.

Very truly yours,

WILLIAM F. CARR

WFC:mlh Enclosures cc w/enclosure:

Mr. Mark K. Nearburg Nearburg Producing Company 1 Petroleum Center Building 8, Suite 100 3300 N. "A" Street Midland, Texas 79705-5408

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

JUL 02 1991

IN THE MATTER OF THE APPLICATION OF NEARBURG PRODUCING COMPANY FOR AN UNORTHODOX WELL LOCATION, EDDY COUNTY, NEW MEXICO.

OIL CONSERVATION DIV. SANTA FE

CASE NO. 16 35 +

APPLICATION

NEARBURG PRODUCING COMPANY, by its undersigned attorneys, hereby makes application to the New Mexico Oil Conservation Division for approval of an unorthodox well location, and in support of its application states:

1. Applicant is the operator of the S/2 of Section 32, Township 24 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and proposes to drill a well at an unorthodox location 660 feet from the South line and 2630 feet from the East line of said Section 32.

2. Applicant seeks an exception to the well location requirements of Division Rule 104 to permit the drilling of the well at the above-described unorthodox location to a depth to adequately test the Atoka and Morrow formations, Undesignated Atoka and Morrow Gas Pools.

3. Approval of this application will afford applicant the opportunity to produce its just share of hydrocarbons underlying this spacing unit and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights. WHEREFORE, Applicant respectfully requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on July 25, 1991, and that after notice and hearing as required by law, the Division enter its order granting this application and providing such other and further relief as is proper.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

Bv: WILLIAM F. CARR

WILLIAM F. CARR Post Office Box 2208 Santa Fe, New Mexico 87504 Telephone: (505) 988-4421

ATTORNEYS FOR NEARBURG PRODUCING COMPANY

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

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IN THE MATTER OF THE APPLICATION OF NEARBURG PRODUCING COMPANY FOR AN UNORTHODOX WELL LOCATION, EDDY COUNTY, NEW MEXICO. JUL 02 1991 OIL CONSERVATION DIV. SANTA EE CASE NO. 16354

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By:__

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BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

RECEIVED

IN THE MATTER OF THE APPLICATION OF NEARBURG PRODUCING COMPANY FOR AN UNORTHODOX WELL LOCATION, EDDY COUNTY, NEW MEXICO.

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CAMPBELL & BLACK, P.A.

By: ' F

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ATTORNEYS FOR NEARBURG PRODUCING COMPANY