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April 10, 2001

OIL CONSERVITION DIV. 01 APR 10 PM 4: 15

Hand Delivered

Florene Davidson Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Case 12654

Dear Florene:

Enclosed are an original and one copy of an application for compulsory pooling, and a proposed advertisement, filed on behalf of Chi Energy, Inc. Please set this matter for the May 3, 2001 Examiner hearing. Thank you.

The application and advertisement are also on the enclosed disk under "CHI."

Very truly yours,

James Bruce

Attorney for Chi Energy, Inc.