

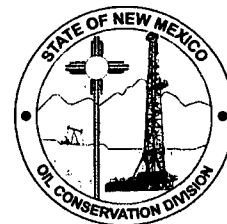


New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



May 20, 2008

Richard Ezeanyim, Hearing Examiner
EMNRD-OCD
1220 S. St. Francis Drive,
Santa Fe, NM 87505

Hand-delivered

**Re: Case 14106, Xeric Oil & Gas Corp. – Inactive Wells & Financial Assurance
Noncompliance**

Dear Mr. Ezeanyim:

The above-referenced matter is currently scheduled to be heard on May 29, 2008 at 8:15 a.m. Respondent has now retained counsel for representation in this case. The parties are currently engaged in discussions and are hopeful that a resolution can be reached without the need for a full hearing. The OCD therefore requests that the matter be continued to **July 10, 2008** to allow the parties additional time to address the issues raised by the Application and attempt to come to a resolution. Opposing counsel joins in this request.

Sincerely,

Mikal Altomare
Assistant General Counsel

CC:

Via Email:

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