

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Betty Rivera Cabinet Secretary Lori Wrotenbery Director Oil Conservation Division

July 8, 2002

Hon. Michael E. Stogner Hearing Examiner Oil Conservation Division 1220 S. St. Francis Dr. Santa Fe, NM 87505

Re: Case No. 12739-A

Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring One Hundred Nineteen (119) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; San Juan, Rio Arriba, Sandoval and McKinley Counties, New Mexico.

Dear Mr. Stogner:

Several of the operators involved in this proceeding have now restored all of their wells to compliance. The others are believed to be making satisfactory performance, in view of rig availability and other factors.

In view of the new continuance policy, the Division hereby requests that Case No. 12739-A be dismissed without prejudice.

Very truly yours,

David K. Broske

David K. Brooks Assistant General Counsel

cc: Lori Wrotenbery, OCD Florene Davidson, OCD Charlie Perrin, OCD Aztec J. Scott Hall James G. Bruce