

Legal Department

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February 03, 2011

Daniel Sanchez
Acting Director
Oil Conservation Division
Energy, Minerals & Natural Resources Department
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Dear Director Sanchez:

Case No. 14329/ Order No. R-13201

San Juan Coal Company has participated in the above referenced case with the objective of protecting the safety of the San Juan Underground Mine. After consulting with Anadarko and their experts, San Juan has concluded that the risks to the San Juan Underground have been considered and are addressed by Order No. R-13201 as modified by Anadarko's December 22, 2010 request for amendment. Therefore, San Juan Coal Company withdraws its objection to the amendment of Order No. R-13201 requested by Anadarko in its letter to the Oil Conservation Division dated December 22, 2010.

Thank you for your assistance with this matter.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Charles E. Roybal', with a stylized, cursive script.

Charles E. Roybal
Senior Counsel
Manager Energy Coal Legal
300 W. Arrington # 200
Farmington, NM 87401
(505) 598-4358

CC: Gail MacQueston, OCD Counsel
Ocean Munds-Dry, Attorney for Anadarko Petroleum Corporation

December 22, 2010

VIA CERTIFIED MAIL-RETURN RECEIPT REQUESTED

TO AFFECTED LANDOWNERS

Re: Case No. 14329/Order No. R-13201: Application of Anadarko Petroleum Corporation for Approval of an Acid Gas Injection Well, San Juan County, New Mexico.

Ladies and Gentlemen:

Anadarko Petroleum Corporation ("Anadarko") has filed the enclosed application for an amendment of Order No. R-13201 which was issued in Case No. 14329 granting Anadarko's application to inject acid gas into the Entrada formation through its Pathfinder AGI Well No. 1 located in Section 1, Township 29 North, Range 15 West, NMPM, San Juan County, New Mexico. Ordering Paragraph 22 of Order No. R-13201 allows the Division Director to amend the order administratively after proper notice and in the absence of protest.

If you have any questions regarding this application, you may contact Mr. Alberto Gutierrez at 500 Marquette Avenue NW, Suite 1350, Albuquerque, NM 87102 or (505)842-8000.

Objections to this application or requests for hearing must be filed with the New Mexico Oil Conservation, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505 within fifteen days of the date of this letter. If no objection is received within fifteen (15) days after the Division Director receives this application, the application will be approved.

Sincerely



Ocean Munds-Dry
Attorney for Anadarko Petroleum Corporation