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POST OFFICE BOX 2208
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TELEPHONE: (505) 988-4421
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January 14, 1986

HAND DELIVERED

R. L. Stamets, Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
State Land Office Building
Santa Fe, New Mexico 87501

*See R-7830-A
Case No. 9447
Case 8823*

Re: Application of Nearburg Producing Company for an
Unorthodox Gas Well Location, Lea County, New Mexico.

Dear Mr. Stamets:

Enclosed in triplicate is the Application of Nearburg
Producing Company in the above-referenced case. Nearburg Pro-
ducing Company respectfully requests that this matter be placed
on the docket for the Examiner hearings scheduled on February 5,
1986.

Very truly yours,


William F. Carr

WFC/cv
enclosures

cc: (w/enclosure)
Mr. Mark Nearburg

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 GAS WELL LOCATION,
LEA COUNTY, NEW MEXICO.

Case No. 5823

APPLICATION

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

1. Applicant is the operator of the S/2 of Section 23, Township 20 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

2. Pursuant to Order R-7834, entered by the Division on February 26, 1985, Nearburg Producing Company, formerly Chama Petroleum Company, attempted to re-enter an existing well 660 feet from the South and East lines of said Section 23. Said re-entry was unsuccessful and the well plugged and abandoned in May, 1985. BLM approval was obtained to move the rig 100 feet to the West, and on June 8, 1985 the subject well was spudded and subsequently completed in the Morrow formation.

3. Applicant seeks approval of an unorthodox gas well location for its Rett No. 1-Y Well in the Morrow formation

pursuant to the requirements of Oil Conservation Division Rule 104(C)III(a).

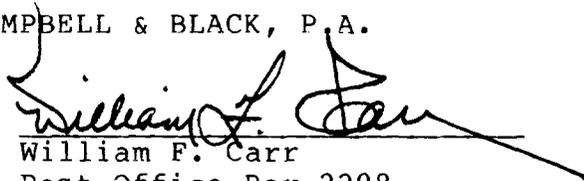
4. Approval of this application will permit the applicant to obtain its just and fair share of the reserves underlying the S/2 of said Section 23, and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, applicant requests that this application be set for hearing before the Division's duly appointed Examiner on February 5, 1986, and that after notice and hearing as required by law, the Division enter its Order approving an unorthodox gas well location for the Nearburg Producing Company Rett No.1-Y Well at a point 660 feet from the South line and 760 feet from the East line (Unit P), Section 23, Township 20 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and making such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By


William F. Carr

Post Office Box 2208

Santa Fe, New Mexico 87501

(505) 988-4421

ATTORNEYS FOR NEARBURG
PRODUCING COMPANY

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 GAS WELL LOCATION,
LEA COUNTY, NEW MEXICO.

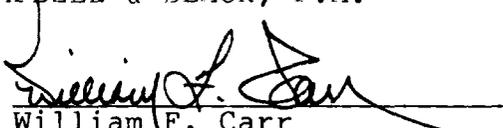
Case 5023

CERTIFICATE OF MAILING

Pursuant to Oil Conservation Division Rule 1207(a)(3), the undersigned hereby certifies that a true and correct copy of the Application filed in the above-referenced case was mailed, by United States Certified Mail, Return Receipt Requested, on this 14th day of January, 1986, to the following:

BTA Oil Producers
104 South Pecos
Midland, Texas 79701-9988

CAMPBELL & BLACK, P.A.

By 
William F. Carr
Post Office Box 2208
Santa Fe, New Mexico 87501
(505) 988-4421

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PRODUCING COMPANY

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January 14, 1986

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

BTA Oil Producers
104 South Pecos
Midland, Texas 79701-9988

Case 8323

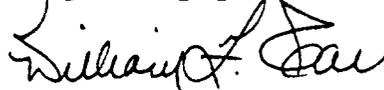
Re: Application of Nearburg Producing Company for an
Unorthodox Gas Well Location, Lea County, New Mexico.

Dear Sirs:

This letter is to advise you that Nearburg Producing Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking approval of an unorthodox gas well location for its Rett No. 1-Y Well at a point 660 feet from the South line and 760 feet from the East line (Unit P), in Section 23, Township 20 South, Range 34 East, N.M.P.M., Lea County, New Mexico. Nearburg Producing Company has completed this well in the Morrow formation.

This application has been set for hearing before a Division Examiner on February 5, 1986. You are not required to attend this hearing, but as an offsetting interest owner you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Very truly yours,



William F. Carr
Attorney for Nearburg
Producing Company

WFC/cv

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January 14, 1986

HAND DELIVERED

Mr. R. L. Stamets, Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
Post Office Box 2088
Santa Fe, New Mexico 87504-2088

Re: Application of Nearburg Producing Company for Administrative
Approval of an Unorthodox Gas Well Location, Lea County, New
Mexico.

Dear Mr. Stamets:

Nearburg Producing Company, pursuant to the provisions of Oil Conservation Division Rule 104(F) hereby applies for administrative approval of an unorthodox gas well location for its Rett No. 1-Y Well, located 660 feet from the South line and 760 feet from the East line (Unit P) of Section 23, Township 20 South, Range 34 East, Lea County, New Mexico. The S/2 of Section 23 is dedicated to this well which has been drilled to and completed in the Morrow formation. This unorthodox location is necessary to move the well away from an abandoned well located 660 feet from the South and East lines of said Section 23.

As you will recall, Nearburg Producing Company, formerly Chama Petroleum Company, obtained approval to attempt a re-entry of the existing well by Order R-7834, entered on February 26, 1985. An unsuccessful re-entry was attempted in March of 1985 and the well plugged and abandoned in May, 1985. BLM approval was obtained to skid the rig to the West 100 feet and drilled to the Morrow formation, and on June 8, 1985, the subject well was spudded. Oil Conservation Division Form C-104, Request for Allowable, was filed with the Division and is being held pending approval of this location.

R. L. Stamets
January 14, 1986
Page Two

Pursuant to our conversation of January 13, 1986, it is our understanding that the existing wellbore constitutes a sufficient topographical condition for Nearburg Producing Company to seek administrative approval of this unorthodox gas well location.

Attached hereto is a plat showing the ownership of all leases offsetting the subject proration unit (S/2 of Section 23) and showing all Morrow wells completed thereon. All operators of offsetting spacing or proration units have been notified of this application by copy of this letter via certified mail.

Your attention to this application is appreciated.

Very truly yours,



William F. Carr

WFC/cv
enclosure

cc: All Operators of Offsetting
Spacing or Proration Units

cc: Ms. Melba Carpenter
Oil Conservation Division
Box 1980
Hobbs, New Mexico 88240

cc: Mr. Mark Nearburg
Nearburg Producing Company
Post Office Box 31405
Dallas, Texas 75231

(w/enclosure)

