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OIL CONSERVATION DIV.
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July 16, 2002

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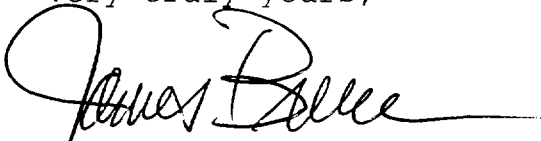
David Catanach
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Case No. 12875/Texakoma Oil & Gas Corporation

Dear Mr. Catanach:

Enclosed are two copies each of Texakoma Exhibits 4, 5, and 6 presented at hearing.

Very truly yours,



James Bruce

Attorney for Texakoma
Oil & Gas Corporation

cc: Steve Brenner w/encl.
Paul Owen w/encl.

Stogner, Michael

From: Stogner, Michael
Sent: Friday, July 19, 2002 8:10 AM
To: Stogner, Michael; 'Tommy Sprinkle'
Cc: 'Jim Bruce (E-mail)'; Catanach, David; Ezeanyim, Richard; Wrotenbery, Lori; 'Paul R. Owen (E-mail)'; Brooks, David K
Subject: RE: Exception Location Application-Texakoma BlackHills #16-1

Correction: Originally filing date was "May 15, 2002" not "2001." I apologize for the confusion.

-----Original Message-----

From: Stogner, Michael
Sent: Friday, July 19, 2002 8:03 AM
To: 'Tommy Sprinkle'
Cc: Jim Bruce (E-mail); Catanach, David; Ezeanyim, Richard; Wrotenbery, Lori; Paul R. Owen (E-mail); Brooks, David K
Subject: RE: Exception Location Application-Texakoma BlackHills #16-1

Mr. Sprinkle,

As you are aware the application (Administrative Application Reference No. pKRV0-213545806) that you refer to was initially filed on May 15, 2001. On May 13, 2002 (2 days before the application was received by the Division) an objection was filed by Dugan Production Corp. This application was then set for an Examiner's hearing scheduled for June 13, 2002 (see my letter to you dated May 21, 2002). On June 7, 2002 your legal counsel, Mr. Jim Bruce, requested a continuance to the June 26th docket. Examiner David R. Catanach heard this disputed case at that time. As I understand it took approximately three hours for this case to be heard. The transcript in this matter has not been provided the Division due to the three days of hearings in Farmington last week. I of course can not speak for the examiner nor management but I expect a decision will not be made at this time in the next week. Further, I am not in a position to provide you an answer at this time.

Since this matter was contested (please see Rule 1223 concerning Ex Parte Communications) I suggest you contact Mr. Bruce for any additional information.

Thank you for your continued cooperation.

Michael Stogner

-----Original Message-----

From: Tommy Sprinkle [mailto:tls2@airmail.net]
Sent: Friday, July 19, 2002 7:12 AM
To: Stogner, Michael
Subject: Exception Location Application-Texakoma BlackHills #16-1

Mr. Stogner,

Please advise if a decision has been reached yet on the above referenced application for Texakoma Oil & Gas Corporation.

The drilling rig will be available to us next week and we would like to drill 3 wells back-to-back when we get started, including the BlackHills #16-1. I know your schedule has been busy, but if you could check on the application to see if and when a decision might be made.

Sincerely,

Tom Sprinkle
Drilling Manager