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JASON KELLAHIN (RETIRED 1991)

August 3, 1999

**VIA FACSIMILE**

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

Re: **NMOCD Case 12222**  
Application of Mewbourne Oil Company  
for Compulsory Pooling, Eddy County, New Mexico

Gentlemen:

Mr. Bruce, on behalf of Mewbourne, asserted this morning that the BLM March 31, 1999 letter is "definitive". Contrary to Mr. Bruce's assertion, the BLM letter is specifically conditioned upon unanimous agreement of all working interest owners. Unless that condition is removed by the BLM after reviewing Matador's arguments and evidence, then the March 31, 1999 letter from the BLM cannot be considered "definitive".

There is absolutely no reason to rush forward with a compulsory pooling case which will be subject to what ever the BLM finally decides to do about this dispute.

Very truly yours,

  
W. Thomas Kellahin

cfx: Bureau of Land Management  
Attn: Amando Lopez  
Mewbourne Oil Company  
Attn: James Bruce, Esq.  
Matador Petroleum Corporation  
Attn: Barry Osborne, Esq.