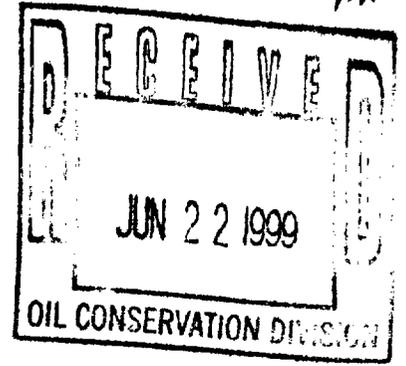


6-23-99
MA



JAMES BRUCE

ATTORNEY AT LAW

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SANTA FE, NEW MEXICO 87504

3304 CAMINO LISA
SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)

June 21, 1999

Via Fax and U.S. Mail

Mark Ashley
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Case 12206; Application of Nearburg Exploration Company,
L.L.C. ("Nearburg") for compulsory pooling and an
unorthodox gas well location, Lea County, New Mexico

Dear Mr. Ashley:

I am writing this letter in opposition to Matador Petroleum
Company's ("Matador") request for a two week continuance of the
hearing on the above matter.

On June 18, 1999, Matador obtained a subpoena from the Division,
requiring Nearburg to provide certain seismic data to Matador at
the June 24th Examiner hearing. Matador also requested a two week
continuance in order to review the data (see copy of the
continuance request, attached hereto as Exhibit A).

Nearburg accepted service of the subpoena. See Exhibit B attached
hereto. **Nearburg has arranged to hand deliver the subpoenaed
seismic data to Matador in Dallas at 1:00 p.m. Texas time today.**
The request for a continuance was predicated on Matador's lack of
access to the geophysical data available to Nearburg. Since the
data has now been furnished to Matador, the reason for the
continuance stated in Exhibit A is moot. Thus, there is no need to
continue the hearing, and Nearburg requests that the request for a
continuance be denied.

In addition, it is imperative for Nearburg to obtain a quick
hearing on this case. Nearburg's lease expires in early October.
In order to obtain an order, accommodate potential *de novo* appeals,
and give a 30 day election to the force pooled interests, the
hearing must be held in June.

For the foregoing reasons, Nearburg requests that the motion for a continuance be denied.

Very truly yours,

A handwritten signature in black ink, appearing to read "James Bruce". The signature is written in a cursive style with a large initial "J".

James Bruce

Attorney for Nearburg
Exploration Company, L.L.C.

cc: Robert G. Shelton

KELLAHIN AND KELLAHIN
ATTORNEYS AT LAW
EL PATIO BUILDING
117 NORTH GUADALUPE
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W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

June 18, 1999

HAND DELIVERED

Mr. Mark Ashley, Hearing Examiner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

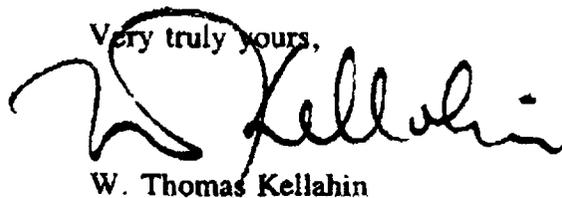
Re: NMOCD Case 12206
Sagebrush 24" Federal Com Well. 1
Application of Nearburg Exploration Company, L.L.C.
for Compulsory Pooling and an Unorthodox Location
Lea County, New Mexico

Dear Mr. Ashley:

On behalf of Matador Petroleum Corporation, we are requesting that the referenced case, which is currently set for hearing on June 24, 1999, be continued to the July 8, 1999 docket so that Nearburg Exploration Company, L.L.C. can produce seismic data subpoenaed for deliver to Matador on June 24, 1999.

Mr. James Bruce, on behalf of Nearburg has informed me that Nearburg opposes this request.

Very truly yours,


W. Thomas Kellahin

cfx: James Bruce, Esq.
cfx: Matador Petroleum Corporation
Attn: Barry Osborne



**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION DIVISION FOR THE
PURPOSE OF CONSIDERING:**

**THE APPLICATION OF NEARBURG EXPLORATION
COMPANY, L.L.C. FOR COMPULSORY POOLING
AND AN UNORTHODOX WELL LOCATION
LEA COUNTY, NEW MEXICO**

CASE 12206

ACCEPTANCE OF SERVICE OF SUBPOENA DUCES TECUM

I, James Bruce, Esq, the attorney of record for Nearburg Exploration Company, L.L.C., hereby acceptance service of the original Subpoena Duces Tecum dated 21st day of June, 1999 and issued in this matter to Matador Petroleum Corporation on this 18 day of June, 1999.



James Bruce, Esq.
P. O. Box 1056
Santa Fe, New Mexico 87504

