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

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

CASE NO. 12731

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

CASE NO. 12744

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

ORDER NO. R-11700-A

ORDER OF THE DIVISION DIRECTOR

BY THE DIVISION DIRECTOR:

THIS MATTER has come before the Division Director of the Oil Conservation Division, this 21st day of March, 2002, on the Motion of David H. Arrington Oil & Gas Inc. (hereinafter referred to as "Arrington") to vacate the hearing of this matter by the New Mexico Oil Conservation Commission (hereinafter referred to as "the Commission"), and the response of TMBR/Sharp Drilling Inc. (hereinafter referred to as "TMBR/Sharp") opposing the motion, and the Division Director, having reviewed the motion and response and being fully informed in the premises,

FINDS,

1. The Motion is not well taken and should not be granted.

2. Arrington's motion to vacate the hearing argues that resolution of competing pooling applications before the Division in Case No. 12816 and Case No. 12841 will moot the matters before the Commission. However, it instead appears that the issue of