

June 17, 2002

1 9 200

New Mexico Department of Energy Minerals and Natural Resources Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

RE: Application of Mack Energy Corporation for Administrative Approval of Salt Water Disposal

Gentlemen:

We are in receipt of the above referenced Application involving Mack Energy's Beech Federal No. 3 located in Unit N of Section 25, Township 17 South, Range 27 East. By letter dated May 20, 2002, Marbob Energy notified NMOCD of our objection to the application. Marbob Energy has again reviewed the Mack Energy proposal and hereby withdraws its objection to the conversion of the Beech Federal No. 3 to salt water disposal.

Your attention to this matter is greatly appreciated. Please do not hesitate to contact me should you have any questions.

Sincerely,

Johnny C. Gray

Johnny C. Gray President

JCG/mfm

cc: Mack Energy Corporation



May 20, 2002

Certified Mail 7001 1940 0006 6419 2695 Return Receipt Requested

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1220 Sou	rvation Division th Saint Francis Drive New Mexico 87504	Mfr 22		
Be	VD Application - Mack Energy Corporation ech Federal #3 - SE/4SW/4 ction 25, T-17S, R-27E	in II: 45		

Gentlemen:

We are in receipt of the above referenced application. This letter serves as our notice of objection to the application.

If you have any questions, please contact me.

Eddy County, New Mexico

Sincerely, Door ch 6 wellow Johnny C. Gray President JCG/mm

cc: Mack Energy Corporation

EXHIBIT A

APPLICATION OF MACK ENERGY CORPORATION FOR ADMINISTRATIVE APPROVAL OF SALT WATER DISPOSAL IN ITS BEECH FEDERAL WELL NO. 3 LOCATED 330 FEET FROM THE SOUTH LINE AND 1775 FEET FROM THE EAST LINE OF SECTION 25, TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM, EDDY, COUNTY, NEW MEXICO

NOTICE LIST

Bogle Farms Attention: Lewis Derrick Post Office Box 441 Artesia, New Mexico 88211

Southwestern Energy Production Company 2350 Sam Houston Parkway East Suite 300 Houston, Texas 77032 Marbob Energy Corporation Post Office Box 227 Artesia, New Mexico 88211-0227

BP America Production Company Post Office Box 4587 Houston, Texas 77210

OXY USA Post Office Box 50250 Midland, Texas 79710

HOLLAND & HART LLP ATTORNEYS AT LAW

DENVER • ASPEN BOULDER • COLORADO SPRINGS DENVER TECH CENTER BILLINGS • BOISE CHEYENNE • JACKSON HOLE SALT LAKE CITY • SANTA FE WASHINGTON, D.C. P.O. BOX 2208 SANTA FE, NEW MEXICO 87504-2208 110 NORTH GUADALUPE, SUITE 1 SANTA FE, NEW MEXICO 87501-6525 TELEPHONE (505) 988-4421 FACSIMILE (505) 983-6043

William F. Carr

wcarr@hollandhart.com

June 14, 2002

<u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

OXY USA Post Office Box 50250 Houston, Texas 79710

Re: Application of Mack Energy Corporation for administrative approval of salt water disposal, Eddy County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that Mack Energy Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking authorization to dispose of produced water in its Beech Federal Well No. 3 located 330 feet from the South line and 1775 feet from the East line of Section 25, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico. Mack Energy Corporation proposes to inject into the lower Abo formation through an injection interval of 6450 feet to 6594 feet. The initial maximum surface injection pressure proposed by Mack Energy corporation is 100 pounds and the maximum daily injection rate will be 1500 barrels of water.

If you have questions concerning this application, you may contact Ron Lanning at Mack Energy Corporation, Post Office Box 960, Artesia, New Mexico 88211-0960, telephone number (505) 748-1288.

Objections to this application or requests for hearing must be filed with the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505 within 15 days of the date of this letter.

William F. Carr I Attorney for Mack Energy Corporation

HOLLAND & HART LLP ATTORNEYS AT LAW

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William F. Carr Attorney for Mack Energy Corporation



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Attorney for Mack Energy Corporation