

Brooks, David K., EMNRD

From: jamesbruc@aol.com
Sent: Tuesday, July 10, 2012 12:45 PM
To: Brooks, David K., EMNRD
Cc: agrankin@hollandhart.com
Subject: Re: Cases 14770 and 14771

Dvaid: I have discussed this with Adam, and the order on the Louisiana wells (Case 14770) needs a November 1, 2012 commencement date for the initial well. The other case (14771) can have a December 1, 2012 commencement date, because there is no expiring lease.

Jim

-----Original Message-----

From: Brooks, David K., EMNRD, EMNRD <david.brooks@state.nm.us>
To: jamesbruc <jamesbruc@aol.com>
Cc: agrankin <agrankin@hollandhart.com>
Sent: Mon, Jul 9, 2012 4:43 pm
Subject: Cases 14770 and 14771

At the hearing on June 25, you indicated that COG and Cimarex had agreed to entry of an order on these cases, subject to (1) November 1 date to commence drilling, (2) no extension w/o notice and hearing, and (3) COG would not have to pay drilling costs up front.

You also indicated you would draft an order, though I have not received one.

I can easily draft an order incorporating conditions (1) and (2), but would greatly prefer you handle (3) with a side agreement between Cimarex and COG because I doubt you would want to extend that courtesy to others, and it is awkward for us to include a provision that treats one pooled party different from others.

Please advise.

I am leaving on vacation on July 12; so if you both want an order on this with conditions (1) and (2), please let me know ASAP. I promise (subject to *force majeure*, to get the orders drafted before I leave if you let me know by noon Wednesday.

Thanks

David