

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Carol Leach Acting Cabinet Secretary

January 22, 2002

Lori Wrotenbery Director Oil Conservation Division

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:

At the request of the District Supervisor of District III, the Division moves for dismissal of certain respondents from the captioned proceeding, and for continuance to the April 18, 2002 Examiner docket as to those remaining.

The following operators have brought their wells into compliance and should be dismissed:

Chaparral Energy, Inc. Phoenix Hydrocarbons Operating Corp. Manana Gas Inc. R-J Enterprises

The District Supervisor represents that all of the remaining operators are int the process of achieving compliance, and requests a further 90-day continuance so that their progress in this respect can continue to be monitored.

Very truly yours,

David K. Burks

David K. Brooks Assistant General Counsel

cc: Florene Davidson, OCD J. Scott Hall James G. Bruce