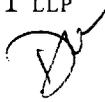


HOLLAND & HART^{LLP}
ATTORNEYS AT LAW



DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D.C.

P.O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208
110 NORTH GUADALUPE, SUITE 1
SANTA FE, NEW MEXICO 87501-6525

TELEPHONE (505) 988-4421
FACSIMILE (505) 983-6043

William F. Carr

wcarr@hollandhart.com

July 7, 2003

HAND DELIVERY

Ms. Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Energy, Minerals and
Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RECEIVED

JUL 8 2003

Oil Conservation Division

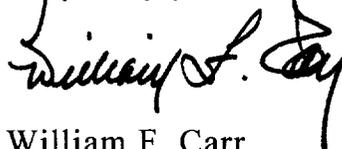
**Re: Case No. 12919: Application of the New Mexico Oil
Conservation Division for a Public Hearing Pursuant to Rule
19.G(3) to Consider the Adequacy of a Revised Stage 2
Abatement Plan, Lea County, New Mexico.**

Dear Ms. Wrotenbery:

Rice Operating Company hereby requests that the Examiner Hearing in the above-referenced case that is currently scheduled for July 10, 2003, be continued to the first Examiner Hearing Docket in September 2003.

Your attention to this request is appreciated.

Very truly yours,



William F. Carr

WFC:keh

cc: David K. Brooks, Esq.
James Lyle, Esq. (by facsimile)
Frank McCallum, Esq. (by facsimile)



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

June 9, 2003

Lori Wrotenbery

Director

Oil Conservation Division

**Re: Case No. 12819 Application of the NMOCD for a Public Hearing
Pursuant to Rule 19.G(3) to Consider the Adequacy of a Revised Stage 2
Abatement Plan**

Hon. Michael E Stogner
Hon. Randy Bayliss
Oil Conservation Division

Dear Examiners:

The Division hereby requests that the hearing of the referenced matter be continued to the July 10 examiner docket. We are advised that the sale of the surface by the protesting landowner is still pending.

In July, we hope to be able to advise whether a new setting will be required or the case can be dismissed.

Very truly yours,

David K. Brooks
Assistant General Counsel

cc:

Mr. Michael H. Feldewert
Holland & Hart
P.O.Box 2208
Santa Fe, NM 87504-2208

Mr. James P. Lyle
Attorney at Law
1162 2d St. NM
Albuquerque, NM 87102

Mr. Gary Don Reagan
City Attorney
City of Hobbs
300 N. Turner



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

April 17, 2003

Lori Wrotenbery
Director
Oil Conservation Division

New Mexico Oil Conservation Division
Attention: **David K. Brooks**, Assistant General Counsel
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505-5472

Telefax No. (505) 476-3462

DKBrooks@state.nm.us

Holland & Holland L.L.P.
Attention: **William F. Carr**, Legal Counsel for Rice Operating Company
P. O. Box 2208
Santa Fe, New Mexico 87504-2208

Telefax No. (505) 983-6043

wcarr@hollandhart.com

James P. Lyle, Legal Counsel for Bill McNeill
1116 2nd NW
Albuquerque, New Mexico 87102

Telefax No. (505) 843-8043

pennname@prodigy.net

Gary Don Reagan, City Attorney
City of Hobbs
300 North Turner
Hobbs, New Mexico 88240

Telefax No. (505) 397-0379

aallen@hobbsnm.org

Re: *Case No. 12,919: Application of the New Mexico Oil Conservation Division ("Division") for a public hearing pursuant to Rule 19.G (3) to consider the adequacy of a revised Stage 2 Abatement Plan, Lea County, New Mexico.*

Dear Messrs. Brooks, Carr, Lyle, and Reagan:

Reference is made to the various correspondences received in the past two weeks concerning this matter; Division Case No. 12919 shall be continued from the **April 22nd** special hearing date to the Division's regularly scheduled hearing on **May 8, 2003**. Thank you for your cooperation.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Randolph Bayliss, Co-Examiner – NMOCD, Santa Fe
New Mexico Oil Conservation Division - Hobbs
Case File 12,919
Florene Davidson - NMOCD, Santa Fe
Kathy Valdes - NMOCD, Santa Fe



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

April 14, 2003

Lori Wrotenbery

Director

Oil Conservation Division

**Re: Case No. 12819⁹ Application of the NMOCD for a Public Hearing
Pursuant to Rule 19.G(3) to Consider the Adequacy of a Revised Stage 2
Abatement Plan**

Hon. Michael E Stogner
Hon. Randy Bayliss
Oil Conservation Division

Dear Examiners:

The Division hereby requests that the hearing of the referenced matter, which is specially set for April 22, be continued to the regular May 8 examiner docket.

At that time we hope to be able to advise whether a new setting will be required or the case can be dismissed.

Very truly yours,

A handwritten signature in cursive script, appearing to read "David K. Brooks".

