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May 29, 1996

Via Hand Delivery

Florene Davidson
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico

Dear Florene:

Enclosed are an original and two copies of a pre-hearing statement in Case No. 11541.

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY, L.L.P.


James Bruce