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OIL CONSERVATION DIVISION

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

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

Case 8801

APPLICATION

Comes now, NEARBURG PRODUCING COMPANY, by and through its undersigned attorneys, and hereby makes application to the Oil Conservation Division for an unorthodox well location, and in support thereof would show the Division:

1. Applicant is the operator of the Morrow formation underlying Section 34, Township 20 South, Range 35 East, N.M.P.M., and proposes to re-enter its Hot Tamale State No. 1 Well located at a point 660 feet from the North and East lines of said Section 34.
2. Applicant seeks an exception to the well location requirements of Rule 104 C II(a) of the Oil Conservation Division to permit the drilling of the well at the above-mentioned unorthodox location to a depth sufficient to adequately test the Morrow formation system.
3. That a standard 320-acre gas proration unit comprising either the N/2 or E/2 of said Section 34 should be dedicated to the Hot Tamale State No. 1 Well.

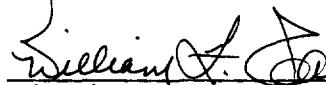
4. That approval of this application will afford applicant the opportunity to produce its just and equitable share of gas in the West Osudo-Morrow Gas Pool and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, applicant requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on January 9, 1986, that notice be given as required by law and the rules of the Division, that the Division enter its order approving the unorthodox location of the Hot Tamale State No. 1 Well, and providing such other and further relief as is proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By


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