## **Bill Richardson**

Governor

Joanna Prukop Cabinet Secretary Mark Fesmire
Division Director
Oil Conservation Division



October 21, 2009

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

Hand-delivered

Re: Request for Continuance in Case No. 14353

Dear Mr. Ezeanyim,

RECEIVED OUD

The Oil Conservation Division (OCD) requests that Case No. 14353 be continued until **November 12, 2009**. The matter is currently on the docket for October 29, 2009.

The applicant in this case is Chi Energy, Inc. (Chi). Chi is seeking a waterflood. The OCD entered its appearance in this case to alter the examiners to the fact that Chi was out of compliance with 19.15.5.9 NMAC, and that no injection permit could be issued under 19.15.26.8 NMAC until Chi came into compliance.

As set out in the revised pre-hearing statement filed by the OCD in this case, the OCD has alerted Chi to a number of violations of 19.15.5.9 NMAC that were discovered during a review of Chi's well list. From Chi's revised pre-hearing statement, filed today, it appears that Chi intends to proceed to hearing before all the violations are addressed.

The OCD would like to present the testimony of Ms. Jane Prouty. Ms. Prouty is out of the office until October 28, 2009 and undersigned counsel has not had the opportunity to prepare her for her testimony. In addition, undersigned counsel will be out of the office for the week of October 26-30, 2009.

To allow the OCD the opportunity to present Ms. Prouty's testimony, and to avoid having to replace undersigned counsel with another attorney, the OCD requests that the matter be set for the next available docket, which is November 12, 2009.

Sincerely,

Gail MacQuesten OCD Attorney

Cc: James Bruce, by mail and e-mail

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