



**Southwestern Energy
Production Company**

A subsidiary of Southwestern Energy Company

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Samuel Glenn Thompson
Staff Landman-Exploration CPL #540

June 12, 2002

New Mexico Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87505

Attn: Ms. Lori Wrotenbery fax #505.476.3462

Montgomery & Andrews
P.O. Box 2307
Santa Fe, New Mexico 87504-2307

Attn: Mr. Paul R. Owen fax #505.982.4289

Re: Duke Energy Field Services
Duke AGI Well #1
1232'FSL & 1927'FEL
Sec 7-18S-28E Eddy Co., NM

988-2538

Gentlemen:

Southwestern Energy Production Company ("SWN") has received notice that Duke Energy Field Services, LP has requested permission to drill an acid gas injection well within 1/2 mile of **SWN's Leatherstocking "18" State Com #1 well** Located 1310' FNL & 1310' FWL of Section 18-18S-28E, Eddy County, New Mexico. While SWN recognizes that the Duke proposal is for injection in the Devonian Formation SWN is concerned about maintaining wellbore integrity in its Leatherstocking well by avoiding any possibility of sour gas encroachment from the operation of the captioned Duke AGI well..

SWN hereby voices its objection to the proposed Duke injection well until we have had sufficient time to quantify the potential liability of the Duke well; therefore SWN respectfully requests a hearing on the matter.

Respectfully,

SOUTHWESTERN ENERGY PRODUCTION COMPANY

S. G. Thompson
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*They DROPPED This
objection after internal
negotiations.*
*Also PAULIPS called about it
6/25/02 but then dropped my
objection also.*
Will Jones

