



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

July 24, 2001

Mr. James Bruce
Attorney at Law
Post Office Box 1056
Santa Fe, New Mexico 87504

Dear Mr. Bruce:

Based upon the reasons stated in your letter of July 9, 2001, and in accordance with the provisions of Division Order No. R-11566, Ocean Energy Resources, Inc. is hereby granted a suspension of time until Yates Petroleum Corporation's De Novo appeal is resolved in which to commence drilling the well pooled by this order.

Sincerely,

LORI WROTENBERY
Division Director

fd/

cc: William F. Carr
Case Nos. 12535, 12567, 12569, and 12590
OCD - Hobbs

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

3304 CAMINO LISA
HYDE PARK ESTATES
SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)

OIL CONSERVATION DIV.
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July 9, 2001

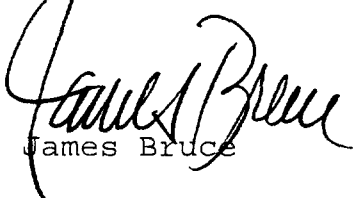
Lori Wrotenbery
Oil Conservation Commission
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Case Nos. 12535, 12567, 12569, and 12590 *de novo* (Ocean
Energy Resources, Inc./Yates Petroleum Corporation)

Dear Ms. Wrotenbery:

Order No. R-11566, entered in the above case, requires that a well be commenced by July 15, 2001. Ocean Energy requests that the commencement date be stayed or suspended during the pendency of the appeal. I have conferred with Mr. Carr, and he does not object to this request. Thank you.

Very truly yours,



James Bruce

Attorney for Ocean Energy Resources, Inc.

cc: William F. Carr