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SANTA FE, NEW MEXICO 87504-2265

April 29, 2002

VIA FACSIMILE

Mr. David K. Brooks, Esq.
Oil Conservation Division
1220 South Saint Frances Drive
Santa Fe, New Mexico 87505

Re: **PENROC OIL CORPORATION'S OPPOSITION
TO NEARBURG REQUEST TO CONTINUE
NMOCD Case 12820**
Application of Nearburg Exploration Company L.L.C.
for compulsory pooling, Lea County, New Mexico
W/2 Sec 5, T19S, R33E (Gem North "5" Federal Com Well No. 1)

Dear Mr. Brooks:

Once again, Nearburg Exploration Company, in an attempt to avoid having the Division grant OXY/Penroc's Motion to Dismiss this case, has today asked the Division to continue the reference case from May 2, 2002 to May 16, 2002.

Nearburg seeks to pool the W/2 of Section 5, T19S, R33E which includes the SW/4 which is already dedicated to a 320-acre spacing unit consisting of the S/2 of this section for Morrow production from Penroc Nellis Well No. 1. By letter dated April 25, 2002, I advised you that this well was capable of production 457 MCFPD.

The time has come for the Division to dismiss this application.

Very truly yours,


W. Thomas Kellahin

cc: Mr. Michael E. Stogner, Hearing Examiner
William F. Carr, Esq.
Attorney for Nearburg Exploration Company, Inc.
OXY USA WTP Lp.
Attn: Richard Foppiano
Penroc Oil Corporation
Attn: M. Y. "Merch" Merchant