David K. Brooks
Assistant General Counsel

cc:

Mr. Michael H. Feldewert
Holland & Hart
P.O.Box 2208
Santa Fe, NM 87504-2208

Mr. James P. Lyle
Attorney at Law
1162 2d St. NM
Albuquerque, NM 87102

Mr. Gary Don Reagan
City Attorney
City of Hobbs
300 N. Turner
Hobbs, NM 88240

Case 12919

Stogner, Michael

From: Brooks, David K
Sent: Wednesday, April 09, 2003 10:55 AM
To: Stogner, Michael; Bayliss, Randy; Price, Wayne
Subject: Rice I9

FYI



040903ltr.doc

April 9, 2003

Mr. Michael H. Feldewert
Holland & Hart
P.O.Box 2208
Santa Fe, NM 87504-2208

Mr. James P. Lyle
Attorney at Law
1162 2d St. NM
Albuquerque, NM 87102

Mr. Gary Don Reagan
City Attorney
City of Hobbs
200 N. Turner
Hobbs, NM 88240

**Re: Case No. 12⁹819 Application of the NMOCD for a Public Hearing
Pursuant to Rule 19.G(3) to Consider the Adequacy of a Revised Stage 2
Abatement Plan**

Gentlemen:

This is a supplement to my letter of April 8.

After conversation with Rice's attorney, I have determined that, unless I am informed by Monday, April 14, that one or the other of the protesting parties (McNeil or the City of Hobbs) contemplates making a presentation, I shall move to continue the case to the regular May 8 hearing docket.

If at that time the protesters have determined to offer evidence in support of their protest, the can be re-set for a suitable time. If not, I shall move for dismissal.

Should you have any questions, please call me at (505)-476-3450.

Very truly yours,

David K. Brooks
Assistant General Counsel

ec: Hon Lori Wrotenbery
Hon. Michael E. Stogner
Hon. Randy Bayliss
Wayne Price

Stogner, Michael

Case 12919

From: Brooks, David K
Sent: Tuesday, April 08, 2003 1:26 PM
To: Stogner, Michael; Bayliss, Randy; Price, Wayne
Cc: Wrotenbery, Lori
Subject: Rice I-9

FYI



040803ltr.doc

April 8, 2003

Mr. Michael H. Feldewert
Holland & Hart
P.O.Box 2208
Santa Fe, NM 87504-2208

Mr. James P. Lyle
Attorney at Law
1162 2d St. NM
Albuquerque, NM 87102

Mr. Gary Don Reagan
City Attorney
City of Hobbs
200 N. Turner
Hobbs, NM 88240

**Re: Case No. 12819⁹ Application of the NMOCD for a Public Hearing
Pursuant to Rule 19.G(3) to Consider the Adequacy of a Revised Stage 2
Abatement Plan**

Gentlemen:

By letter of April 8, Mr. Feldewert indicates that Mr. Lyle has stated in a telephone conversation that no evidence will be offered at the April 22 hearing in support of his clients' protest. If that be true, I see no point in having a hearing.

Accordingly, unless I am informed by next Monday that there has been some mistake, or that the City of Hobbs intends to present a case, I shall move for an indefinite continuance. The expectation will be that, unless the purchaser of the property chooses to renew this protest, the application will be dismissed and the abatement plan processed administratively.

Should you have any questions, please call me at (505)-476-3450.

Very truly yours,

David K. Brooks
Assistant General Counsel

ec: Hon Lori Wrotenbery
Hon. Michael E. Stogner
Hon. Randy Bayliss
Wayne Price



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

April 4, 2003

Lori Wrotenbery

Director

Oil Conservation Division

Hon. Michael E. Stogner
Hon. Rany Bayliss
New Mexico Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505

**Re: Case No. 12919; Application of the New Mexico Oil Conservation Division
Pursuant to Rule 19.G(3) ["Rice I-9"]**

Dear Examiners Stogner and Bayliss:

This Division joins in Mr. Carr's request (by letter of April 2) for a pre-hearing conference.

At such a conference, the Division would like guidance on the issues and order of presentation. The Division's position on these matters is that the order of presentation should be as follows:

1. Rice should present evidence and argument justifying the adequacy of its abatement plan.
2. The Division staff should present evidence of, and justification for, any conditions or changes staff urges the examiners to require.
3. The protesting parties should present evidence of, and justification for, any additional conditions or changes they urge the examiners to require.

Division counsel is available at your convenience for such a conferece.

Should you have any questions, please call me at (505)-476-3450.

Very truly yours,

David K. Brooks
Assistant General Counsel

cc: William F. Car
Holland & Hart
P.O. Box 2208
Santa Fe, NM 87504

James P. Lyle
1162 2nd Street NW
Albuquerque, NM 87102

Gary Don Reagan
City of Hobbs
300 North Turner
Hobbs, NM 88240

ec: Roger Anderson
OCD Santa Fe

ec: Wayne Price
OCD Santa Fe

HOLLAND & HART LLP
ATTORNEYS AT LAW

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D.C.

