KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285 TELEFAX (505) 982-2047

JASON KELLAHIN (RETIRED 1991)

RECOGNIZED SPECIALIST IN THE AREA OF NATURAL RESOURCES-OIL AND GAS LAW

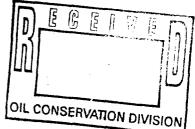
*NEW MEXICO BOARD OF LEGAL SPECIALIZATION

W THOMAS KELLAHIN*

November 7, 1994

HAND DELIVERED

Mr. David R. Catanach Hearing Examiner Oil Conservation Division 2040 South Pacheco Street Santa Fe. New Mexico 87505



Re: MOTION TO DISMISS and MOTION TO COMPEL

NMOCD Case 11107 Application of Maralo, Inc. for Compulsory Pooling Eddy County, New Mexico

Dear Mr. Catanach:

On October 21, 1994, on behalf of Bass Enterprises Production Company, I filed a Motion to Dismiss and a Motion to Compel. While this matter was pending a decision by the Division, Mr. Carr on behalf of Maralo, unilaterally continued the case and apparently no decision was then made by the Division.

The Motions are still relevant. It is my contention that Maralo cannot improperly and prematurely file a compulsory pooling application and then seek to "cure" its failure to abide by those requirements by having the case continued.

I renew my request for the Division to dismiss this case which is currently set for hearing on the Examiner's Docket scheduled for November 10, 1994.

W. Thomas Kellahin

cc: Via facsimile to:

William F. Carr, Esq., Attorney for applicant Wayne Bailey, Bass Enterprises