



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor
Betty Rivera
Cabinet Secretary

July 30, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Hon. David R. Catanach
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

**Re: Case No. 12896; Application of the New Mexico Oil Conservation Division
for an Order Requiring Xeric Oil & Gas Corporation to Bring One Hundred
Twenty-Five (125) Wells into Compliance with Rule 201.B, and Assessing
Appropriate Civil Penalties; Lea, Roosevelt and Eddy Counties, New Mexico**

PRE-HEARING STATEMENT

Dear Examiner Catanach:

The undersigned, as counsel for the Division anticipates presenting the captioned case on August 1, 2002. No appearance has been filed for respondent, Xeric Oil & Gas Corporation, and I have not been contacted by anyone representing respondent.

The Division will have no witness, but will offer two or three exhibits consisting of print-outs from Division records. Anticipated time - 5 minutes.

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

Very truly yours,

David K. Brooks
Assistant General Counsel