

HOLLAND & HART^{LLP}



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March 11, 2004

VIA HAND DELIVERY

Will Jones, Hearing Examiner
Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Dept.
1220 South St. Francis
Santa Fe, NM 87504

Re: Case No. 12940: Reopened

Dear Mr. Jones:

Page 2 of the docket sheet for the March 18th hearing lists as a matter "Case No. 12940: Reopened" to address the temporary special pool rules for the Shugart-Strawn Pool pursuant to Division Order No. R-11856. The special pool rules promulgated by Division Order R-11856 were the subject of a recent hearing before Examiner Catanach, and the matter has been taken under advisement and is awaiting an order from the Division, under a case styled "*Case 12940: Application of Mewbourne Oil Company to Reopen Case No. 12940 To Amend And Make Permanent The Special Rules And Regulations For The Shugart-Strawn Pool, And for A Discovery Allowable, Eddy County, New Mexico.*" All operators in the pool participated in the hearing initiated by Mewbourne's application and presented evidence to the Division.

Since Case No. 12940 is pending before the Division and awaiting an order under the application filed by Mewbourne, the operators in this pool ask that the matter scheduled for hearing on March 18th styled "Case No. 12940: Reopened" simply be taken under advisement with no additional testimony.

Sincerely,

Michael H. Feldewert

MHF/jlp

cc. James Bruce, Attorney for Mewbourne
Zeno Farris, Gruy Petroleum Management Company
Steve Gray, Pecos Production Company
Gordon Yahney, Harvey E. Yates Company

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