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2016 FEB 25 A 4: U8

February 25, 2016

David Catanach, Director New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505 **VIA HAND-DELIVERY**

Re: NMOCD Case No. 15441: Application of Nearburg Exploration Company, L.L.C., SRO2 LLC, and SRO3 LLC for an Accounting and Limitation on Recovery of Well Costs, and for Cancellation of Permit

to Drill, Eddy County, New Mexico

Dear Mr. Catanach:

This matter appears on the Docket notice for March 3, 2016. On behalf of the Applicants, I request that the hearing be continued to a special hearing date to be designated by the Division. In this regard, enclosed is a copy of my February 19, 2016 letter to the Examiners proposing alternative hearing dates.

Thank you.

Very truly yours,

J. Scott Hall

JSH:dl Enclosure

cc (via email): Florene Davidson, NMOCD

Will Jones, NMOCD

David Brooks, Esq., NMOCD

Michael Feldewert, Esq., Holland & Hart

Nearburg Exploration Co.

ioc: Sharon T. Shaheen, Esq.

REPLY TO:

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February 19, 2016

HAND-DELIVERY

Mr. William Jones New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505 David Brooks, Esq.
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: NMOCD Case No. 15441: Application of Nearburg Exploration Company, L.L.C., SRO2 LLC, and SRO3 LLC for an Accounting and Limitation on Recovery of Well Costs, and for Cancellation of Permit to Drill, Eddy County, New Mexico.

Gentlemen:

I raise two matters regarding the referenced Application which is presently set for hearing on March 3, 2016:

Special Hearing Date: At the February 3, 2016 pre-hearing conference, it was discussed that a special hearing date be established. The Applicants propose that the matter be set for a full day hearing on one of the following days: March 22nd, 23rd or 24th.

Subpoenaed Documents and Materials: A Subpoena Duces Tecum issued by the Division was served on COG on December 18, 2015. COG subsequently filed its Motion to Quash Subpoena which was argued and then denied by the Examiners on February 3, 2016. Since that time, COG has been unresponsive to efforts to gain their compliance with its discovery obligations. Applicants accordingly request that the Division direct COG to deliver the Subpoenaed Documents and Materials on or before February 29, 2016.

Mr. William Jones David Brooks, Esq. February 19, 2016 Page 2

Thank you for your consideration of these requests.

Very truly yours,

J. Scott Hall

JSH:dI

cc (via email): Michael Feldewert, Esq., Holland & Hart

Nearburg Exploration Co.

Scotty Holloman, Esq., Maddox, Holloman & Moran PC

David Harper, Esq., Haynes & Boone

loc:

Sharon T. Shaheen