P.O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208
110 NORTH GUADALUPE, SUITE 1
SANTA FE, NEW MEXICO 87501-6525

TELEPHONE (505) 988-4421
FACSIMILE (505) 983-6043

William F. Carr

wcarr@hollandhart.com

April 2, 2003

VIA HAND DELIVERY

Mr. Michael E. Stogner
Mr. Randolph Bayliss
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1200 South Saint Francis Drive
Santa Fe, New Mexico 87505

RECEIVED

APR 2 2003

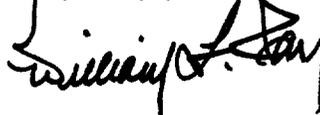
Oil Conservation Division

Re: New Mexico Oil Conservation Division Case No. 12919:
Application of the New Mexico Oil Conservation Division for a
public hearing pursuant to Rule 19.G (3) to consider the adequacy
of a revised Stage 2 Abatement Plan, Lea County, New Mexico.

Dear Examiners Stogner and Bayliss:

Pursuant to the provisions of Division Rule 1211.B, Rice Operating Company hereby requests a Pre-Hearing Conference be scheduled at the earliest possible time in the above referenced case. A Pre-hearing Conference is needed to address the complete failure by the McNeill Ranch to comply with a subpoena issued by the Division and to arrange for an exchange of exhibits and identification of witnesses one week prior to the April 22, 2003 hearing in this case.

Very truly yours,



William F. Carr

cc: David K. Brooks
Assistant General Counsel
New Mexico Oil Conservation Division

James P. Lyle, Esq.
116 2nd Street NW
Albuquerque, New Mexico 87102

HOLLAND & HART^{LLP}
ATTORNEYS AT LAW

Michael E. Stogner, Randolph Bayliss

April 2, 2003

Page 2

Gary Don Reagan, Esq.
City Attorney
City of Hobbs
300 North Turner
Hobbs, New Mexico 88240

Frank H. McCallum, Esq.
Rice Operating Company
112 S. Lorraine Street #500
Midland, TX 79701

Stogner, Michael

From: Stogner, Michael
Sent: Friday, March 07, 2003 3:59 PM
To: Gary Don Reagan (E-mail); James P. Lyle (E-mail); William F. Carr (E-mail); Brooks, David K
Cc: Davidson, Florene; Valdes, Kathy; Bayliss, Randy; Wrotenbery, Lori
Subject: Case No. 12919

Please see attachment for the date this case will be re-scheduled:



12919(4).doc

3-7-2003
Note to File: Case 12919
The attached March 7th letter was also
forwarded and mailed to Carr, Lyle, and
Reagan.
M.S.



12912(4).doc

Case 12919

**NEW MEXICO ENERGY, MINERALS and
NATURAL RESOURCES DEPARTMENT**

Bill Richardson
Governor
Joanna Prukop
Cabinet Secretary

March 7, 2003

Lori Wrotenbery
Director
Oil Conservation Division

New Mexico Oil Conservation Division
Attention: **David K. Brooks, Assistant General Counsel**
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505-5472

Telefax No. (505) 476-3462

DKBrooks@state.nm.us

Holland & Holland L.L.P.
Attention: **William F. Carr, Legal Counsel for Rice Operating Company**
P. O. Box 2208
Santa Fe, New Mexico 87504-2208

Telefax No. (505) 983-6043

wcarr@hollandhart.com

James P. Lyle, Legal Counsel for Bill McNeill
1116 2nd NW
Albuquerque, New Mexico 87102

Telefax No. (505) 843-8043

penname@prodigy.net

Gary Don Reagan, City Attorney
City of Hobbs
300 North Turner
Hobbs, New Mexico 88240

Telefax No. (505) 397-0379

aallen@hobbsnm.org

Re: *Case No. 12,919: Application of the New Mexico Oil Conservation Division ("Division") for a public hearing pursuant to Rule 19.G (3) to consider the adequacy of a revised Stage 2 Abatement Plan, Lea County, New Mexico.*

Dear Messrs. Brooks, Carr, Lyle, and Reagan:

Per my letter dated October 23, 2002, this matter will be set to a special hearing date; **April 22, 2003**. Thank you for your cooperation.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Randolph Bayliss, Co-Examiner – NMOCD, Santa Fe
New Mexico Oil Conservation Division - Hobbs
Case File 12,919
Florene Davidson - NMOCD, Santa Fe
Kathy Valdes - NMOCD, Santa Fe



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

January 27, 2003

Lori Wrotenbery

Director

Oil Conservation Division

Mr. William F. Carr
Holland & Hart
P.O.Box 2208
Santa Fe, NM 87504-2208

Mr. James P. Lyle
Attorney at Law
1162 2d St. NM
Albuquerque, NM 87102

Mr. Gary Don Reagan
City Attorney
City of Hobbs
200 N. Turner
Hobbs, NM 88240

**Re: Case No. 12819⁹ Application of the NMOCD for a Public Hearing
Pursuant to Rule 19.G(3) to Consider the Adequacy of a Revised Stage 2
Abatement Plan**

Gentlemen:

In response to my letter of January 2, Mr. Carr suggested February 25. Porter Hall is not available on that date. I received no replies from others. Accordingly, the hearing is hereby set on February 25, 2003 at 9:00 a.m.

