

Arrant, Bryan, EMNRD

From: Ezeanyim, Richard, EMNRD
Sent: Tuesday, December 18, 2007 8:32 AM
To: Arrant, Bryan, EMNRD; 'Kristina Martinez'
Cc: Gum, Tim, EMNRD
Subject: RE: Dan A. Hughes' Hueco South Unit 26 State # 1

The order has been signed and Bryan can now approve the APD so that you can start drilling immediately. Go online and search for Order No. R-12840-A. Any questions, please let me know. Thank you.

Richard

From: Arrant, Bryan, EMNRD
Sent: Tuesday, December 18, 2007 7:59 AM
To: Kristina Martinez
Cc: Ezeanyim, Richard, EMNRD; Gum, Tim, EMNRD
Subject: RE: Dan A. Hughes' Hueco South Unit 26 State # 1

I will do my best, but please be advised that I 1st need the signed and approved order.

Thanks,

Bryan G. Arrant
District II Geologist
New Mexico Oil Conservation Division
1301 West Grand Ave.
Artesia, NM 88210
505-748-1283 Ext. 103

From: Kristina Martinez [mailto:KEMartinez@hollandhart.com]
Sent: Tuesday, December 18, 2007 7:54 AM
To: Arrant, Bryan, EMNRD
Subject: RE: Dan A. Hughes' Hueco South Unit 26 State # 1

Bryan,

Thank you for sending the confidentiality example. I will work one up for Dan A. Hughes.

My client has just informed me that we are about to lose our rig and we cannot line up a spudder before January 1st. If we can get you the OCD order today, will you release the APD? Please let me know.

Kristina

ps- I am in trial today but can receive email.

From: Arrant, Bryan, EMNRD [mailto:bryan.arrant@state.nm.us]
Sent: Monday, December 17, 2007 9:53 AM
To: Kristina Martinez
Subject: FW: Dan A. Hughes' Hueco South Unit 26 State # 1

12/18/2007

Bryan G. Arrant
District II Geologist
New Mexico Oil Conservation Division
1310 West Grand Ave.
Artesia, NM 88210
505-748-1283 Ext. 103

From: Arrant, Bryan, EMNRD
Sent: Monday, December 17, 2007 7:25 AM
To: Gum, Tim, EMNRD
Cc: Fesmire, Mark, EMNRD; Sanchez, Daniel J., EMNRD; Ezeanyim, Richard, EMNRD; Jones, William V., EMNRD; Macquesten, Gail, EMNRD
Subject: FW: Dan A. Hughes' Hueco South Unit 26 State # 1

Hi Kristina,

I have forward this e mail request and concerns from Dan A. Hughes to management personnel for their review. As soon as I receive notice from Santa Fe of the outcome of the hearing on this matter, I'll let you or a company representative for Dan A. Hughes know when the approval of the application is made.

Also, please notify the Oil Conservation Division Office at 505-748-1283 at time the well is spudded and provide ample time for OCD field personnel to witness the cementing of the surface string of casing. We estimate at least a 6 hours of driving time alone from Artesia to the well location.

Yours truly,
Bryan G. Arrant
District II Geologist
New Mexico Oil Conservation Division
1301West Grand Ave.
Artesia, NM 88210
505-748-1283 Ext. 103

From: Kristina Martinez [mailto:KEMartinez@hollandhart.com]
Sent: Friday, December 14, 2007 3:11 PM
To: Arrant, Bryan, EMNRD
Cc: Robert Holder; hankk@danahughes.net; William Carr
Subject: Dan A. Hughes' Hueco South Unit 26 State # 1

Mr. Arrant,

Dan A. Hughes Company will agree to the requirements listed in the email you sent earlier today. However, with regard to the daily submittal of drilling reports, Dan A. Hughes asks that the Artesia District II office agree to keep the information confidential as it is proprietary in nature. Please let us know if this is an acceptable arrangement.

Additionally, Dan A. Hughes would like to express a concern. While it is willing to comply with these requirements for this initial well, Dan A. Hughes believes it would be unnecessary and excessive to impose such requirements on every well it drills in the Hueco South Unit.

If you have any questions, please feel free to contact me.

Kristina

12/18/2007