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January 9, 1992

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

RECEIVED

JAN 13 1992

OIL CONSERVATION DIVISION

Re: Case 10432:

Application of the OCD on its Own Motion to Consider the Amendment of Division Order No. R-6388-A, Special Rules and Procedures for Tight Formation Designations Under Section 107 of the Natural Gas Policy Act of 1978

Dear Mr. LeMay:

Enron Oil & Gas Company supports the Oil Conservation Division's proposal to establish an administrative procedure for reviewing applications for designation of tight formations in New Mexico. As the applicant in a recent Division case in which we sought designation of a tight gas formation, informal meetings and discussions between Enron and both Oil Conservation Division and BLM personnel facilitated preparation of information and expedited the final presentation of the information required to qualify an area as a tight formation.

We believe an administrative procedure for approval of these applications in the future will result in more efficient presentation of the required data and will avoid delays for operators in obtaining necessary government approval for tight formation designations.

We appreciate the Oil Conservation Division's effort to work with operators in expediting this approval process and support the Division's proposals in Case 10432.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR ENRON OIL & GAS COMPANY
WFC:mlh