

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



August 11, 2008

Mr. J. Scott Hall
Montgomery & Andrews
325 Paseo de Peralta
Santa Fe, New Mexico 87501

Re: ***NMOCC Case No. 14134; Application of the Board of County Commissioners, Rio Arriba County, New Mexico; and***

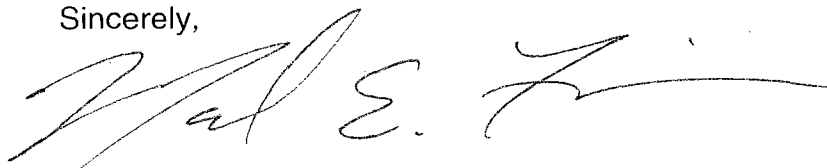
NMOCC Case No. 14141; Application of Approach Operating, LLC, Rio Arriba County, New Mexico; Order No. R-12976

Dear Mr. Hall:

In response to your letter of August 5, please be advised as follows:

It was the intention of the Director that the effect of Order No. R-12976 was to suspend the operation of the permits to drill pending the outcome of Oil Conservation Commission Hearings on those permits. As such, it can be correctly assumed that any condition or requirement of the operator is tolled pending that outcome.

Sincerely,



Mark E. Fesmire, PEJD
Director, OCD

cc: Charlie Perrin
Adan Trujillo,
Cheryl Bada



COUNSEL EMERITUS
William R. Federici

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August 5, 2008

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Reply to Santa Fe Office

HAND DELIVERED

Mr. Mark Fesmire, Director
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: *NMOCC Case No. 14134; Application of the Board of County
Commissioners, Rio Arriba County, New Mexico; and*

*NMOCC Case No. 14141; Application of Approach Operating, LLC,
Rio Arriba County, New Mexico; Order No. R-12976*

Dear Mr. Fesmire:

Previously, the Division approved Applications for Permits to Drill for the following three wells, and one other, submitted by Approach Operating LLC:

Sultemeier No. 1
API No. 30-039-30342

Sena No. 1
API No. 30-039-30386

Sena No. 2
API No. 30-039-30394

Order No. R-12976 issued on July 18, 2008 provides that the permits to drill for these wells are suspended pending the decision of the Oil Conservation Commission in Case No. 14134. Approach Operating LLC will file with the Division's District 3 office

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