

CONDOR EXPLORATION, INC.
P. O. BOX 8834
MIDLAND, TEXAS 79708
915 684-5544

August 7, 1997

Mr. David Catanach, Hearings Examiner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87504

RE: Application of Paloma Resources, Inc.--Case No.
11821

Dear Mr. Catanach:

In connection with the captioned matter I am attaching a letter dated July 11, 1997, received Saturday, August 2, 1997 from Jim Pierce, a copy of which is attached hereto. You will note that the first paragraph of the letter refers to "previous correspondence" and "I, again, ". The second paragraph refers to "As mentioned in the previous correspondence".

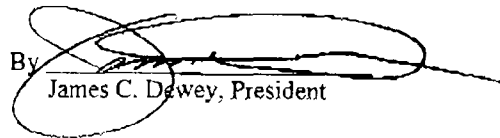
The attached letter of July 11th is the only contact with us. There has been no effort by Mr. Pierce nor Paloma Resources, Inc. to make a good faith effort to obtain our joinder, or any other participation in the proposed re-entry other than the July 11, 1997 letter which would appear to have been mailed at a time designed to avoid appropriate notice so that interested parties could attend the hearing.

Efforts have been made the past two days to contact Mr. Pierce, but no one answers, and there is no answering machine. We do not know of Palomas or their location so that we have been unable to contact them.

We believe this is unfair, and that you should be advised of this matter.

Sincerely yours,

CONDOR EXPLORATION, INC.

By 
James C. Dewey, President

xc: Mr. Jim Pierce
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Petroleum Building
200 West First
Roswell, New Mexico 88201
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