Should you have any questions, please call me at (505)-476-3450.

Very truly yours,

David K. Brooks
Assistant General Counsel

ec: Hon. Michael E. Stogner
Hon. Randy Bayliss
Wayne Price

HOLLAND & HART ^{LLP}
ATTORNEYS AT LAW

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D.C.

P.O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208
110 NORTH GUADALUPE, SUITE 1
SANTA FE, NEW MEXICO 87501-6525

TELEPHONE (505) 988-4421
FACSIMILE (505) 983-6043

William F. Carr

wcarr@hollandhart.com

January 23, 2003

BY HAND DELIVERY

David K. Brooks, Esq.
Assistant General Counsel
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RECEIVED
JAN 23 PM 2:59
OIL CONSERVATION DIV

Re: Oil Conservation Division Case 12819: Application of the New Mexico Oil Conservation Division for a Public Hearing Pursuant to Rule 19.G(3) to Consider the Adequacy of a Revised Stage 2 Abatement Plan.

Dear Mr. Brooks;

I have contacted the witnesses we intend to present for Rice Operating Company in the above-referenced case concerning their availability for hearing. Tuesday, February 25, 2003 is a day on which all of Rice's witnesses are available and we request that this application be set for hearing on that date.

Rice Operating Company, hereby requests the Division to compel compliance with the Subpoena Duces Tecum issued on August 30, 2002, to William F. McNeill (the McNeill Ranch) relating to the above-referenced case. A copy of the subpoena is enclosed for your convenience.

The subpoena was properly served on September 4, 2002, by hand delivery as demonstrated by the enclosed affidavit of service. Neither Mr. McNeill nor his attorney objected to the subpoena or moved to quash it, and therefore have waived the right do so. The documents requested by the subpoena are directly relevant to the issues lawfully before the Commission for determination, and necessary to Rice Operating Company's preparation for the upcoming hearing.

Rice respectfully requests that the Division order full compliance with the subpoena duces tecum no later Thursday, February 6, 2003. Alternatively, should Mr. McNeill continue to ignore the subpoena, Rice requests the

HOLLAND & HART^{LLP}
ATTORNEYS AT LAW

January 23, 2003

Page 2

Commission enter an order precluding Mr. McNeill from using any of the requested documents at the hearing on this application.

If full compliance is not obtained by Thursday, February 6, 2003, Rice will move the Division, pursuant to NMSA 1978, § 70-2-8, for its application to the First Judicial District Court to compel compliance with the subpoena. Additionally, Rice will request an order of contempt necessitated by Mr. McNeill's refusal to obey the subpoena.

Thank you for your cooperation in this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is written in a cursive style with a large initial "W".

William F. Carr

cc: James P. Lyle, Esq.
Gary Don Reagan, Esq.
Frank H. McCallum, Esq.

January 3, 2003

Mr. William F. Carr
Holland & Hart
P.O.Box 2208
Santa Fe, NM 87504-2208

Mr. James P. Lyle
Attorney at Law
1162 2d St. NM
Albuquerque, NM 87102

Mr. Gary Don Reagan
City Attorney
City of Hobbs
200 N. Turner
Hobbs, NM 88240

Re: **Case No. 12819** ¹²⁹¹⁹ **Application of the NMOCD for a Public Hearing
Pursuant to Rule 19.G(3) to Consider the Adequacy of a Revised Stage 2
Abatement Plan**

Gentlemen:

As we start the new year, I believe it is time to set this matter for hearing.

The examiners, Hon. Mike Stogner and Hon. Randy Bayliss have indicated their availability to hear the matter in February. I believe a Tuesday setting would be appropriate, inasmuch as the hearing may take more than one day, and it should be set to avoid conflict with regular OCD dockets.

Please advise of your availability. In absence of being advised of limitations on your availability, I will ask the examiners to proceed to set the matter within that time frame at their convenience.

Should you have any questions, please call me at (505)-476-3450.

Very truly yours,

David K. Brooks
Assistant General Counsel

cc: Hon. Michael E. Stogner
Hon. Randy Bayliss
Wayne Price



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

October 23, 2002

Lori Wrotenbery
Director
Oil Conservation Division

New Mexico Oil Conservation Division
Attention: **David K. Brooks**, Assistant General Counsel
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505-5472

Telefax No. (505) 476-3462

DKBrooks@state.nm.us

Holland & Holland L.L.P.
Attention: **William F. Carr**, Legal Counsel for Rice Operating Company
P. O. Box 2208
Santa Fe, New Mexico 87504-2208

Telefax No. (505) 983-6043

wcarr@hollandhart.com

James P. Lyle, Legal Counsel for Bill McNeill
1116 2nd NW
Albuquerque, New Mexico 87102

