



J. SCOTT HALL
Office: (505) 986-2646
Email: shall@montand.com
Reply To: Santa Fe Office
www.montand.com

February 10, 2012

James Bruce, Esq.
P. O. Box 1056
Santa Fe, NM 87504

VIA REGULAR MAIL AND EMAIL

**Re: Mack Energy Corporation State CD No. 1 Well, Section 32, T17S, R33E,
NMPM, Lea County, New Mexico
Mack Energy Corporation Cockburn A State No. 5 Well, SE/4 NW/4
Section 32, T17S R33E, NMPM, Lea County, New Mexico**

Dear Jim:

As you know, this firm represents Siana Oil and Gas LLC and Tom M. Ragsdale. Mr. Ragsdale is the owner of a working interest and an overriding royalty interest in each of the above wells operated by Mack Energy Corporation. As an operator of long standing in New Mexico, Mack Energy Corporation is no doubt aware of its statutory obligations to pay interest owners under the Oil and Gas Proceeds Payments Act, NMSA 1978 ss 70-10-1, et seq.

Since September 29, 2011, Mack Energy Corporation has failed to pay Mr. Ragsdale for his proportionate share of production proceeds from the wells. However, from a review of publicly available records, both of these wells have continued to produce. Mr. Ragsdale has executed proper division orders for his interests in the wells, but no explanation for the discontinuation of payments has been provided. Further, we are aware of the existence of no other circumstances excusing payment under §§ 70-10-5 A through B.

On behalf of Mr. Ragsdale, please communicate to Mack Energy Corporation our demand that Mr. Ragsdale's interests be reinstated for pay and that payment for past amounts due be made immediately, plus interest for past periods as provided in §§ 70-10-5.

Oil Conservation Commission
Case No. _____
Exhibit No. 22

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929
Post Office Box 36210
Albuquerque, New Mexico 87176-6210

James Bruce, Esq.
February 10, 2012
Page 2

Very truly yours,

Sharon Y. Shaheen for

J. Scott Hall
Seth McMillan

cc: Mr. Tom Ragsdale, Siana Oil and Gas LLC
Tom Zabel, Esq.

350236