

MILLER STRATVERT

PROFESSIONAL ASSOCIATION

Ranne B. Miller
Alice T. Lorenz
Stephen M. Williams
Stephan M. Vidmar
Seth V. Bingham
Timothy R. Briggs
Rudolph Lucero
Deborah A. Solove
Gary L. Gordon
Lawrence R. White
Virginia Anderman
Marte D. Lightstone
J. Scott Hall
Thomas R. Mack

Thomas M. Domme
Ruth O. Pregenzer
Jeffrey E. Jones
James J. Widland
Bradley D. Tepper
Robin A. Goble
James R. Wood
Dana M. Kyle
Kirk R. Allen
Ruth Fuess
H. Brook Laskey
Paula G. Maynes
Michael C. Ross
Gary Risley

M. Dylan O'Reilly
Jennifer D. Hall
Todd A. Schwarz
Nell Graham Sale
Scott P. Hatcher
Leonard D. Sanchez
Kelsey D. Green
Marcy Baysinger
Caroline Blankenship
Matthew S. Rappaport
Karen E. Wootton
Somer K. Chyz
Michael G. Duran
Roxanna M. Chacon

Joseph L. Romero
Kelly A. Stone

Counsel

James B. Collins
Terri S. Beach
Robert D. Taichert
Douglas A. Echols

Of Counsel

William K. Stratvert
Sharon P. Gross

Reply to Santa Fe

150 Washington Ave., Suite 300
Santa Fe, NM 87501

Mailing Address:
P.O. Box 1986
Santa Fe, NM 87504-1986

Telephone: (505) 989-9614
Facsimile: (505) 989-9857

May 19, 2005

Mr. Will Jones
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

RECEIVED

MAY 23 2005

OIL CONSERVATION
DIVISION

Re: NMOCDC Case No. 13487; Application of Preston Exploration Company for
Compulsory Pooling, Eddy County, New Mexico

Dear Mr. Jones:

In accordance with the request made by Ms. MacQuestan at the May 19, 2005 hearing in the above matter, enclosed are copies of (1) Trustee's Motion To Sell Real and Personal Property, (2) Order Approving Trustee's Motion To Sell, and (3) a copy of the Assignment and Conveyance of Oil and Gas Leases and Interests Therein. (In re: *Santa Fe Exploration Company*, U.S. Bankruptcy Court, Western District of Texas No. 96-31711-LK).

Although the Trustee's Assignment and Conveyance did not specifically describe the interest of Santa Fe Exploration Company in the lands that are the subject of Preston Exploration Company's compulsory pooling application, we are now satisfied that based on the documentation supplied, no third party is able to claim the interests in the subject lands that Cimarron Exploration Company claims to have acquired from the Santa Fe Exploration bankruptcy proceeding.

Should further information be required, please do not hesitate to contact me.

Very truly yours,

MILER STRATVERT P.A.

J. Scott Hall

J. Scott Hall

JSH/glb

Enclosures

cc: Gail MacQuestan, Esq. (w/encl.)
Jesse Blue (w/o encl.)

LAW OFFICES

ALBUQUERQUE
(505) 842-1950

FARMINGTON
(505) 326-4521

LAS CRUCES
(505) 523-2481

SANTA FE
(505) 989-9614