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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF TMBR/SHARP DRILLING, INC. FOR AN ORDER STAYING DAVID H. ARRINGTON OIL & GAS, INC. FROM COMMENCING OPERATIONS, LEA COUNTY, NEW MEXICO.

APPLICATION OF TMBR/SHARP DRILLING, INC. APPEALING THE ARTESIA [SIC] DISTRICT SUPERVISOR'S DECISION DENYING APPROVAL OF TWO APPLICATIONS FOR PERMIT TO DRILL FILED BY TMBR/SHARP DRILLING, INC., LEA COUNTY, NEW MEXICO.

CASE NO. 12731



ORDER OF THE DIVISION

BY THE DIVISION:

Case No. 12731 came on for hearing at 8:15 a.m. on September 20, 2001, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

Case No. 12744 came on for hearing at 8:15 a.m. on October 18, 2001, at Santa Fe, New Mexico, before Examiner David K. Brooks

NOW, on this Aday of December, 2001, the Division Director, having considered the testimony, the record and the recommendations of the Examiners,

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and of the subject matter.

(2) In Case No. 12731, TMBR/Sharp Drilling, Inc. ("TMBR/Sharp") seeks an order staying David H. Arrington Oil & Gas Inc. ("Arrington") from commencing