BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF TMBR/SHARP DRILLING, FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

APPLICATION OF OCEAN ENERGY, INC., FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

APPLICATION OF DAVID H. ARRINGTON OIL AND GAS, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

APPLICATION OF OCEAN ENERGY, INC., OCEAN ENERGY, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO and CASE NO. 12,860

CASE NO: 12,816

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CASE NO. 12,841

CASE NO. 12,859

NOTIFICATION OF VOLUNTARY AGREEMENT AND WITHDRAWAL OF APPLICATION

David H. Arrington Oil & Gas, Inc., ("Arrington"), and TMBR/Sharp Drilling, Inc., ("TMBR/Sharp"), through their undersigned counsel, hereby notify the Division pursuant to the terms of Order No. R-11700-C (decretal paragraphs 16 and 17) of their voluntary agreement with respect to Arrington's participation in the TMBR/Sharp Blue Fin "25" Well No. 1. Such voluntary agreement was reached prior to entry of the Order and the parties agree that the terms of the Order shall be inapplicable to Arrington's interests.

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Further, Arrington withdraws its application filed in Case No. 12,859 and withdraws any support previously provided to the applications filed in Case Nos. 12,841 and 12,860. David H. Arrington Oil and Gas, Inc. also withdraws its Application for Hearing De Novo filed on December 27, 2002 in Case Nos. 12,816, 12,841, 12,859 and 12,860 and states that it has no position regarding the disposition of those cases.

MILLER STRATVERT P.A.

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J. Scott Hall, Esq. Post Office Box 1986 Santa Fe, New Mexico 87504 (505) 989-9614 Attorneys for David H. Arrington Oil and Gas, Inc.

COTTON, BLEDSOE, TIGHE & DAWSON

By: Approved by Susan Richardson, Esq. Via e-mail on January 10, 2003 Susan Richardson, Esq. Post Office Box 2776 Midland, Texas 79702-2776

KELLAHIN & KELLAHIN By:

W. Thomas Kellahin Post Office Box 2265 Santa Fe, New Mexico 87504-2265 Attorneys for TMBR/Sharp Drilling, Inc.

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Certificate of Service

I hereby certify that a true and correct copy of the foregoing was faxed to counsel of record on the 16 day of January 2003, as follows:

James Bruce, Esq. Post Office Box 1056 Santa Fe, New Mexico 87504

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J. Scott Hall