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JUL - 2 2001

June 29, 2001

David Brooks, General Counsel
Oil Conservation Division
New Mexico Energy, Minerals and
Natural Resources Dept.
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Case 12704

Re: In the Matter of Tiffany Gas Co., L.L.C. NMOGA <u>01-2</u>

Dear Mr. Brooks:

Following through on our telephone conference of June 19, 2001, please find enclosed Appeal of the Division's Order in the above referenced matter. Also enclosed is the sworn affidavit with exhibits of Jimmy D Hicks.

A reading of said affidavit will show no intent to deceive or mislead the Division with respect to the subject well. Nor has there ever been a danger of waste, or contamination of the environment from this well. It is unfortunate that Mr. Hicks elected to file the bradenhead well reports through the years, but the surrounding circumstances clearly show a lack of intent on his part to mislead or deceive the Division.

Hopefully the Division will reconsider its Order in this proceeding. Tiffany is a small independent oil producer in the area. Its total daily production in the San Juan Basin of New Mexico averages only 29 barrels of oil per day. It can ill afford any substantial attorney's fees and costs to defend itself in hearings in Santa Fe. And with the increase in drilling activity in the State within the last year, I suspect the Division can ill afford the time and effort required to prosecute such a technical violation of its Rules.

Page 2 David Brooks, General Counsel Oil Conservation Division

Hopefully this matter can be handled in an informal manner without the need of a hearing in Santa Fe.

Thank you for your consideration of this request.

Very truly yours,

BURR & COOLEY

Joel B. Burr, Jr.

JBB/m