New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



August 11, 2008

Mr. J. Scott Hall Montgomery & Andrews 325 Paseo de Peralta Santa Fe, New Mexico 87501 RCVD AUG 21 '08 OIL CONS. DIV.

DIST. 3

Re:

NMOCC Case No. 14134; Application of the Board of County Commissioners, Rio Arriba County, New Mexico; and

NMOCC Case No. 14141; Application of Approach Operating, LLC, Rio Arriba County, New Mexico; Order No. R-12976

Dear Mr. Hall:

In response to your letter of August 5, please be advised as follows:

It was the intention of the Director that the effect of Order No. R-12976 was to suspend the operation of the permits to drill pending the outcome of Oil Conservation Commission Hearings on those permits. As such, it can be correctly assumed that any condition or requirement of the operator is tolled pending that outcome.

Sincerely,

Mark E. Fesmire, PEJD

Director, OCD

cc: Charlie Perrin

Adan Trujillo, Cheryl Bada

COURSEL EMERITUS Vidliam R. Federici

MONTGOMERY & ANDREWS PROFESSIONAL ASSOCIATION

ATTORNEYS AND COUNSELORS AT LAW

J O Seth (1883-1963) A. K. Montgomery (1903-1987) Frank Andrews (1914-1981) Seth D. Montgomery (1937-1998)

Victor R. Ortega Gary Kilpathe Thomas W. Olson Walter J. Melendres John B. Draper Nancy M. King Sarah M. Singleton Stephen S. Hamilton Edmund H. Kendrick Louis W. Rose Randy S. Bartell

Paul E Houston kevin M. Sexton Jeffery L. Martin Alexandra Corwin Aquilar Jeffrey J. Wechsler Shannon A. Parden Brian T Judson Susan R Johnson Holly Agajanian Sharon T Shaheen Jaime R Kennedy

OF COUNSEL Joe A Sturges J Scott Hall Suzanne C Odom Earl Potter, P. A.

325 Paseo de Peralta Santa Fe, New Mexico 87501

Post Office Box 2307 Santa Fe, New Mexico 87504-2307

> Telephone (505) 982-3873 Fax (505) 982-4289

> > August 5, 2008

ALBUQUERQUE OFFICE

6301 Indian School Road, N.E. Suite 400 Albuquerque, New Mexico 87110

Post Office Box 36210 Albuquerque, New Mexico 87176-6210

> Telephone (505) 884-4200 Fax (505) 888-8929

www montand com Reply to Santa Fe Office

HAND DELIVERED

Mr. Mark Fesmire, Director New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Le. NM 87505

> Ren NMOCC Case No. 14134; Application of the Board of County Commissioners, Rio Arriba County, New Mexico; and

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Dear Mr. Fesmire:

Previously, the Division approved Applications for Permits to Drill for the following three wells, and one other, submitted by Approach Operating LLC:

> Sultemeier No. 1 API No. 30-039-30342

Sena No. 1 API No. 30-039-30386

Sena No. 2 API No. 30-039-30394

Order No. R-12976 issued on July 18, 2008 provides that the permits to drill for these wells are suspended pending the decision of the Oil Conservation Commission in Case No. 14134 Approach Operating LLC will file with the Division's District 3 office