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July 12, 2006

HAND-DELIVERED

Mr. Mark Fesmire, Director
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

2006 JUL 12 PM 4 49

Re: NMOCC Case No. 13589; Application of Duke Energy Field Services, LP for
Approval of an Acid Gas Injection Well, Lea County, New Mexico
SE/4 Sec. 30, T18S, R37E, NMPM; Order No. R-12546

Dear Mr. Fesmire:

We have reviewed Mr. Carr's July 12, 2006 correspondence on the above.

At the outset, we note that the views expressed by Mr. Carr with respect to the finality of Order Nos. R-12546 and R-12546-A are incorrect. Neither of these orders constitutes a final decision as defined by the applicable statute (NMSA 1978 §39-3-1.1) or judicial authority.

In view of the ultra-hazardous nature of the subject matter of the Duke Energy Field Services, L.P.'s Application, the exercise of sound administrative discretion would require that we be provided with notice and the opportunity to participate in the review and approval process. Because the agency must place paramount importance on the protection of public health and the environment, exclusion from that process cannot be justified.

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Mr. Mark Fesmire, Director
July 12, 2006
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Thank you for your consideration.

Very truly yours,

MILLER STRATVERT P.A.

A handwritten signature in black ink, appearing to read "J. Scott Hall", written in a cursive style.

J. Scott Hall

JSH/glb

cc: Mr. S. G. Cobb
Mr. Beach Snyder
Mr. Randy Smith
Mr. Madison Hinkle
Cheryl O'Connor, Esq.
David Brooks, Esq.
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