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March 27, 1990

# **HAND-DELIVERED**

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

RECEIVED

MAR 27 1990

OIL CONSERVATION DIVISION

Re: In the Matter of the Application of Nearburg Producing Company for Compulsory Pooling, Lea 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 April 18, 1990 Examiner hearings.

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

Mr. Bob Shelton, Land Manager 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 COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

RECEIVED

MAR 27 1990

case no. <u>990</u>9

OIL CONSERVATION DIVISION

# **APPLICATION**

COMES NOW NEARBURG PRODUCING COMPANY, by and through its undersigned attorneys, and as provided by Section 70-2-17, N.M.S.A. (1978), hereby makes application to the Oil Conservation Division for an Order pooling all of the mineral interests in the Strawn formation in and under the E/2 NW/4 of Section 17, Township 16 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show the Division:

- 1. Applicant owns approximately 66% of the working interest in and under the E/2 NW/4 of Section 17, and Applicant has the right to drill thereon.
- 2. Applicant proposes to dedicate the above-referenced pooled unit to a well to be drilled at a standard location in the NE/4 NW/4 of said Section 17, to a depth sufficient to test all formations to the base of the Strawn formation.
- 3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in the E/2 NW/4 of said Section 17, except for the working interest owners set forth on Exhibit A to this application.

4. Said pooling of interests will avoid the drilling of unnecessary wells, will

prevent waste and will protect correlative rights.

5. In order to permit the Applicant to obtain its just and fair share of the oil

and gas underlying the subject lands, the mineral interests should be pooled, and Applicant

should be designated the operator of the well to be drilled.

WHEREFORE, Applicant prays that this application be set for hearing before a

duly appointed Examiner of the Oil Conservation Division on April 18, 1990, and that

after notice and hearing as required by law, the Division enter its order pooling the lands,

including provisions for Applicant to recover its costs of drilling, equipping and completing

the well, its costs of supervision while drilling and after completion, including overhead

charges, and imposing a risk factor for the risk assumed by the Applicant in drilling,

completing and equipping the well, and making such other and further provisions as may

be proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR NEARBURG PRODUCING COMPANY

2

#### EXHIBIT A

Foran Oil Company 10.00 net acres Suite 158, Pecan Creek 12.50% WI 8340 Meadow Road Dallas, Texas 75231 Dorothy Mae Wright, as 3.175 net acres Conservator of the Estate of 3.90% WI Lenora Etheridge (M.I.) 6227 Camino Corta San Diego, California 92120 Dorothy Mae Wright, Trustee .625 net acres of the Estate of Willie Mae .78% WI Coalson Living Trust (M.I.) 6227 Camino Corta San Diego, California 92120 Dorothy Mae Wright, Separate .10417 net acres Property (M.I.) .13% WI 6227 Camino Corta San Diego, California 92120 Roy G. Barton, Jr., Trustee 1.6598 net acres of the Roy G. Barton and 2.07% WI Opal G. Barton Revocable Trust Agreement dated 1/2/82 (M.I.) Post Office Box 978 Hobbs, New Mexico 88241 Nitram Enterprises, Inc. 1.5 net acres Post Office Box 3341 1.88% WI Midland, Texas 79702 Rebel Oil Company 1.25 net acres 303 W. Wall, Suite 1600 1.56% WI Midland, Texas 79701 Terra Resources, Inc. 1.21761 net acres 10 Desta Drive, Suite 500 1.52% WI

Midland, Texas 79705

Felmont Oil Corporation (M.I.) 1221 Lamar, Suite 1600 Houston, Texas 77010	6.0 net acres 7.50% WI
Margaret Anne Miller Carrico (M.I.) 3055 S. Coat Drive Pebble Beach, California 03953	.039 net acres .05% WI
Ronald J. Byers (M.I.) 400 W. 15th Street Austin, Texas 78701	.3125 net acres .39% WI
E.B. White, Jr. (M.I.) Post Office Box 2052 Midland, Texas 79702	.15625 net acres .20% WI
Harry A. Miller, Jr. (M.I.) 914 Bedford Drive Midland, Texas 79701	.078125 net acres .10% WI
Harry A. Miller III (M.I.) 1402 Foxwood Cove Austin, Texas 78704	.039 net acres .05% WI
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