



New Mexico Energy, Minerals and Natural Resources Department

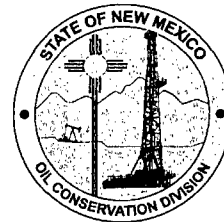
Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
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Deputy Cabinet Secretary

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Mark Fesmire
Division Director
Oil Conservation Division



July 8, 2008

Mr. Terry Warnell, Hearing Examiner
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Re: Case No. 14137, Application for a Compliance Order Against Calvin F. Tennison

Dear Mr. Warnell,

The Oil Conservation Division (OCD) respectfully requests that Case No. 14137, currently scheduled for July 10, 2008, be re-set for the August 21, 2008 docket.

This matter was originally heard on June 12, 2008. At the hearing, the OCD presented evidence of its unsuccessful attempts to contact the operator of record for the wells at issue: Mr. Calvin F. Tennison. The OCD believes Mr. Tennison is deceased.

The examiner hearing the case requested that notice also be sent to Bill and Patsy Rich, whose names appeared in the well file, to determine if they wanted to assert an interest in the wells. The case was continued until July 10, 2008 to give the OCD time to notify Bill and Patsy Rich.

The OCD sent notices to Bill and Patsy Rich and to "Sisters LLC," an entity whose name also appears in the well files. The notice sent to Patsy Rich was returned, marked "refused." The OCD received green return receipt cards for the notices sent to Bill Rich and Patsy Rich. A copy of the notice is attached, with copies of the returned envelope and the two green return receipt cards.

Sisters LLC responded to the notice with a letter explaining the history of the well transfers after Mr. Tennison's death, and stating that the current interest owner is Master Energy Resources Inc. A copy of the letter is attached.

Undersigned counsel contacted Master Energy Resources Inc., and they have confirmed that they are in the process of becoming the operator of record for the wells, under the name "Master Energy Resources, LLC."



The OCD requests that the hearing in this matter be continued until August 21, 2008 to give Master Energy Resources, LLC time to become the operator of record for the wells. If the wells are transferred to Master Energy Resources, LLC, the plugging case against Calvin F. Tennison will be dismissed.

Very truly yours,



Gail MacQuesten

Assistant General Counsel

Encl: Notice of Hearing, dated June 13, 2008
Returned envelope and green cards
Letter from Sisters, LLC dated June 19, 2008

Cc w/encl: Sisters, LLC
Master Energy Resources
Bill Rich

Ec w/o encl: Daniel Sanchez, Compliance and Enforcement Manager
Tim Gum, Artesia District Office
Gerry Guye, Artesia District Office