

COUNSEL EMERITUS
William R. Federici

MONTGOMERY & ANDREWS
PROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS AT LAW

J.O. Seth (1883-1963)
A.K. Montgomery (1903-1987)
Frank Andrews (1914-1981)
Seth D. Montgomery (1937-1998)

Victor R. Ortega
Gary Kilpatrick
Thomas W. Olson
Walter J. Melendres
John B. Draper
Nancy M. King
Sarah M. Singleton
Stephen S. Hamilton
Edmund H. Kendrick
Louis W. Rose
Randy S. Bartell

Paul E. Houston
Kevin M. Sexton
Jeffery L. Martin
Alexandra Corwin Aguilar
Jeffrey J. Wechsler
Shannon A. Parden
Brian T. Judson
Susan R. Johnson
Holly Agajanian
Sharon T. Shaheen
Jaime R. Kennedy

OF COUNSEL
Joe A. Sturges
J. Scott Hall
Suzanne C. Odom
Earl Potter, P.A.

325 Paseo de Peralta
Santa Fe, New Mexico 87501

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

Telephone (505) 982-3873
Fax (505) 982-4289

ALBUQUERQUE OFFICE

6301 Indian School Road, N.E.
Suite 400
Albuquerque, New Mexico 87110

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Telephone (505) 884-4200
Fax (505) 888-8929

www.montand.com

Reply to Santa Fe Office

July 23, 2008

HAND-DELIVERED

Mr. Mark Fesmire, Chairman
New Mexico Oil Conservation Commission
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

Dear Mr. Fesmire:

On behalf of Approach Operating, LLC, we request a pre-hearing conference pursuant to Rule 1214.B in order to obtain guidance on the following matters:

1. The conduct of the expected hearing before the Commission in Case Nos. 14134 and 14141. It is my reading of Order No. R-12976 that this will not be a *de novo* proceeding. Consequently, it would be helpful to know whether the Commission intends to utilize the existing record from the June 20-23, 2008 examiner hearing or if the creation of a new record is preferred. *It will be a de novo hearing.*
2. Whether the Commission intends to hold the hearing in Case Nos. 14134 and 14141 before or after the anticipated formal rulemaking proceeding pursuant to the Governor's July 21, 2008 directive to the Division to propose new rules to protect water resources, human health and the environment for the eastern half of Rio Arriba County.

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Mr. Mark Fesmire, Chairman
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3. Whether we correctly assume the approved APD's that are the subject of Case No. 14134 continue to be suspended and the processing of the APD's that are the subject of Case No. 14141 are also stayed for the pendency of the rulemaking.

With respect to this last issue, we respectfully request the agency's guidance by Monday, July 28, 2008.

Thank you for your attention to this matter. I am available to attend a pre-hearing conference any day this week.

Very truly yours,

A handwritten signature in black ink, appearing to read "J. Scott Hall", written in a cursive style.

J. Scott Hall

JSH/mb

cc: Ted Trujillo, Esq. and Adan Trujillo, Esq. (via fax)
Cheryl Bada, Esq. (via hand-delivery)