



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor
Betty Rivera
Cabinet Secretary

April 1, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Mr. Tom Kellahin
Kellahin and Kellahin
117 North Guadalupe
P.O.Box 2265
Santa Fe, NM 87504-2265

Mr. James Bruce
3304 Camino Lisa
P.O.Box 1056
Santa Fe, NM 87504

Mr. Ernest Carroll
Losee, Carson, Haas & Carroll, P.A.
P.O.Box 1720
Artesia, NM 88211-1720

Re: Case No. 12816; Application of TMBR/Sharp Drilling, Inc.
Case No. 12841; Application of Ocean Energy, Inc.

Gentlemen:

I concur with Mr. Kellahin's observation (in his letter of March 27) that these applications cannot be properly addressed by the Division until the Commission resolves the appeal it heard on March 26. Accordingly, the captioned cases will be continued to the May 2, 2002 Examiner docket.

Regarding the effect of TMBR/Sharp prevailing at the Commission level on the pending applications, and the need for a special examiner hearing, I invite response.

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

Very truly yours,

David K. Brooks
Assistant General Counsel

cc: Hon. David R. Catanach