



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SAN JUAN FIELD OFFICE
15 Burnett Court
Durango, CO 81301



In Reply Refer to:

3160

JAN 17 2001

Mr. James Bruce
Attorney at Law
3304 Camino Lisa
Hyde Park Estates
Santa Fe, NM 87501

Re: NMOCD Hearing
Cross Timbers Oil Company
Ute Indians "A" Well No. 32

Dear Mr. Bruce:

The Bureau of Land Management San Juan Field Office is in receipt of the letter you sent dated January 3, 2001, regarding the forthcoming hearing on the referenced well. Thank you for your timely notification of this proceeding.

BLM and the Ute Mountain Ute Tribe have had discussions with Cross Timbers regarding the drilling of this well and the need for an unorthodox surface location. As presented to BLM, and the UMU Tribe, no objections are made to this request to be put before NMOCD on January 25, 2001.

However, as per the Memorandum of Understanding between the New Mexico Energy, Minerals & Natural Resources Department (1999)(Attached) failure to appear at a hearing shall not relieve BLM from its obligation and authority to make an independent evaluation and order on the application. Therefore, BLM will take under advisement the commissions draft order in rendering its decision on this matter.

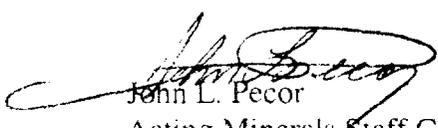
If you have any questions please contact John Pecor (970)385-1359 or Dan Rabinowitz (970)385-1363.

Sincerely,

OIL CONSERVATION DIVISION

CASE NUMBER _____

EXHIBIT 3


John L. Pecor

Acting Minerals Staff Chief
San Juan Field Office

Enclosure

cc: Gordon Hammond, UMUT
Ken Young, BIA
Duane Spencer, CSO-0934
Thomas Shipps
Gerry Simon