CIT JUNSER VALIEN 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 OIL WELL LOCATION, LEA COUNTY, NEW MEXICO.

CASE NO. 9055

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 Strawn formation under the E/2 of the NE/4 of Section 12, Township 17 South, Range 37 East, N.M.P.M. and proposes to drill its Howenstein No. 1 Well at a point 1665 feet from the North line and 830 feet from the East line of said Section 12.

2. Applicant seeks an exception to the well location requirements of Rule 104 C I 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 all formations in the Strawn system.

3. That a standard 80 acre oil proration unit comprising the E/2 of the NE/4 of said Section 12 should be dedicated to the Howenstein No. 1 Well. 4. That approval of its application will afford Applicant the opportunity to produce its just and equitable share of the oil in the South Humble City-Strawn Pool and will otherwise be in the best interest of conservation, the protection of correlative rights and the prevention of waste.

WHEREFORE, Applicant requests that this matter be set for hearing before a duly appointed examiner of the Oil Conservation Division on December 17, 1986, that notice be given as required by law and the rules of the Division, and that the Division enter its order approving the unorthodox location of the Howenstein No. 1 Well and providing such other and further relief as is proper in the premises.

> Respectfully submitted, CAMPBELL & BLACK, P.A.

Marte Lightstone for By

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ATTORNEYS FOR NEARBURG PRODUCING COMPANY