



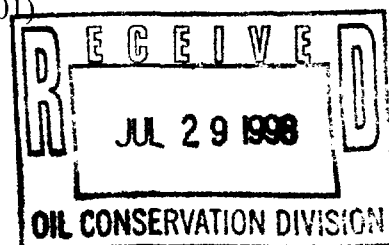
Spencer Reid
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Direct Dial: 505-346-9114

July 27, 1998

(07858-001)

TELECOPIED (505) 827-1389

Michael Stogner, Esq.
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505



**RE: *Unorthodox Gas Well Location
Mallon Oil Company
Mescalero Ridge "19" Fed. Well No. 1
1650 Feet FSL & 990 FWL
S1/2 §19-19 South-34 East
Lea County, New Mexico***

Dear Mr. Stogner:

This law firm represents Fagadu Energy Corporation, THF Corporation and D&K Oil & Gas with respect to Mallon Oil Company's application for administrative approval of the unorthodox well location described above. Please be advised that the aforementioned entities hereby join the objection on file from Kevin O. Butler & Associates, Inc., dated July 7, 1998.

Because of our firm's recent entry into this matter, we respectfully request that the hearing currently scheduled for August 6, 1998, be vacated so that we may participate fully in the hearing. We have attempted to obtain concurrence of applicant's counsel, James Bruce, but we have not heard back from him with his client's response. We do not believe his client would suffer prejudice if the hearing date were delayed until your next available docket.

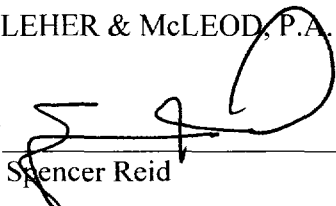
Gary Van Luchian

Please call with any questions or concerns.

Very truly yours,

KELEHER & McLEOD, P.A.

BY


Spencer Reid

SR/GVL/bjt
cc: Exhibit A

W. A. Keleher (1886-1972)
A.H. McLeod (1902-1976)

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