

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary Stearns HC 65 Box 988

Crossroads, NM 88114

Applicant for SWD

9/10/2004

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

32-005-20530

RECEIVED

SEP 2 0 2004

QQD:ARTESIA

Application of John R. Stearns for Salt Water Disposal RE:

Miller Federal Well No. 6

Surface Location: 660 from the South and West lines

Section 34, Township 7 South, Range 31 East, NMPM, Chaves County, NM

Injection into a northwest direction, horizontal, open hole, San Andres interval from

3,662 to 3,912 TVD

Dear Sir or Madam:

As Yates has objected to your application, we can no longer process this administratively.

If you do not reach agreement with Yates and still desire to inject into this well, you must work with Florene Davidson of this office to set the application to hearing. If you do reach an agreement, I must have a letter from Yates withdrawing the protest, prior to resuming administrative review of this application.

If I don't hear from you by next Wednesday, September 15, 2004, I will mail your application back.

Many Regard

William V. Jones, P.E.

505-476-3448

wvjones@state.nm.us

Cc: William F. Carr as attorney for

Kathy Porter

Yates Petroleum Corporation

105 South Fourth Street

Artesia, NM 88210