

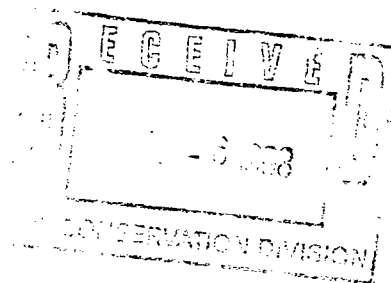
JAMES BRUCE

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July 2, 1998

Via Fax and U.S. Mail

Michael E. Stogner
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

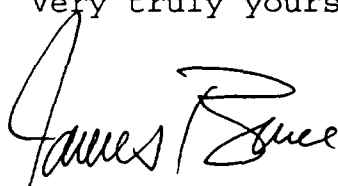
WTS.

Re: Cases 11998 and 11999; Applications of Costilla Energy,
Inc., Eddy County, New Mexico

Dear Mr. Stogner:

Please dismiss the above cases. Thank you.

Very truly yours,


James Bruce

Attorney for Costilla Energy, Inc.

cc: W. Thomas Kellahin (via fax)