



Mid-Continent Region
Exploration/Production

Conoco Inc.
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November 9, 2000

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 Pacheco
Santa Fe, New Mexico 87504

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Cases No.
12182 (Proposed)
+ 12532
NOV 13 2000

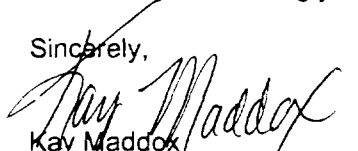
Dear Mr. Stogner,

Conoco is going to hearing November 16, 2000 to establish permanent pool rules for the North Hardy Strawn pool and to request a higher allowable. I am sending you one of the exhibits that will be presented at the hearing. It is a map showing the current and proposed Strawn wells, acreage and proration units for this active area. I hope that you will be in attendance at the hearing and get a chance to hear Joe Huck's geophysical presentation.

While preparing for this hearing everyone has acknowledged that your foresight and knowledge of New Mexico's oil and gas rules has helped Conoco to proceed with teamwork and planning. For example, your denial of the SEMU #135 40acre NSL application was a valuable learning experience! (Will that well ever go away??) By requesting pertinent data and astute evaluations, your insight pertaining to our Southeast New Mexico drilling program has benefited everyone involved. As a result of the upswing in the price of oil and gas, along with our prolific completions, the implementation of Conoco's 2000 drilling program has resulted in a very successful venture. I wanted to thank you personally for your forthright advice and timely execution of permitting and decisions. Conoco appreciates the effective working relationship that you have established with the Southeast New Mexico Conoco team and look forward to a lot more drilling in the future.

I look forward to seeing you next Thursday!

Sincerely,


Kay Maddox
Regulatory Agent - Conoco

