



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

June 20, 1997

Certified Mail
Return Receipt Requested

Hanson Energy
R.342 S. Haldeman Rd.
Artesia, NM 88210

Gulf Insurance Company
P. O. Box 1771
Dallas, TX 75221

RE: Case No. 11811

Application of the New Mexico Oil Conservation Division for a Show Cause Hearing requiring Hanson Energy and Gulf Insurance Company and other interested parties to appear and show cause why seventeen wells located in Township 18 South, Range 28 East and Townships 17 South, Ranges 27 and 28 East, Eddy County, NM should not be plugged and abandoned

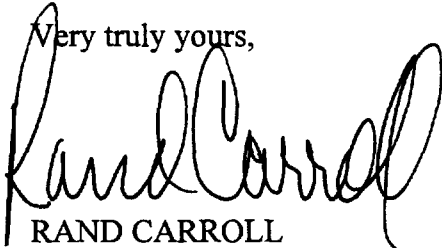
Dear Sir/Madam:

This letter is to advise you that the New Mexico Oil Conservation Division has filed the enclosed application seeking a Show Cause Hearing requiring Hanson Energy and Gulf Insurance Company and other interested parties to appear and show cause why the above-referenced well should not be ordered plugged and abandoned.

This application has been set for hearing before an Examiner of the Oil Conservation Division on July 10, 1997. You are not required to attend this hearing, but as an owner of an interest that may be affected by an order issued in this case, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90--- Enclosed) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "Rand Carroll". The signature is fluid and cursive, with the first name "Rand" and last name "Carroll" clearly distinguishable.

RAND CARROLL

ATTORNEY FOR THE NEW MEXICO OIL CONSERVATION DIVISION

Enclosures

cc: Tim Gum, OCD Artesia
Ray Smith, OCD Artesia