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PLEASE REPLY TO SANTA FE

March 14, 2000

BY HAND-DELIVERY

Lori Wrotenbery, Director
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: NMOCD Case No. 12289; Application of Gillespie Oil, Inc., et al. To Amend Order No. R-10864-A For Unit Expansion (West Lovington Strawn Unit), Lea County, NM and
NMOCD Case No. 12086: Application of Energen Resources Corporation, Yates Petroleum Corporation and Hanley Petroleum, Inc. for Allowable Reduction, Lea County, New Mexico

Dear Ms. Wrotenbery:

The above cases involve the prolonged efforts of the interested parties to finalize the expansion of the West Lovington Strawn Unit. Recently, we regrettably learned of the death of one of the parties who has played a significant role in these proceedings, Mr. Charles B. Gillespie, Jr. Mr. Gillespie, through Gillespie Oil, Inc. participated in the development of the Strawn formation in the area and served as Unit Operator for the WLSU. At this time, it is not certain what bearing, if any, Mr. Gillespie's passing will have on the course of these cases or on future unit operations. However, in order to expedite resolution of these outstanding cases affecting the expansion of the Unit, your assistance is respectfully requested as follows:

As soon as may be convenient, the Division is requested to issue a final order in Case No. 12289 approving of the third expansion of the WLSU. Reasonably soon following the issuance of an order, within ten days or so, Energen will host a meeting of the WLSU participants in Midland where, among other things, a poll will be conducted in order to assess the prospects for ratification

Lori Wrotenbery, Director
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of the expansion order. It is anticipated that the meeting will allow the interested parties to evaluate the need, if any, for further administrative proceedings in the matter.

It is also requested that Case No. 12086 be continued indefinitely to permit the parties to further consider the future course of unit expansion.

Thank you for your consideration of these requests.

Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

A handwritten signature in black ink, appearing to read "J. Scott Hall". The signature is written in a cursive, flowing style.

J. Scott Hall

JSH/ao

cc: Lyn Hebert, NMOCD
James Bruce
William F. Carr
W. Thomas Kellahin
Paul Cooter

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