Telefax No. (505) 843-8043

pennname@prodigy.net

Gary Don Reagan, City Attorney
City of Hobbs
300 North Turner
Hobbs, New Mexico 88240

Telefax No. (505) 397-0379

aallen@hobbsnm.org

Re: *Case No. 12,919: Application of the New Mexico Oil Conservation Division ("Division") for a public hearing pursuant to Rule 19.G (3) to consider the adequacy of a revised Stage 2 Abatement Plan, Lea County, New Mexico.*

Dear Messrs. Brooks, Carr, Lyle, and Reagan:

Reference is made to Mr. Lyle's most recent letter dated October 2, 2002 (see copy attached), due to my work schedule and other pressing matters that require my attention and the work schedules of others within the Division, this matter will not be heard in 2002. I suggest we have a meeting sometime after January 6, 2003 in order to determine a date to hear this case. I pass the responsibility of arranging this pre-hearing meeting to the representing attorneys.

This matter is hereby continued from the special November 6, 2002 hearing to a date to be determined at a later time. Thank you for your understanding and cooperation.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: **Randolph Bayliss**, Co-Examiner – NMOCD, Santa Fe
New Mexico Oil Conservation Division - Hobbs
Case File 12,919
Florene Davidson - NMOCD, Santa Fe
Kathy Valdes - NMOCD, Santa Fe



Law Offices of *James P. Lyle, P.C.*



Nationally Certified
Civil Trial Specialist

James P. Lyle, Esquire
Judith M. Seff, Paralegal

October 2, 2002



Michael E. Stogner
Chief Hearing Officer/Engineer
N.M. Energy, Minerals and Natural
Resources Department
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: *Case No. 12,919: Application of the New Mexico Oil Conservation Division ("Division") For A Public Hearing Pursuant to Rule 19.6(3) To Consider The Adequacy of a Revised Stage 2 Abatement Plan, Lea County, New Mexico*

Dear Mr. Stogner:

Pursuant to 19 NMAC 15.N.1203, I am requesting that a new hearing date be scheduled in this matter. I hope that this request will be honored given that the hearing has been twice rescheduled already by the Commission. The most recent Notice of Hearing we received moved the matter from October 22, 2002 to November 6, 2002. Mr. McNeill will be out of State the entire week of November 4, 2002 and cannot attend the hearing as scheduled in the most recent Notice.

Please let me know at the earliest convenience if there will be any difficulty in honoring this request. I look forward to hearing from you.

Very truly yours,

LAW OFFICES OF JAMES P. LYLE, P.C.

James P. Lyle

JPL/jms

cc: David K. Brooks, NMOCD
William F. Carr, Esquire
Gary Don Reagan, Esquire
Randolph Bayliss, NMOCD
Florene Davidson, NMOCD
Kathy Valdes, NMOCD



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

September 18, 2002

Lori Wrotenbery
Director
Oil Conservation Division

New Mexico Oil Conservation Division
Attention: David K. Brooks, Assistant General Counsel
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505-5472

Telefax No. (505) 476-3462

DKBrooks@state.nm.us

Holland & Holland L.L.P.
Attention: William F. Carr, Legal Counsel for Rice Operating Company
P. O. Box 2208
Santa Fe, New Mexico 87504-2208

Telefax No. (505) 983-6043

wcarr@hollandhart.com

James P. Lyle, Legal Counsel for Bill McNeill
1116 2nd NW
Albuquerque, New Mexico 87102

Telefax No. (505) 843-8043

penname@prodigy.net

Gary Don Reagan, City Attorney
City of Hobbs
300 North Turner
Hobbs, New Mexico 88240

Telefax No. (505) 397-0379

aallen@hobbsnm.org

Re: Case No. 12,919: Application of the New Mexico Oil Conservation Division ("Division") for a public hearing pursuant to Rule 19.G (3) to consider the adequacy of a revised Stage 2 Abatement Plan, Lea County, New Mexico.

Dear Messrs. Brooks, Carr, Lyle, and Reagan:

Reference is made to my previous letter dated August 21, 2002 notifying those concerned that this case would be set to a special docket scheduled for October 22, 2002. Ms. Lori Wrotenbery, Division Director and Chairman of the New Mexico Oil Conservation Commission ("Commission"), informs me that a special Commission hearing has been scheduled for October 22, 2002. It is therefore necessary for the Division to reschedule its case. Division Case No. 12919 is hereby rescheduled for 8:15 a.m. Wednesday, November 6, 2002 in Santa Fe in the Division's hearing room on the 1st floor at 1220 South Saint Francis Drive.

