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May 10, 2010

Ms. Florene Davidson N.M. Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505 Via Fax 505-476-3462

RE: NMOCD Case No. 14472: In the Matter of the Application of COB Operating, LLC for Cancellation of Operator's Authority and Termination of Spacing Units, Yeso Energy, Inc. Dow "B" 28 Federal Well No. 1, Eddy County, New Mexico

Dear Ms. Davidson:

The Reply of Yeso Energy, Inc. to the Response of COG Operating, LLC is enclosed.

Very truly yours,

Phil Brewer

PB:cp

Enclosure

cc: Gail MacQuesten, Esq. gmacquesten@state.nm.us

J. Scott Hall, Esq. shall@montand.com

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## STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF COG OPERATING, LLC FOR CANCELLATION OF OPERATOR'S AUTHORITY AND TERMINATION OF SPACING UNITS, YESO ENERGY, INC., DOW "B" 28 FEDERAL WELL NO. 1, EDDY COUNTY, NEW MEXICO.

CASE NO. 14472

## REPLY OF YESO ENERGY, INC. TO COG OPERATING, LLC'S RESPONSE TO REQUEST FOR CONTINUANCE

Yeso Energy, Inc., through the undersigned counsel, replies as follows:

- 1. Yeso submits that there are significant due process concerns associated with considering its Request for Continuance to be "untimely" when it first received notice of this proceeding on May 3, 2010 and filed the request in question four days later. Yeso had no meaningful opportunity to participate in the filing of a pre-hearing statement in this case.
- 2. As is alluded to in COG's Response, the instant proceeding has been preceded by considerable action before the Division and said action requires the assistance of counsel with more expertise of Division proceedings than that possessed by the undersigned counsel.
- 3. Diligent efforts are being made by the undersigned counsel to obtain assistance for Yeso in responding to the application in this case and said efforts will continue. Stated simply, the pending Request for Continuance is not offered as a means of delay.

WHEREFORE, Yeso respectfully asks that this matter be continued.

Respectfully submitted,

PHIL EREWER
ADRIANN RAGSDALE
P.O. Box 298
Roswell, New Mexico 88202
(575) 625-0298
Attorneys for Yeso Energy, Inc.

## Certificate of Service

I hereby certify that a true and correct copy of the foregoing was emailed to counsel of record on the  $10^{\rm th}$  day of May, 2010, as follows:

Gail MacQuesten, Esq. NMOCD, 1220 S. St. Francis Dr. Santa Fe, NM 87505 gmacquesten@state.nm.us

J. Scott Hall, Esq. P.O. Box 2307, Santa Fe NM 87504 shall@montand.com

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