

October 18, 2005

Dan Dible,
City Manager
City Hall
300 N. Turner
Hobbs, NM 88240

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

RE: COURTESY NOTICE OF HEARING ON C-108 APPLICATION (INJECTION
AUTHORIZATION) - LINAM RANCH PLANT LEA COUNTY, NEW MEXICO

Dear Mr. Dible:

Duke Energy Field Services, LP, (DEFS) is providing the City of Hobbs with the enclosed courtesy copy of our C-108 application. The application was filed in September, 2005 with the New Mexico Oil Conservation Division (NMOCD). At the suggestion of the NMOCD, DEFS is providing the City of Hobbs and certain landowners a copy of the application. This matter is set for a hearing before the Oil Conservation Commission (OCC) on November 10, 2005 in Santa Fe. However, based on the OCC docket, it is most likely that the hearing will be postponed.

The enclosed application seeks administrative authorization to inject up to 2300 barrels per day of acid gas at a maximum pressure of 2800 psi into the Lower Bone Spring Formation between approximately 8700 and 9100 feet through DEFS's proposed Linam AGI Well #1, to be drilled approximately 1980 feet from the south line and 1980 feet from the west line of Section 30 Township 18S Range 37E, NMPM, Lea County, New Mexico. In addition, DEFS will test the Brushy Canyon Member of the Delaware Group at approximately 5000' for consideration as a potential secondary injection target. The proposed well will be located approximately 4½ miles west of Hobbs, New Mexico.

Sincerely,
Geolex, Inc



Alberto A. Gutiérrez, C.P.G.
President
Consultant to Duke Energy Field Service, LP

AAG/lh
Enclosures

cc (w/o enclosures): Joshua B. Epel, Assistant General Counsel - DEFS
William Carr, Esq., Holland and Hart

D:\Projects\05-005\C108 Application\Hobbs notice letter.doc

phone: 505-842-8000
fax: 505-842-7380

500 Marquette Avenue NW, Suite 1350
Albuquerque, New Mexico 87102

BEFORE THE OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

Case No. 13589 Exhibit No. 7

Submitted by:

DUKE ENERGY FIELD SERVICES, LP
Hearing Date: February 9, 2006

11/03/2005 TH

7002 1000 0005 2952 9871

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

HOBBS, NM 88240

Postage	\$ 3.95	UNIT ID: 0129 Clerk: KZHJOB 10/18/05
Carrier Fee	2.30	
Return Receipt Fee (Endorsement Required)	1.75	
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 8.00	

Sent To: Don Dible, City mgr.
 Street, Apt. No.,
 or PO Box No. City Hall, 300 N. Turner
 City, State, ZIP+4 Hobbs, NM 88240

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

 Dan Dible
 City mgr.
 City Hall
 300 N. Turner
 Hobbs NM 88240

2. Article Number
 (Transfer from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 xx Sandra Boltshauser Agent
 Address

B. Received by (Printed Name)
Sandra Boltshauser

C. Date of Delivery
10/20/05

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

7002 1000 0005 2952 9871

October 19, 2005

Mr. Ron Dutton
Xcel Energy
Suite 2510
PO Box 1261
Amarillo TX 79105

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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AUTHORIZATION) – LINAM RANCH PLANT LEA COUNTY, NEW MEXICO

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Sincerely,
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FOR AAG
Alberto A. Gutiérrez, C.P.G.

President
Consultant to Duke Energy Field Service, LP

AAG/lh
Enclosures

cc (w/o enclosures): Joshua B. Epel, Assistant General Counsel – DEFS
William Carr, Esq., Holland and Hart

D:\Projects\05-005\C108 Application\Excel notice letter.doc

phone: 505-842-8000
fax: 505-842-7380

300 Marquette Avenue NW, Suite 1350
Albuquerque, New Mexico 87102

email: aag@geolex.com
web: www.geolex.com

11/03/2005 THU 14:43 [TX/RX NO 9139] 004

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only. No Insurance Coverage Provided.)

AMARILLO, TX 79105

Postage	\$ 3.95	UNIT ID: 0129
Certified Fee	2.30	
Return Receipt Fee (Endorsement Required)	1.75	
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 8.00	Postmark Clerk: KZHJ08 10/19/05

7002 1000 0005 2952 9949

Sent to: Ron Dutton, Xcel Energy, Ste 2510
 Street, Apt. No. or PO Box No.: PO Box 1261
 City, State, ZIP+4: Amarillo TX 79105

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Ron Dutton - Ste. 2510
 Xcel Energy
 PO Box 1261
 Amarillo TX 79105

2. Article Number
 (Transfer from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Address

B. Received by (Printed Name) C. Date of Delivery
 Ron Dutton 10/19/05

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

7002 1000 0005 2952 9949

PS Form 3811, August 2001 Domestic Return Receipt 102585-02-M-15