

CAMPBELL & BLACK, P.A.  
LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
J. SCOTT HALL  
JOHN H. BEMIS  
WILLIAM P. SLATTERY  
PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

November 3, 1989

HAND-DELIVERED

*Case 9821*

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

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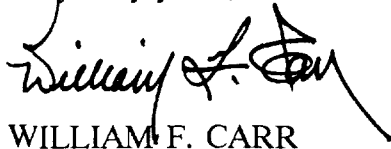
OIL CONSERVATION DIVISION

Re: In the Matter of the Application of Nearburg Producing Company for  
Amendment of Division Order R-8991, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the above-referenced Application of Nearburg Producing Company. Nearburg respectfully requests that this matter be placed on the docket for the Examiner hearings scheduled on November 15, 1989.

Very truly yours,

  
WILLIAM F. CARR

WFC:mlh  
Enclosures

cc w/enclosures: Mr. Mark K. Nearburg  
Vice-President  
Nearburg Producing Company  
401 E. Illinois, Suite 300  
Midland, Texas 79701

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  
AMENDMENT OF DIVISION ORDER R-8991,  
LEA COUNTY, NEW MEXICO.

RECEIVED  
NOV 3 1989  
OIL CONSERVATION DIVISION  
CASE NO. 9821

APPLICATION

NEARBURG PRODUCING COMPANY, hereby makes application to the Oil Conservation Division for amendment of Oil Conservation Division Order No. R-8991 to permit the drilling of the Boys Ranch No. 1 Well to the Devonian formation and in support thereof states:

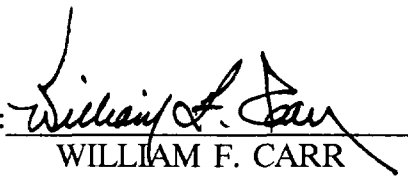
1. Applicant is the operator of the E/2 NE/4 of Section 13, Township 17 South, Range 37 East, N.M.P.M., Lea County, New Mexico.
2. By Order R-8991 which was entered by the Division in Case 9724 on August 23, 1989, Applicant was granted an exception to Rule 4 of the Special Pool Rules and Regulations for the South Humble City-Strawn Pool to permit the drilling of the Boys Ranch No. 1 Well at an unorthodox oil well location at a point 1100 feet from the North line and 880 feet from the East line of said Section 13.
3. Applicant seeks amendment of Order R-8991 to permit it to drill to a depth of approximately 13,500 feet to test the Devonian formation at this location.

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

WHEREFORE, Applicant requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on November 15, 1989, 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.

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

ATTORNEYS FOR NEARBURG  
PRODUCING COMPANY