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F.L. HEIDEL
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February 22, 2008

Mark Fesmire, P.E., Director
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe NM 87505

**Re: West Bishop #1
U L C-Section 9, Township 18 South, Range 38 East - NMPM
Lea County, New Mexico**

Dear Mr. Fesmire,

Thank you for coming down to Lea County and looking at the well location being operated by Quest Cherokee in the urban interface of north Hobbs. The production equipment is hardly appropriate for the area impacted by this well. To date Quest Cherokee has failed to comply with the representations it made in your office. No monitor wells have been drilled, the liquids are still being hauled off by tractor-trailer rigs and the gas is being flared. Quest has not even properly fenced the area. No chain link or wood plat fence has been build. The school children's access to the location is not at all impeded by a simple barbed wire fence. Also, the now oil soaked tanks demonstrate that this operator is not conducting its activities in an appropriate manner.

At the location you met with some of the residents of the neighborhood, as well as, Senator Gay Kernan. If reports back to this firm are accurate, you took the position that NMOCD has no regulatory authority over the release of gases, particularly H₂S, into the environment, even though such gases are produced as a result of oil and gas operations. If this is true, please advise who is the jurisdictional entity to regulate the H₂S production. Various residents have advised there are frequent times when the rotten egg smell associated with H₂S is present. This smell and the associated gas settles in homes and shop buildings and is crating an intolerable living situation. It is obviously an issue which needs to be addressed.

Letter Mark Fesmire, P.E., Director

Re: *West Bishop #1*

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In our last hearing at your office it was agreed Quest Cherokee, Chris Williams from the NMOCD Hobbs office, as well as, the intervenors would meet to discuss the production equipment and operatorions. Despite efforts by this office and by Mr. Williams, who offered to make himself available any time convenient to the parties, the meeting was never held. Now Quest has decided it will meet. Other area residents also want to attend. It was reported back that you said the community could not attend if Quest did not approve. Given the fact NMOCD chose not to hold any hearing on this application in Lea County it appears the residents of the affected area are anxious to address their concerns. The proposed meeting is their only chance to do this short of driving to Santa Fe. This creates a dilemma if they are discouraged or even prohibited from attending. It may even be legally problematic.

Hopefully now you have a better sense of the depth of concern of the neighborhood and the callous indifference of the residents by Quest. As you have noted, NMOCD has very limited jurisdiction, matters such as nuisance and trespass are not issues which NMOCD addresses. Also, NMOCD apparently does not have the jurisdiction to direct or prohibit any type of production equipment or practices which would be more appropriate to the type of urban interface environment which is present. Please outline specifically what NMOCD can do and how can the community participate in the process.

Again, thank you for going out to the location.

Sincerely,

HEIDEL, SAMBERSON, NEWELL, COX & MCMAHON

By:


Michael Newell

MTN:cd

pc: James Bruce, Esq.

Intervenors

Honorable Senator Gay Kernan