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* NEW MEXICO BOARD OF SPECIALIZATION RECOGNIZED SPECIALIST IN NATURAL RESOURCES - OIL & GAS LAW
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August 21, 2002

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, New Mexico 87505

Re: NMOCD Case No. 12890; Application of Permian Resources, Inc. for Compulsory
Pooling and Unorthodox Well Location, Lea County, New Mexico

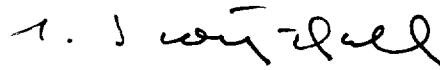
Dear Mr. Stogner:

Enclosed is the Applicant's Motion for Continuance seeking to continue the hearing in this matter from the August 22, 2002 to the September 5, 2002 examiner hearing docket. I regret the last-minute nature of the motion. I have been out of town and until today was unaware of the Applicant's need to seek a continuance.

Thank you for your consideration of this request.

Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.



J. Scott Hall

JSH/glb

cc: Mr. Will Porter

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE APPLICATION OF PERMIAN
RESOURCES, INC. FOR COMPULSORY POOLING
AND UNORTHODOX WELL LOCATION
LEA COUNTY, NEW MEXICO**

CASE NO. 12890

MOTION FOR CONTINUANCE

Applicant, Permian Resources, Inc., moves pursuant to the Division Director's June 17, 2002 advisory memorandum to continue the hearing on its Application from the August 22, 2002 Examiner hearing docket to the September 5, 2002 docket. As grounds, Permian states:

The Application in this case was filed on June 18, 2002 and was first set for hearing on July 11, 2002. At the time of the filing, it was not known to the Applicant that the July 11th hearing docket would be held in Aztec, New Mexico, and consequently, Applicant requested the matter be rescheduled to the next regularly scheduled hearing docket in Santa Fe on August 1st.

On July 29, 2002, Applicant again requested the matter be continued to the August 22, 2002 docket. In that circumstance, additional time was needed to ascertain the ownership of the offsetting mineral interests potentially affected by Applicant's proposed unorthodox well location. Applicant now seeks to have the matter continued one additional time to the September 5, 2002 examiner hearing docket for the reason that an unanticipated business delay has caused a scheduling conflict that prevents the Applicant's geologic witness from attending.

Applicant has determined that geologic testimony is needed to address, among other things, the issue of risk in the context of the compulsory pooling aspect of the case, as well as the geologic justification for Applicant's proposed unorthodox well location. Applicant feels that it

cannot present sufficient evidence for the Division to make a fully informed decision absent the geologists testimony.


Applicant also encountered significant unanticipated difficulties in ascertaining the ownership of the acreage offsetting the unorthodox well location. That acreage consisted of unleased, highly-fractioned mineral interests owned by individuals located throughout the United States, Australia and Europe. A dismissal of the instant Application, followed by a re-filing for a new case would require Applicant to incur the additional time, effort and expense of issuing new notice to all of those numerous mineral interest owners for a hearing on an identical application on September 19th.

No other party has entered an appearance in this case and the matter is believed to be unopposed. Consequently, no party will be prejudiced by an additional continuance.

WHEREFORE, Applicant requests the hearing on this Application be continued to the September 5, 2002 examiner hearing docket.

MILLER, STRATVERT & TORGERSON, P.A.

By: _____


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