

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285

TELEFAX (505) 982-2047

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

January 3, 2002

VIA FACSIMILE

David K. Brooks, Esq.
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: NMOCD Case 12775
Big "D" State Well No. 1
Lots 3-6, 11-14 of Irregular Section 6, T16S, R34E
Application of Concho Oil & Gas Corp.
for compulsory pooling, an unorthodox oil location
and various non-standard gas proration units
Lea County, New Mexico

Dear Mr. Brooks:

On behalf of Concho Oil & Gas Corp., I presented the referenced case to you at the Division Examiner hearing held on December 16, 2001.

This case included a request to consider incorporating "special operating provisions" into the pooling order. While Concho supports the Division's efforts to update its pooling orders by including such provisions, it is concerned that its request to do so in this case might delay the issuance of an order.

For your information, Concho has a rig available in the next few weeks and would like to withdraw its request for incorporating "special operating provisions" in this case in order if it will expedite the issuance of an order.

Very truly yours,



W. Thomas Kellahin

cc: Concho Oil & Gas Corp.
Attn: Mike Gray