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March 22, 2000

**CERTIFIED MAIL-RETURN RECEIPT REQUESTED
NOTICE OF THE HEARING OF THE FOLLOWING
NEW MEXICO OIL CONSERVATION DIVISION CASE:**

Enron Oil & Gas Company
4000 N. Big Spring, Ste 500
Midland, Texas 79705
Attn: Mr. Larry Cunningham

Re: NMOCD Case 12355: Application of Matador E & P Company to establish infill well procedures and to amend well location requirements for the Red Hills-Wolfcamp Gas Pool, or in the alternative, for simultaneous dedication, Lea County, New Mexico

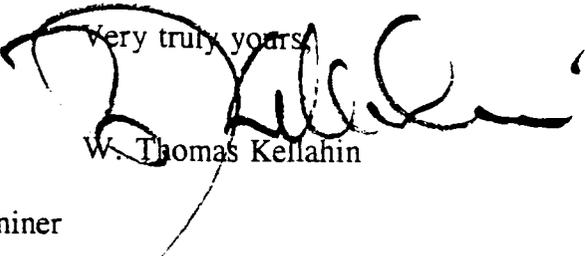
Dear Mr. Cunningham:

As you are aware from Mr. Barry Osborne, attorney for Matador E & P Company, who has already provided Enron with a copy of the Matador's application and exhibits introduced at this hearing and discussed with Enron this matter, we presented the referenced case to Mr. David Catanach as Division hearing examiner at a hearing held on March 16, 2000. We had not previously provided notice to Enron of this case because our research indicated that the only well in this pool which is operated by Enron Oil & Gas Company is the Brinninstool 21 F Well No. 1 located in Unit O of Section 21, T25S, R33E, NMPM, Lea County, New Mexico which was abandoned in 1995 when the Division ordered the well plugged.

However, in the event Enron is nevertheless entitled to notice, we are now doing so with this letter and advising you that this case was heard on March 16, 2000 and continued to April 6, 2000 and that should you have any objection to the Division approving this application then you need to file a written objection with the Division within 20 days of the date of this letter.

As party who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

Very truly yours,


W. Thomas Kellahin

cc: David R. Catanach
Division Hearing Examiner
Matador E & P Company
Attn: Barry Osborne, Esq.