



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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December 26, 2002

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Re: *Case No. 12816*, Application of TMBR/Sharp Drilling Inc. for compulsory pooling
Case No. 12841, Application of Ocean Energy Inc. for compulsory pooling
Case No. 12859, Application of David H. Arrington for compulsory pooling
Case No. 12860, Application of Ocean Energy Inc. for compulsory pooling

Dear Counsel,

This matter is to be heard *de novo* by the New Mexico Oil Conservation Commission pursuant to NMSA 1978, § 70-2-13. It will be placed on the appropriate docket for hearing in early 2003; the specific date of the hearing has not yet been set.

The purpose of this letter is to inform you that once the hearing is scheduled you should plan to provide a copy of each exhibit that is to be offered during the hearing to the Commission Secretary. This should be done no later than one week prior to the hearing. If a continuance

Counsel, Ocean Energy et al.
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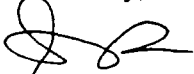
results in the matter being set for hearing on a subsequent date, exhibits should be submitted no later than one week prior to the re-scheduled hearing.

Please also provide the pre-hearing statement no later than one week prior to the scheduled hearing. It would also be helpful if you could provide a more detailed statement of your positions in the pre-hearing statement than is customary.

With respect to the exhibits, current practice varies concerning the number of copies submitted to the Commission Secretary and during the hearing. During at least one recent hearing, not enough sets of exhibits were submitted so that each Commissioner, Commission counsel and the Court Reporter had a complete set of exhibits. Please provide one complete set of exhibits for each Commissioner, Commission counsel, and the Court Reporter (5 sets). If you wish, the set used for witnesses to testify at the witness table from may become the Court Reporter's set, so long as it is complete.

As always, if you have any questions, please do not hesitate to give me a call at 476-3451.

Sincerely,



Stephen C. Ross
Assistant General Counsel

Cc: Florene Davidson, Commission Secretary