OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

April 6, 2000

J. Scott Hall Miller, Stratvert & Torgerson, P.A. P. O. Box 1986 Santa Fe, New Mexico 87504-1986

Re: Division Case No. 12086 - Application of Energen Resources

Corporation, et al. for allowable reduction, Lea County, New

Mexico.

Dear Mr. Hall:

Per your letter dated April 5, 2000, your request to continue this matter "indefinitely" is a practice that the Division has recently been attempting to discourage due to unfavorable consequences experienced in the past. At the April 6, 2000 hearing I continued this case to the August 10, 2000 hearing at which time you can either dismiss this matter, if all parties have agreed to changes in the Unit Agreement, or continue it again for an adequate period of time for these changes to be ratified. An indefinite period of time will not be considered adequate.

Thank you for your cooperation and understanding.

Sincerely,

Michael E. Stogner

Chief Hearing Officer/Engineer

cc:

Ms. Lyn Hebert, Legal Counsel - NMOCD, Santa Fe

Ms. Lori Wrotenbery, Director - NMOCD, Santa Fe

Ms. Florene Davidson, Staff Specialist - NMOCD, Santa Fe

William F. Carr - Santa Fe

W. Thomas Kellahin - Santa Fe

Paul Cooter - Albuquerque