



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL

Cell: (505) 670-7362

Email: shall@montand.com

Reply To: Santa Fe Office

www.montand.com

June 3, 2011

Ms. Jami Bailey, Director
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

VIA HAND DELIVERY

RECEIVED OGD
2011 JUN -3 P 2:49

Re:

CASE 14655: Amended Application of Nearburg Producing Company for Designation of a Non-standard Spacing Unit, an Unorthodox Surface Location, Compulsory Pooling, and Cancellation of APD's Issued to Nadel and Gussman Permian, LLC, Eddy County, New Mexico.

CASE 14656: Amended Application of Nearburg Producing Company for Designation of a Non-standard Spacing Unit, an Unorthodox Surface Location, Compulsory Pooling, and Cancellation of APD's Issued to Nadel and Gussman Permian, LLC, Eddy County, New Mexico.

CASE 14623: Application of Nadel and Gussman Permian, L.L.C. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.

CASE 14624: Application of Nadel and Gussman Permian, L.L.C. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.

CASE 14625: Application of Nadel and Gussman Permian, L.L.C. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.

CASE 14626: Application of Nadel and Gussman Permian, L.L.C. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.

Dear Ms. Bailey:

This firm represents Nearburg Producing Company and Kellahin & Kellahin (Tom Kellahin) represents Nadel and Gussman Permian in all the above-referenced cases. Hinkle, Hensley, Shanor & Martin (Gary Larson) represents Yates Petroleum Company in

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Jami Bailey, Director
June 3, 2011
Page 2

Cases 14623, 14624 and 14625. All these cases involve the development of Section 7 T19S R26E and are currently set for hearing on the June 9, 2011 examiner hearing docket. However, that date presents scheduling conflicts for a number of witnesses. Accordingly, counsel have conferred and all are in agreement that these cases may be continued to the August 4, 2011 docket. Counsel are also in agreement that all cases may be consolidated for a single hearing.

Please continue these six cases to the August 4, 2011 examiner hearing docket.

Very truly yours,

A handwritten signature in black ink, appearing to read "J. Scott Hall", written in a cursive style.

J. Scott Hall

cc: David Brooks, Esq., NMOCD
W. Thomas Kellahin, Esq.
Gary Larson, Esq.
Russell Wickman, Nearburg Producing Company

{00247306-1}