I apologize for any inconvenience this rescheduling has caused, thank you however for your understanding and cooperation.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Randolph Bayliss, Co-Examiner – NMOCD, Santa Fe
New Mexico Oil Conservation Division - Hobbs
Case File 12,919
Florene Davidson - NMOCD, Santa Fe
Kathy Valdes - NMOCD, Santa Fe

OIL CONSERVATION DIV
AUG 30 PM 3:05

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

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION
THROUGH THE ENVIRONMENTAL BUREAU CHIEF FOR A PUBLIC
HEARING PURSUANT TO RULE 19.G(3) TO CONSIDER THE
ADEQUACY OF A REVISED STAGE 2 ABATEMENT PLAN; LEA
COUNTY, NEW MEXICO.**

CASE NO. 12919

SUBPOENA DUCES TECUM

TO: McNeill Ranch
William F. McNeill
c/o James P. Lyle, Esq.
1904 Rio Grande Blvd., N.W.
Albuquerque, New Mexico 87104-2532

Pursuant to Section 70-2-8, NMSA (1978) and Rule 1211 of the New Mexico Oil Conservation Division's Rules of Procedure, you are hereby ORDERED to appear at 8:15 a.m., September 19, 2002, at the offices of the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87504, and to produce the documents and items specified in attached Exhibit A and to make available to Rice Operating Company and their attorney, William F. Carr, for copying, all of said documents.

This subpoena is issued on application of Rice Operating Company, through their attorneys, Holland & Hart LLP, Post Office Box 2208, Santa Fe, New Mexico 87504.

Dated this 30th day of August, 2002

NEW MEXICO OIL CONSERVATION DIVISION

BY: David K. Brooks
Assistant General Counsel
LORI WROTENBERY, DIRECTOR

EXHIBIT A

**TO SUBPOENA DUCES TECUM
TO MCNEILL RANCH AND WILLIAM F. MCNEILL
IN NEW MEXICO OIL CONSERVATION DIVISION
CASE 12919**

PURPOSE:

The purpose of this subpoena is to provide all of the information necessary for Rice Operating Company to be able to prepare for New Mexico Oil Conservation Division Case 12919.

DOCUMENTS:

Produce the following documents for or related to the contamination at the Junction I-9 Release Site, Hobbs Salt Water Disposal System, and the Rice Operating Company's Revised Stage 2 Abatement Plan (AP-8) for this site located in the NE/4 SE/4, Section 9, Township 19 South, Range 38 East, NMPM, Lea County, New Mexico:

1. All soil and ground water sampling data and results.
 - A. Include all documents, data and reports on all water sampled from any well, including any monitor well, and stock pond.
 - B. Include all documents, data and reports on all soils sampled including any backfill materials to be used or recommended for use in remediation of this site.
 - C. Include all documents data and reports which show the location from which each water or soil sample was taken, the methods used to collect and handle each sample, and all results and laboratory analysis of the samples.
2. All reports, letters and or studies concerning the contamination at the Junction I-9 Release Site including all reports letters studies and other documents prepared by any consultant or expert.
3. All videos, photographs or pictures used or to be used by you to explain or review any scientific principle in your presentation of the case.
4. For all studies, analysis of the contamination at the Junction I-9 Release Site

provide all documents which show: the parameters used in the study and/or analysis, all calculations and analysis of the data, any adjustments or modifications of the data utilized, the model software description, model parameters and assumptions, model variables, model history matching data, model predictions, subsequent modifications.

5. Produce any data, studies or other documents being used by you to justify your position:
 - A. that the blending of contaminated soils and capping the Junction I-9 Release Site will not prevent future contamination of the Ogallala Aquifer;
 - B. that contamination is taking place at the Junction I-9 Release Site at this time;
 - C. that cholrides are not being adequately addressed by the Rice Operating Company Revised Stage 2 Remediation Plan for the Junction I-9 Release Site ; and
 - D. On any other concerns about Rice Operating Company Revised Stage 2 Remediation Plan for the Junction I-9 Release Site that you will present to the Oil Conservation Division at the hearing in this case.

CORRESPONDENCE AND COMMUNICATIONS:

6. Produce all correspondence and other written communications between you and any consultant or expert concerning contamination at the Junction I-9 Release Site;
7. Produce all correspondence and other written communications between you and the City of Hobbs, New Mexico, and any other governmental entity or official concerning the contamination at the Junction I-9 Release Site.

HEARING EXHIBITS:

8. Produce all data, studies and exhibits to be used or presented by you at the hearing in this case before the Oil Conservation Division or Oil Conservation Commission.

INSTRUCTIONS

This Subpoena Duces Tecum seeks all information available to you or in your possession, custody or control from any source, wherever situated, including but not limited to information from any files, records, computers documents, employees, former employees, consultants, counsel and former counsel. It is directed to each person to whom such information is a matter of personal knowledge.

When used herein, "you" or "your" refers to the persons and entity to whom this Subpoena Duces Tecum is addressed to including all of his or its attorneys, officers, agents, consultants, employees, experts, directors, representatives, officials, departments, divisions, subdivisions, subsidiaries, or predecessors in interest.

