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July 21, 1992

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OIL CONSERVATION DIVISION

10532

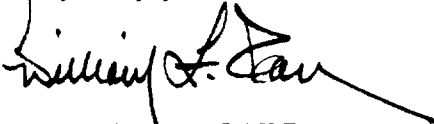
William J. LeMay, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
State Land Office Building  
Santa Fe, New Mexico 87503

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

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Nearburg Producing Company in the above-referenced case. Nearburg Producing Company respectfully requests that this matter be placed on the docket for the August 20, 1992 Examiner hearings.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

Enclosures

cc w/enclosure:

Mr. Joe Fitzgerald  
Nearburg Producing Company  
1 Petroleum Center  
Building 8, Suite 100  
3300 N. "A" Street  
Midland, Texas 79705

BEFORE THE  
OIL CONSERVATION DIVISION  
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

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

**RECEIVED**  
JUL 21 1992  
OIL CONSERVATION DIVISION  
CASE NO. 10532

**APPLICATION**

NEARBURG PRODUCING COMPANY, through 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 NE/4 SW/4 of Section 32, Township 24 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and proposes to drill its Emerald 32 Federal No. 2 Well at an unorthodox location 2080 feet from the South line and 1400 feet from the West 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 Delaware formation.

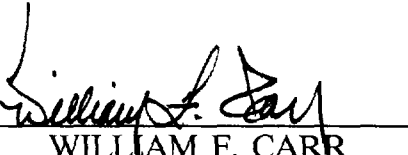
3. Approval of this application will afford applicant the opportunity to produce its just share of hydrocarbons underlying this spacing unit and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant respectfully requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 20, 1992 and,

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, CARR, BERGE  
& SHERIDAN, P.A.

By:   
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ATTORNEYS FOR NEARBURG  
PRODUCING COMPANY