

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

April 5, 2005

Mr. William F. Carr Holland & Hart LLP P.O. Box 2208 Santa Fe, NM 87504-2208

Re:

Letter of March 16, 2005

Dominion Exploration and Production, Inc.

Dear Mr. Carr,

Your letter of March 16, 2005 asked what form of notice the Oil Conservation Division (OCD) would require for the hearing on the application of Dominion Exploration and Production, Inc. for an exception to Rule 310.A. As you pointed out, Rule 310 does not address exceptions and therefore contains no notice provisions. The matter falls under the general catch-all provision of Rule 1207(9) that "notice shall be given as prescribed by the division."

I reviewed your letter with the hearing examiners at a staff meeting of the OCD's Engineering Bureau. It was the consensus of the hearing examiners that in addition to notice by publication, the OCD would require that notice be given to the surface owner.

Very truly yours,

Gail MacQuesten

Assistant General Counsel

ec:

Richard Ezeanyim

William Jones Michael Stogner David Catanach

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 13479 Exhibit No. 7
Submitted by:
DOMINION EXPLORATION & PRODUCTION, INC.
Hearing Date: May 19, 2005