

HINKLE, COX, EATON, COFFIELD & HENSLEY,

L.L.P.

ATTORNEYS AT LAW

218 MONTEZUMA POST OFFICE BOX 2068

SANTA FE, NEW MEXICO 87504-2068

(505) 982-4554 FAX (505) 982-8623

LEWIS C. COX, JR. (1924-1993)
CLARENCE E. HINKLE (1904-1985)

OF COUNSEL
O. M. CALHOUN* JOE W. WOOD
RICHARD L. CAZZELL* RAY W. RICHARDS*

AUSTIN AFFILIATION
HOFFMAN & STEPHENS, P.C.
KENNETH R. HOFFMAN*
TOM D. STEPHENS*
RONALD C. SCHULTZ, JR.*
JOSE CANO*

THOMAS E. HOOD*
REBECCA NICHOLS JOHNSON
STANLEY K. KOTOVSKY, JR.

ELLEN S. CASEY
MARGARET CARTER LUDEWIG
G. BARRY PAISNER
JAYAT L. BROOKS*
DAVID M. RUSSELL*
ANDREW J. CLOUTIER
STEPHANIE LANDRY
KIRT E. MOELLING*
DIANE FISHER
JULIE P. NEERKEN
WILLIAM P. SLATTERY
CHRISTOPHER M. MOODY
JOHN D. PHILLIPS
EARL R. NORRIS
JAMES A. GILLESPIE
MARGARET R. MCNETT

GARY W. LARSON
LISA K. SMITH*
NORMAN D. EWART
DARREN T. GROCE*
MOLLY MCINTOSH
MARCIA B. LINCOLN
SCOTT A. SHUART*
PAUL G. NASON
AMY C. WRIGHT*
BRADLEY G. BISHOP*
KAROLYN KING NELSON
ELLEN T. LOUDERBOUGH
JAMES H. WOOD*
NANCY L. STRATTON
TIMOTHY R. BROWN
JAMES C. MARTIN

*NOT LICENSED IN NEW MEXICO

April 1, 1996

Mr. Michael Stogner
Chief Hearing Examiner
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87504

Case 11511

MS
JC

RE: Application of Fuller
Production, Inc. for
Compulsory Pooling and
Unorthodox Well Location, Lea
County, New Mexico

Dear Mr. Stogner:

On behalf of Fuller Production, Inc. ("Fuller"), we hereby advise you that Fuller and Penwell Energy, Inc. ("Penwell") have resolved their differences in connection with a well to be drilled in the N½ Section 33, Township 21 South, Range 33 East, N.M.P.M., Lea County, New Mexico. It is our understanding that last week Penwell dismissed its compulsory pooling action filed with the OCD against Fuller.

Fuller now desires to dismiss its compulsory pooling action filed with the OCD against Penwell et al. Accordingly, please treat this letter as written evidence of the dismissal of Fullers' application for compulsory pooling for the well to be drilled at the above described location. We understand that Fuller's application had been set on the April 18, 1996 docket for Examiner Hearings. If you require anything additional to accomplish the formal dismissal of this case, please advise.

POST OFFICE BOX 10
ROSWELL, NEW MEXICO 88202
(505) 622-6510
FAX (505) 623-9332

POST OFFICE BOX 3580
MIDLAND, TEXAS 79702
(915) 683-4691
FAX (915) 683-6518

POST OFFICE BOX 9238
AMARILLO, TEXAS 79105
(806) 372-5569
FAX (806) 372-9761

POST OFFICE BOX 2043
ALBUQUERQUE, NEW MEXICO 87103
(505) 768-1500
FAX (505) 768-1529

401 W. 15TH STREET, SUITE 800
AUSTIN, TEXAS 78701
(512) 476-7137
FAX (512) 476-5431

Thank you.

Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY

Conrad E. Coffield

Copy: Mr. Royce Fort, Fuller Production, Inc.

Fulleristogner.12