



December 2, 2008

VIA HAND-DELIVERY

Mr. Mark E. Fesmire, P.E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

2008 DEC 2 PM 4 06
RECEIVED

Re: Case No. 13940: Application of Yates Petroleum Corporation, Yates Drilling Company, ABO Petroleum Corporation, and MYCO Industries, Inc. for an order directing Pride Energy Company to plug and abandon the State "X" Well No. 1, Lea County, New Mexico.

Dear Mr. Fesmire:


Yates Petroleum Corporation et al. request that the hearing on the above-referenced application, currently scheduled for December 4, 2008, be continued to the Oil Conservation Division Examiner hearing scheduled for March 2009 (schedule yet to be posted). Yates requests this continuance because Pride Energy Company is waiting for a response from the Division's Environmental Bureau on its proposed remediation plan. The well was plugged last summer but the Division requested a Stage 2 Abatement Plan for pit closure. The plan was submitted on August 18, 2008. Until the plan is approved, Pride is unable to complete remediation. Hopefully this length of a continuance will give the Division enough time to respond to Pride and for Pride to complete the work. James Bruce, attorney for Pride Energy Company, concurs in this request.

Your attention to this matter is appreciated.

Very truly yours,

Ocean Munds-Dry
Attorney for Yates Petroleum Corporation et al.

cc: James Bruce, Esq.
Attorney for Pride Energy Company



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



March 6, 2009

Mr. Matthew L. Pride
Pride Energy Company
P.O. Box 701950
Tulsa, OK 74170-1950

**RE: STAGE 1 ABATEMENT PLAN —
ADMINISTRATIVE COMPLETENESS DETERMINATION
PRIDE ENERGY - STATE X #1 WORKOVER PIT
SECTION 2, TOWNSHIP 12 SOUTH, RANGE 34 EAST
LEA COUNTY, NEW MEXICO
OCD CASE NO. AP079**

Dear Mr. Pride:

The Oil Conservation Division (OCD) has reviewed the *State X #1 Reserve Pit Site - Stage 1 Abatement Plan* dated April 11, 2008, submitted by R.T. Hicks on behalf of Pride Energy. Pride submitted this Stage 1 Abatement Plan proposal to conduct a ground water and soil investigation of brine released from its drilling pit at the State X #1 site, located in Section 2, Township 12 South, Range 34 East, Lea County, New Mexico, in response to OCD's letter of February 12, 2008.

OCD has determined that Pride's Stage 1 Abatement Plan Proposal is administratively complete because Pride has met the requirements specified in OCD Rule Part 30.13C. Before OCD can complete a technical review of EMGR's Stage 1 proposal, Pride shall:

1. Issue written notice of the Stage 1 proposal pursuant to OCD Rule Part 30.15A, prior to issuing public notice. A listing of "*those persons, as identified by the Director, who have requested notification*" is attached.
2. Issue its OCD approved public notice in the Santa Fe New Mexican and the Hobbs News-Sun, pursuant to OCD Rule Part 30.15B.

Oil Conservation Division * 1220 South St. Francis Drive

* Santa Fe, New Mexico 87505

* Phone: (505) 476-3440 * Fax (505) 476-3462 * <http://www.emnrd.state.nm.us>

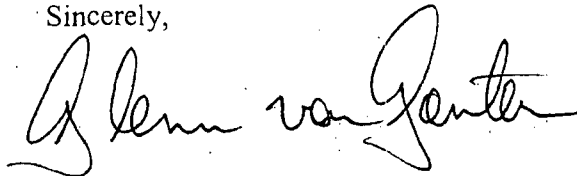


Mr. Mathew Pride
February 6, 2009
Page 2

3. Provide OCD with proof of publication and proof of written notice.

If you have any questions, please contact me at 505-476-3488.

Sincerely,

A handwritten signature in cursive script, reading "Glenn von Gonten". The signature is written in dark ink and is positioned above the printed name and title.

Glenn von Gonten
Senior Hydrologist

1 attachment

cc: Larry Johnson, OCD Hobbs District Office