

BEFORE THE
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF
DAVID H. ARRINGTON OIL AND GAS, INC.
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

CASE NO. 12962

MOTION FOR CONTINUANCE

Applicant, David H. Arrington Oil and Gas, Inc., ("Arrington"), through its counsel, moves pursuant to Division Rule 1209 and the Division Director's June 17, 2002 Memorandum, that the hearing on this Application, now set for December 19, 200~~2~~², be continued to the next regularly scheduled Division Examiner hearing docket in 2003. As grounds for this motion, Applicant states:

Arrington first proposed the drilling of its Gold Stonefly Fed Com 12 No. 1 well to the other interest owners in the W/2 of Section 12, T-18-S, R-24-E on June 8, 2002 and has diligently pursued negotiations for a voluntary agreement ever since. On August 27, 2002, Arrington filed its first application for compulsory pooling in Case No. 12926, and believing that agreement for the participation of the other interest owners had been reached, dismissed the case on September 11, 2002. Subsequent events necessitated the filing of a new compulsory pooling application for the same well and lands in this case on October 15, 2002. While negotiations were ongoing, the hearing on the Application, originally set for November 14th, was continued to December 5th, and again to December 19th.

Arrington has continued to make a diligent effort to obtain the voluntary agreement of the other interest owners, Sharbro Oil Ltd. Company, Lillie Yates Estate, John A. Yates, Yates Drilling Company, and Yates Petroleum Corporation. Each of those interest owners is related, and all have verbally indicated their intent to participate in the well. AFE's are currently

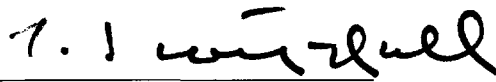
circulating. Due to the holidays, however, not all of the proper signatories have been available to execute the AFE's and operating agreements.

A continuance will facilitate resolution of this matter and will reduce the administrative burden on the Division. Arrington believes that an additional continuance, rather than dismissal, will provide the parties with a reason to finalize their voluntary agreement and avoid an otherwise unnecessary refiling of the same case.

Counsel for the other parties to this proceeding concur with this motion.

WHEREFORE, David H. Arrington Oil and Gas, Inc. requests that the hearing on this matter be continued until the next regularly scheduled Division Examiner hearing docket in January, 2003.

MILLER, STRATVERT & TORGERSON, P.A.

By: 
J. Scott Hall, Esq.
Post Office Box 1986
Santa Fe, New Mexico 87504
(505) 989-9614

Attorneys for David H. Arrington Oil and Gas, Inc.

Certificate of Mailing

I hereby certify that a true and correct copy of the foregoing was faxed to counsel of record on the 18th day of December 2002, as follows:

David Brooks, Esq.
New Mexico Oil Conservation Division
1220 St. Francis Dr.
Santa Fe, New Mexico

William F. Carr, Esq.
Post Office Box 2208
Santa Fe, New Mexico 87504


J. Scott Hall