

PC 11/4

**HINKLE, COX, EATON, COFFIELD & HENSLEY,
L.L.P.**

ATTORNEYS AT LAW

400 PENN PLAZA, SUITE 700 POST OFFICE BOX 10

ROSWELL, NEW MEXICO 88202

(505) 622-6510 FAX (505) 623-9332

LEWIS C. COX, JR. (1924-1993)
CLARENCE E. HINKLE (1901-1985)

OF COUNSEL
O. M. CALHOUN*
JOE W. WOOD*
ROBERT D. TAICHERT*
WYATT H. HEARD*

STANLEY K. KOTOVSKY, JR.
ELLEN S. CASEY
MARGARET CARTER LUDEWIG
S. BARRY PAISNER
WYATT L. BROOKS*
DAVID M. RUSSELL*
ANDREW J. CLOUTIER
STEPHANIE LANDRY
KIRT E. MOELLING*
JULIE P. NEERKEN
WILLIAM P. SLATTERY
CHRISTOPHER M. MOODY
JAMES A. GILLESPIE
GARY W. LARSON
AMY C. WRIGHT*
JAMES H. WOOD*

MARCIA B. LINCOLN
KAROLYN KING NELSON
TIMOTHY R. BROWN
JAMES C. MARTIN
MATTHEW E. FORBES*
GIANNA M. MENDOZA
DAVID B. LAWRENZ
ANNE MARIE TURNER
KENNETH E. WESTON*
JULIA JOPLIN SWALLOW
CHRISTINE M. LANDAVAZO
REBECCA A. ZUSCHLAG
ROCKY S. LAWDERMILK*

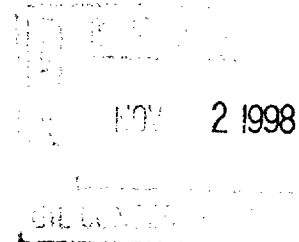
PAUL W. EATON
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
ERIC D. LANPHERE
C. D. MARTIN
ROBERT P. TINNIN, JR.
MARSHALL G. MARTIN
MASTON C. COURTNEY*
DON L. PATTERSON*
DOUGLAS L. LUNSFORD
NICHOLAS J. NOEDING
T. CALDER EZZELL, JR.
WILLIAM B. BURFORD*
RICHARD E. OLSON
RICHARD R. WILFONG*
THOMAS J. MCBRIDE

NANCY S. CUSACK
JEFFREY L. FORNACIARI
JERRY F. SHACKELFORD*
JEFFREY W. HELLBERG*
W. F. COUNTISS*
ALBERT L. PITTS
THOMAS M. HNASKO
JOHN C. CHAMBERS*
GARY D. COMPTON*
W. H. BRIAN, JR.*
RUSSELL J. BAILEY*
STEVEN D. ARNOLD
THOMAS D. HAINES, JR.
GREGORY J. NIBERT
JAMES M. HUDSON
THOMAS E. HOOD*
REBECCA NICHOLS JOHNSON

October 30, 1998

Florene Davidson
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

*NOT LICENSED IN NEW MEXICO



Re: Pre-Hearing Statement for Applications of Hallwood Petroleum, Inc.
Case Nos. 12,055 & 12,056

Dear Florene:

Enclosed herewith are the original and one copy of Hallwood's Pre-hearing Statements in the above referenced applications. Please file the original and return a file-stamped copy of each to us in the enclosed, stamped envelope. These cases are currently set on the docket for November 5, 1998 and we would request that the two cases be consolidated for the purposes of hearing.

Please advise if anything further is needed. Thank you for your assistance.

Very truly yours,

HINKLE, COX, EATON, COFFIELD,
& HENSLEY, L.L.P.

James A. Gillespie

/s

Enclosures

cc: Lois Dodds
Charles C. High, Jr.