

COTTON, BLEDSOE, TIGHE & DAWSON

A PROFESSIONAL CORPORATION  
ATTORNEYS AT LAW

500 W. ILLINOIS  
SUITE 300

MIDLAND, TEXAS 79701-4337  
P.O. BOX 2776 ZIP 79702-2776

TELEPHONE (432) 684-5782  
FAX (432) 682-3672  
WEB www.cbtd.com

1415 LOUISIANA  
SUITE 2100  
HOUSTON, TEXAS 77002-7351  
TELEPHONE (713) 759-9281  
FAX (713) 759-0458

RICK G. STRANGE  
BOARD CERTIFIED CIVIL TRIAL LAW  
BOARD CERTIFIED OIL, GAS & MINERAL LAW  
Writer's Direct #: (432) 685-8574  
Writer's Direct Fax #: (432) 684-3168  
Email: rstrange@cbtd.com

July 16, 2003

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

Re: Humble State #3 Tank Battery Site  
Lea County, New Mexico

Dear Mr. Brooks:

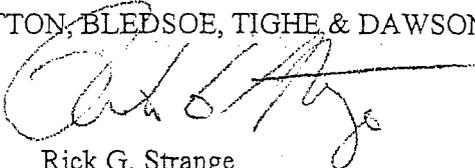
Thank you for your letter dated July 9<sup>th</sup>. I have reviewed that with my client and provide this response.

Your letter references Rule 313 and indicates this rule was originally adopted in 1950. That rule has been amended, as recently as May 15, 2000. We ceased operations on this lease in 1988. Any subsequent changes to the rule would not apply to us. I do not have the exact text of the rule as it existed in 1988, but even looking at its most current version, I fail to see where this provides your agency with the authority to order us to remediate a site that has not been used for 15 years. Accordingly, we must respectfully decline your request to submit a work plan. If you have any legal authority allowing your agency to retroactively impose this proposed requirement, I would appreciate the opportunity to review the same.

Very truly yours,

COTTON, BLEDSOE, TIGHE & DAWSON

By:

  
Rick G. Strange

RGS/sm

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 13142 Exhibit No. 18  
Submitted By:  
MaraLo  
Hearing Date: November 10, 2004