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

IN THE MATTER OF THE APPLICATION OF RICKS EXPLORATION INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO.: 12902

MOTION FOR CONTINUANCE

Matrix Production Company, by and through counsel, Paul R. Owen, Esq., requests that the Oil Conservation Division continue this case until the Division Docket currently scheduled for September 5, 2002, and in support of this Motion states:

- 1. Matrix Production Company ("Matrix") is an owner of mineral interests subject to the compulsory pooling requested by the Applicant.
- 2. The individual with the appropriate knowledge and expertise necessary to offer evidence on behalf of Matrix is out of the country until the second week in August.
- 3. Because of the unavailability of the key witness expected to be called by Matrix, Matrix is unable to effectively prepare for the hearing currently scheduled on August 1, 2002, and will be unable to adequately present its case on that date.
- 4. Matrix has recently learned that the interests of the Applicant, Ricks Exploration Inc. ("Ricks") in the lands subject to pooling in this case have been sold to another company, or that the assets of Ricks have been sold to such other company. However, as of yet, Matrix has been unable to determine the nature of such a transaction or assess the appropriateness of Ricks' successor in interest's proposed operation of the lands subject to pooling.
 - 5. Matrix and the Ricks are adversaries in pending litigation, New Mexico State

District Court, Fifth Judicial District No. CV-2002-55C, Matrix Production Company v. Ricks

Exploration, Inc. A potentially dispositive Motion in that case is currently scheduled to be heard

by the District Court on Monday, August 5, 2002, the outcome of which may affect the parties'

positions in this case. It is probable that the Court will issue a ruling on such Motion before the

Division docket scheduled for September 5, 2002.

6. On Wednesday, July 24, 2002, Counsel for Matrix spoke with counsel for Ricks

about this requested continuance. Counsel for Ricks was unable to indicate whether Ricks would

agree or oppose the requested continuance.

Therefore, because Matrix will be unable to prepare for or adequately represent its interests

at the August 1, 2002 hearing, and because the recent sale of Ricks and the impending hearing in

the pending litigation between the parties may affect the parties' positions in this pooling case,

Ricks respectfully requests that the Division grant a continuance of this matter to the Division

docket currently scheduled for September 5, 2002.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By: -

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ATTORNEYS FOR MATRIX PRODUCTION

COMPANY

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CERTIFICATE OF SERVICE

I hereby certify that on this 26th day of July, 2002, I have caused a copy of this Motion for Continuance in the above-captioned case to be served via facsimile and first-class U.S. Mail upon the following named parties:

James Bruce, Esq.
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facsimile (505) 982-2151
Attorney for Applicant Ricks Exploration, Inc.

Paul R. Owen