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

IN THE MATTER OF THE APPLICATION OF D. J. SIMMONS, INC. FOR COMPULSORY POOLING, RIO ARRIBA COUNTY, NEW MEXICO.

CASE NO. 12802

(C) 121 22 FH 4: 00

MOTION TO CONTINUE

McElvain Oil & Gas Properties, Inc. ("McElvain") moves the Division to enter an Order continuing Case 12802. In support of this motion, McElvain states:

- 1. Under Case Nos. 12801 and 12802, McElvain and D.J. Simmons have filed pooling applications for the development of the Gallup-Dakota and the Blanco-Mesaverde reserves under Section 25, T-25-N, R-3-W, NMPM, Rio Arriba County. D.J. Simmons' application in Case No. 12802 is scheduled to be heard by the Division's Examiner on January 24th, and McElvain's application in Case No. 12801 is now scheduled to be heard on the February 7th Examiner hearing docket.
- 2. In addition, D.J. Simmons has recently informed the Division that they intend to file a third pooling application for Section 25 "shortly." It is anticipated this third pooling application will be ready for hearing on the February 21st Examiner Docket.
- 3. McElvain and D.J. Simmons are in the process of finalizing a settlement concerning the development of the Gallup-Dakota and the Blanco-Mesaverde reserves under Section 25. As a result, the pooling applications under Case Nos. 12801 and 12802 and D. J. Simmons' anticipated third pooling application may not be necessary.

4. In the interests of administrative efficiency, and to avoid potentially unnecessary or

duplicative travel costs for the parties, the Division should continue Case No. 12802 until such

time as all three pooling applications can be heard at once - if hearings become necessary.

5. D.J. Simmons will not be prejudiced by a delay of the hearing in Case No. 12802

until the February 21st docket, which is the first anticipated docket when all three pooling

applications can be heard by the Division's Examiner.

WHEREFORE, McElvain respectfully requests that the Division enter its Order continuing

the hearing on the Application in Case No. 12802 until the February 21st Examiner Docket.

Respectfully submitted,

HOLLAND & HART, LLP

Michael H. Feldewert

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

505.988.4421

Attorneys for McELVAIN OIL & GAS

PROPERTIES, INC.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 22nd day of January, 2002, a true copy of the foregoing **Motion to Continue** was faxed to the following party:

J. Scott Hall, Esq.
Miller, Stratvert & Torgerson, PA
Post Office Box 1986
Santa Fe, New Mexico 87504
Fax No.: 505.989.9857

, Michael H. Feldewert