



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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January 8, 2002

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VIA FACSIMILE AND U.S. MAIL

Re: Case No. 12787
Application of Chesapeake Operating, Inc.
for Compulsory Pooling; Lea County,
New Mexico

Gentlemen:

I have before me Southwest Energy Production Company's Motion for Continuance of the hearing scheduled for Thursday, January 10, 2002, in the captioned matter, and Chesapeake Operating Inc.'s Opposition thereto.

It seems appropriate that Southwestern should be allowed an opportunity to present its competing proposal, even if it takes issue only with Chesapeake's operation of the proposed well. However, Inasmuch as Southwestern has not filed its application, delay should be minimized in the event Southwestern fails to file as suggested.

Accordingly, this case will be continued to the Hearing Docket on Thursday, January 24, 2002. If Southwestern files a competing application, it will then be consolidated with this case, which will then be further continued to February 7, 2002. If Southwester fails to file its application by Tuesday, January 15, the hearing on Cheapeake's application will proceed on January 24.

Should you have any questions, please call me at (505)-476-3450.

Very truly yours,

A handwritten signature in black ink, appearing to be 'DKB' or similar, written in a cursive style.

David K. Brooks
Assistant General Counsel
Division Hearing Examiner