The term "document" as used herein means every writing and record of every type and description in the possession, your custody or control, whether prepared by you or otherwise, which is in your possession or control or known by you to exist, including but not limited to all drafts, papers, books, writings, records, letters, E-mails, photographs, computer disks, tangible things, correspondence, communications, telegrams, cables, telex messages, memoranda, notes, notations, work papers, transcripts, minutes, reports and recordings of telephone or other conversations or of interviews, conferences, or meetings, video tapes. It also includes diary entries, affidavits, statements, summaries, opinions, reports, studies, analyses, evaluations, contracts, agreements, jottings, agenda, bulletins, notices, announcements, plans, specifications, sketches, instructions charts, manuals, brochures, publications, schedules, price lists, client lists, journals, statistical records, desk calendars, appointment books, lists, tabulations sound recordings, computer printouts, books of accounts, checks, accounting records, vouchers, and invoices reflecting business operations, financial statements, and any notice or drafts relating to the foregoing, without regard to whether marked confidential or proprietary. It also includes duplicate copies if the original is unavailable or if the duplicate is different in any way, including marginal notations, from the original.

AFFIDAVIT OF SERVICE

STATE OF NEW MEXICO)

)ss.

COUNTY OF LEA)

_____)

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

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION THROUGH THE ENVIRONMENTAL BUREAU CHIEF FOR A PUBLIC HEARING PURSUANT TO RULE 19.G(3) TO CONSIDER THE ADEQUACY OF A REVISED STAGE 2 ABATEMENT PLAN; LEA COUNTY, NEW MEXICO

Case # 12919

_____)

I, JOHN ABLE, being first duly sworn upon oath, state that I am over the age of eighteen and not a party to these proceedings.

I served a copy of the Subpoena Duces Tecum in the above styled and numbered cause of action upon W. PAIGE MCNEILL, on this 4th day of SEPTEMBER, 2002 by hand delivery of a copy of the same to said party.

John Able
Signature of Process Server

John Able
Printed name of person making service

SUBSCRIBED AND SWORN TO before me this 6th day of September

2002, by Ronda A Brothers

Ronda A Brothers EXP 8-5-06
NOTARY PUBLIC

My Commission Expires:



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

August 21, 2002

Lori Wrotenbery
Director
Oil Conservation Division

New Mexico Oil Conservation Division
Attention: David K. Brooks, Assistant General Counsel
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505-5472

Telefax No. (505) 476-3462

DKBrooks@state.nm.us

Holland & Holland L.L.P.
Attention: William F. Carr, Legal Counsel for Rice Operating Company
P. O. Box 2208
Santa Fe, New Mexico 87504-2208

Telefax No. (505) 983-6043

wcarr@hollandhart.com

James P. Lyle, Legal Counsel for Bill McNeill
1116 2nd NW
Albuquerque, New Mexico 87102

Telefax No. (505) 843-8043

pennname@prodigy.net

Gary Don Reagan, City Attorney
City of Hobbs
300 North Turner
Hobbs, New Mexico 88240

Telefax No. (505) 397-0379

aallen@hobbsnm.org

Re: Case No. 12,919: Application of the New Mexico Oil Conservation Division for a public hearing pursuant to Rule 19.G (3) to consider the adequacy of a revised Stage 2 Abatement Plan, Lea County, New Mexico.

Dear Messrs. Brooks, Carr, Lyle, and Reagan:

The Division has received correspondence concerning this case and the time to adequately hear this matter. In order to meet certain needs of the Division and serve those involved in this matter, this case will be placed on a special docket scheduled for Tuesday, October 22, 2002, in Santa Fe at the New Mexico Oil Conservation Division's hearing room on the 1st floor at 1220 South Saint Francis Drive. Hearing to commence at 8:15 a.m.

Thank you for your cooperation.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Randolph Bayliss, Co-Examiner – NMOCD, Santa Fe
New Mexico Oil Conservation Division - Hobbs
~~Case File 12,919~~
Florene Davidson - NMOCD, Santa Fe
Kathy Valdes - NMOCD, Santa Fe

HOLLAND & HART^{LLP}
ATTORNEYS AT LAW

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D.C.

P.O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208
110 NORTH GUADALUPE, SUITE 1
SANTA FE, NEW MEXICO 87501-6525

TELEPHONE (505) 988-4421
FACSIMILE (505) 983-6043

William F. Carr

wcarr@hollandhart.com

August 15, 2002

HAND DELIVERED

David K. Brooks, Esq.
Assistant General Counsel
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RECEIVED

AUG 15 2002

Oil Conservation Division

Re: New Mexico Oil Conservation Division Case No. 12919: Application of the New Mexico Oil Conservation Division for a Public Hearing Pursuant to Rule 19.G(3) to Consider the Adequacy of a Revised Stage 2 Abatement Plan; Lea County, New Mexico.

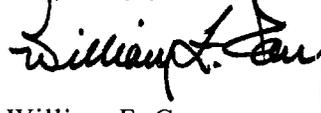
Dear Mr. Brooks:

I am in receipt of your letter to James P. Lyle, Esq. concerning the hearing on the Revised Stage 2 Abatement Plan submitted by Rice Operating Company which is now set before a Division Examiner on August 22, 2002.

