



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

August 21, 2000

Gallegos Law Firm, P. C.

Attn: J. E. Gallegos

460 St. Michael's Drive - Building 300

Santa Fe, New Mexico 87505

Telefax No. (505) 986-1367

Miller, Stratvert & Torgerson, P.A.

Attn: Scott Hall

P. O. Box 1986

Santa Fe, New Mexico 87504-1986

Telefax No. (505) 989-9857

Re: Case No. **12,479**: Application of Pendragon Energy Partners, Inc. for approval pursuant to New Mexico Oil Conservation Commission ("Commission") Order No. R-11133-A to restore to producing status its Chaco Well No. 2-R (**API No. 30-045-23691**) located 1850 feet from the South and West lines (Unit K) of Section 7, Township 26 North, Range 12 West, NMPM. WAW-Fruitland Sand-Pictured Cliff Pool, San Juan County, New Mexico.

Dear Messrs. Gallegos and Hall:

Reference is made to the following: (i) Mr. Gallegos' motion (dated August 14, 2000), on behalf of Whiting Petroleum Corporation and Maralex Resources, Inc., to dismiss, or alternatively, for stay of the above-referenced case; and (ii) Mr. Hall's response dated August 21, 2000.

Division Case No. 12,479 is hereby stayed pending appeal of Commission Order No. R-11133-A.

Sincerely,

Michael E. Stogner

Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Aztec
Case File 12,479
Lori Wrotenbery, Director - NMOCD, Santa Fe
Lyn Hebert - Legal Counsel, NMOCD, Santa Fe