



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

December 15, 2003

Lori Wrotenberg

Director

Oil Conservation Division

John R. Stearns d/b/a Stearns
c/o **James Bruce**
P. O. Box 1056
Santa Fe, New Mexico 87504

Case 13203

Re: *Administrative application (application reference Nos. pMES0-325255283 and pLR0-333627423) for an exception to Division Rule 104.C (2) (a), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, for John R. Stearns d/b/a Stearns existing State "16" Well No. 1-Y (API No. 30-025-34070) to be recompleted into the Undesignated West Sawyer-Morrow Gas Pool (97103) at an unorthodox deep gas well location 330 feet from the South line and 940 feet from the East line (Unit P) of Section 16, Township 9 South, Range 37 East, NMPM, Lea County, New Mexico, within a standard 320-acre stand-up gas spacing unit comprising the E/2 of Section 16.*

Dear Mr. Bruce:

The Division is in receipt of an objection filed in a timely manner by Richard Donald Jones, Jr. to the subject application; see copy of letter dated December 11, 2003 attached.

This application will be set for hearing before a Division Hearing Examiner on the next available docket scheduled for January 8, 2004. I have prepared the following advertisement in this matter:

"Application of John R. Stearns d/b/a Stearns for an unorthodox gas well location, Lea County, New Mexico. Applicant seeks an exception to Division Rule 104.C (2) (a) for the existing State "16" Well No. 1-Y (API No. 30-025-34070) to be recompleted into the Undesignated West Sawyer-Morrow Gas Pool (97103) at an unorthodox deep gas well location 330 feet from the South line and 940 feet from the East line (Unit P) of Section 16, Township 9 South, Range 37 East. The E/2 of Section 16 is to be dedicated to this well in order to form a standard 320-acre stand-up gas spacing unit for the Morrow formation. This unit is located approximately 11 miles east by north of Crossroads, New Mexico".

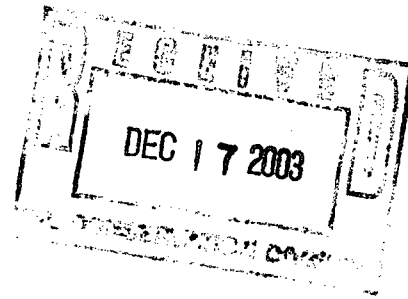
Should you have any questions concerning this matter, please contact me in Santa Fe by phone at (505) 476-3465 or by e-mail at mstogner@state.nm.us.

Sincerely,

Michael E. Stogner
Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
Richard Donald Jones, Jr. - Cedar Creek, TX

To: Mr. Michael E. Stogner
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Via Regular Mail (overnight delivery)
Via Certified Mail RR# 7002 3150 0006 0223 5314



Mr. James Bruce
Attorney At Law
369 Montezuma, No. 213
Santa Fe, New Mexico 87501
Via Facsimile (505) 982-2151

From: Richard Donald Jones Jr.
200 North Gaines Road
Cedar Creek, Texas 78612
(512) 303-7733

Case 13203

RE: N/2 Section 21 T-9-S, R-37-E
Lea County, New Mexico

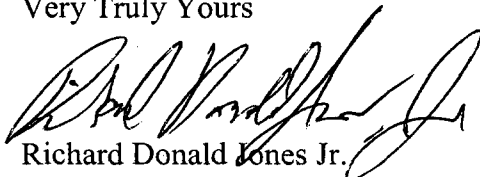
December 11th 2003

Dear Sirs:

I hereby **object** to Mr. John R. Stearns application (API Number 30-025-34070) filed with the New Mexico Oil Conservation Division for Section 16, T-9-S, R-37-E as this will affect my un-leased acreage in the N/2 of Section 21. I own a 1/2 of 0.125 mineral interest in this particular Section of land situated in Lea County, New Mexico. Mr. Bruce's letter and notice of November 26th 2003, (enclosed) fails to specify how my interest may be affected if this application is approved.

Currently this interest is un-leased and I am certainly willing to entertain any offers to lease at this time. Thank you for your consideration and if you have any further questions please do not hesitate to contact me at the above address and/or telephone number.

Very Truly Yours



Richard Donald Jones Jr.