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HAND DELIVERED

Mr. David R. Catanach
Hearing Examiner
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: *Cases 11730-11735 Applications of Penwell Energy, Inc. for compulsory pooling,
Lea County, New Mexico*

Dear Mr. Catanach:

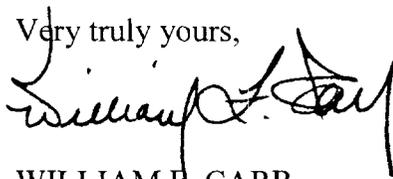
Penwell Energy, Inc. opposes any further continuances of the hearing in the above referenced cases which are now set for hearing on May 15, 1997.

These applications were filed in January 1997 and originally scheduled for hearing on February 20, 1997. Burlington's first request for continuance was filed on February 18, 1997. At that time, Burlington advised the Division that additional time was necessary to permit the Commission to render its decision in consolidated cases 11613 and 11622 and furthermore a continuance would provide additional time to attempt settlement of this dispute. At Burlington's request the cases have subsequently been continued to March 20, 1997, April 3, 1997, April 17, 1997 and May 15, 1997. Burlington has been afforded ample time to either pursue settlement of this matter or prepare for hearing.

Penwell has been prepared to go to hearing for months and its plans for the development of this acreage have been delayed long enough. We submit that Burlington's request for another continuance is unreasonable and must be denied.

Penwell has another case on the May 15, 1997 docket. Our witnesses will be in Santa Fe to present our cases on May 15 and, unless otherwise directed by you, will be ready to present our evidence in consolidated cases 11730 through 11735 at 8:15 a. m. on May 15, 1997.

Very truly yours,

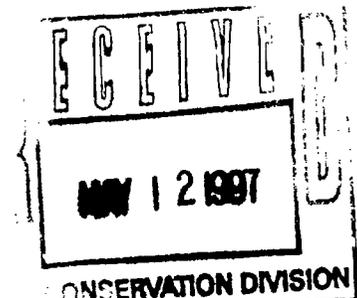


WILLIAM F. CARR

cc: Mark Wheeler
James Bruce, Esq.
Leslyn Swierc



May 12, 1997



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