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STATE OF NEW MEXICO

OIL FUNGERVATION DIVISION

ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

case no. 9403

APPLICATION

NEARBURG PRODUCING COMPANY, by and through its undersigned attorneys, hereby makes application to the Oil Conservation Division for approval of an unorthodox gas well location, and in support thereof states:

- 1. Applicant is the operator of the S/2 SE/4 of Section 24, Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, and proposes to drill its Doubloon State 24 P Well #1 at a point 400 feet from the South and East lines of said Section 24.
- 2. Applicant seeks an exception to the well location requirements of Oil Conservation Division Rule 104 to permit the drilling of the well at the above described unorthodox location to a depth sufficient to adequately test the Strawn formation, Northeast Lovington Pennsylvanian Pool.

3. That approval of this application will afford applicant the opportunity to produce its just and equitable share of hydrocarbons underlying this spacing unit and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on June 8, 1988, and that after notice and hearing as required by law, the Division enter its order granting this application and providing such other relief as is proper.

Respectfully submitted,

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