There are 14 cases scheduled for hearing before this case on that docket and it is unlikely that it will be heard on that date. Unless some other scheduling arrangement can be made, the parties will have to incur the expense of bringing witnesses to Santa Fe for a hearing which probably will not occur. Rice Operating alone will call at least two expert witnesses who will have to travel great distances to be present to testify. I therefore agree with your statement that it would be advantageous to all parties to reset this case and assign it a special setting. Rice Operating Company therefore requests that the case be continued and set on a special hearing date where it would be the only case to be considered.

I am available to discuss a hearing date with you and Mr. Lyle at any time.

Very truly yours,



William F. Carr

cc; Frank H. McCallum, Esq.
Carolyn Doran Haynes
James P. Lyle, Esq.

**BEFORE THE
NEW MEXICO ENERGY, MINERALS AND
NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

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

CASE NO. 12919

**APPLICATION OF THE NEW MEXICO OIL
CONSERVATION DIVISION FOR A PUBLIC
HEARING PURSUANT TO RULE 19.G(3) TO
CONSIDER THE ADEQUACY OF A REVISED
STAGE 2 ABATEMENT PLAN, LEA COUNTY,
NEW MEXICO**

RECEIVED

AUG 15 2002

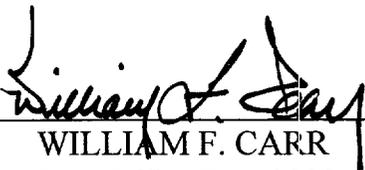
Oil Conservation Division

ENTRY OF APPEARANCE

COMES NOW HOLLAND & HART LLP and hereby enters its appearance in the above referenced case on behalf of Rice Operating Company.

Respectfully submitted,

HOLLAND & HART LLP

By: 
WILLIAM F. CARR
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

**ATTORNEY FOR RICE OPERATING
COMPANY**

CERTIFICATE OF SERVICE

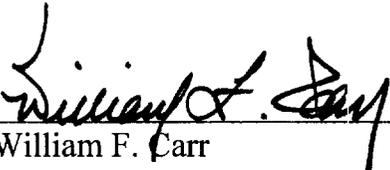
I hereby certify that on this 15th day of August 2002 I have caused to be hand and fax-delivered a copy of our Entry of Appearance in the above-captioned case to the following attorneys of record in this case.

HAND-DELIVERED

David K. Brooks, Esq.
Assistant General Counsel
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

FAX-DELIVERED

James P. Lyle
Law Offices of James P. Lyle, PC
1904 Rio Grand Blvd NW
Albuquerque, NM 87104-2532
Fax No. 505-843-8043



William F. Carr
Attorney for Rice Operating Company



August 9, 2002

David K. Brooks, Esquire
New Mexico Energy, Minerals
and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: Case No. 12819: Public Hearing to Consider Stage 2 Abatement Plan Proposal,
Lea County, NM

Dear Mr. Brooks:

I understand you told Mr. McNeill that the date for this hearing set forth in your letter of July 31, 2002, may not be correct. Please confirm the date of the hearing to allow us, our experts and other interested parties the opportunity to participate and present our views. An accurate date is also required so that representatives from the City of Hobbs and the media may attend. Constitutionally, we are entitled to valid notice of the actual hearing date, and this is all we ask.

Very truly yours,

LAW OFFICES OF JAMES P. LYLE, P.C.


James P. Lyle

/jms

cc: Bill McNeill

Sax (505) 397-0379

~~allen@Hobbsnm.org~~

allen@Hobbsnm.org

July 31, 2002

Gary Don Reagan
City Attorney
City of Hobbs
300 North Turner
Hobbs, NM 88240

**Re: Case No. 12819
Application of the New Mexico Oil Conservation Division through the
Environmental Bureau Chief for a Public Hearing Pursuant to Rule 19.G(3)
to Consider the Adequacy of a Revised Stage 2 Abatement Plan; Lea County,
New Mexico**

Dear Mr. Reagan:

Be advised that there will be a public hearing to consider the adequacy of the Revised Stage 2 Abatement Plan filed by Rice Operating Company for remediation of the Junction I9 Contamination site, located in the NE/4 SE/4 (Unit I) of Section 9, Township 19 South, Range 38 East, in Lea County, New Mexico.

The hearing will take place on Thursday, August 22, 2002, in Santa Fe, New Mexico, at the Oil Conservation Division Hearing Room, 1st Floor, 1220 South Saint Francis Drive.

A copy of the Division's Application and of proposed conditions is enclosed. Copies of the documents constituting the Revised State 2 Abatement Plan will be available for public inspection prior to the hearing at the offices of the Oil Conservation Division, 3rd Floor, 1220 South St. Francis Drive, Santa Fe, New Mexico during regular business hours.

Persons having questions should contact Wayne Price at 505-476-3478.

Very truly yours

David K. Brooks
Assistant General Counsel