



January 30, 2009

VIA HAND DELIVERY

Case 14330

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Mark E. Fesmire, P.E.
Director
Oil Conservation Division
New Mexico Department of Energy, Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Objection of V-F Petroleum, Inc. to application of Gandy Corporation for Authorization to Inject.

Dear Mr. Fesmire:

V-F Petroleum, Inc. hereby objects to the application of Gandy Corporation for authorization to inject in the Albacore 25 Com Well No. 1(API No. 30-025-37054) located 1310' from the South Line and 1350' from the West Line (Unit N) of Section 25, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico.

V-F Petroleum requests that this application be set for hearing before a Division Examiner.

Your attention to this matter is appreciated.

Very truly yours,

William F. Carr
William F. Carr

cc: Gandy Corporation
1008 W. Broadway
Hobbs, New Mexico 88240

Mr. Tom Beall
V-F Petroleum, Inc.

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Tuesday, February 03, 2009 5:21 PM
To: 'EverQuest@nts-online.net'
Cc: Ezeanyim, Richard, EMNRD; William F Carr Esq. (wcarr@hollandhart.com)
Subject: Disposal Application from Gandy: Albacore 25 Com #1 30-025-37054 Unit N, Sec 25, T16S R35E Abo and Wolfcamp Disposal Formations

Hello Mr. Terry M. Duffey:

Due to the letter of objection from V-F Petroleum, Inc., this administrative application can no longer be considered. The application has NOT been reviewed to ensure it is complete and may have other issues. Wellbore diagrams of all wells within ½ mile that penetrate the injection interval will be required as well as water analysis from the insitu injection interval and from any Pools which will contribute water to this disposal well.

Please let me know if and when Gandy Corporation enters a Case for an examiner hearing.

Alternately, let me know if you reach agreement with V-F Petroleum. If so, we will resume a review of this application.

Regards,

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

Jones, William V., EMNRD

From: Terry M. Duffey [EverQuest@nts-online.net]
Sent: Wednesday, February 04, 2009 8:05 AM
To: Jones, William V., EMNRD
Cc: Dale Gandy
Subject: RE: Disposal Application from Gandy: Albacore 25 Com #1 30-025-37054 Unit N, Sec 25, T16S R35E Abo and Wolfcamp Disposal Formations

We are trying to schedule a meeting w/ V-F Petroleum to discuss their concerns. We will let you know if we can get this resolved and avoid a contested hearing in Santa Fe. If we can't we will set a hearing date. We will let you know as soon as possible.

Terry M. Duffey

EverQuest Energy Corporation – Dominating World Oil - One Well at a Time.

PO Box 10079

Midland, Texas 79702

432-686-9790

432-682-3821 Fax

EverQuest@nts-online.net

-----Original Message-----

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]

Sent: Tuesday, February 03, 2009 6:21 PM

To: EverQuest@nts-online.net

Cc: Ezeanyim, Richard, EMNRD; wcarr@hollandhart.com

Subject: Disposal Application from Gandy: Albacore 25 Com #1 30-025-37054 Unit N, Sec 25, T16S R35E Abo and Wolfcamp Disposal Formations

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Regards,

William V. Jones PE

New Mexico Oil Conservation Division

1220 South St. Francis

Santa Fe, NM 87505

505-476-3448

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Jones, William V., EMNRD

From: Terry M. Duffey [EverQuest@nts-online.net]
Sent: Monday, February 16, 2009 10:01 AM
To: Jones, William V., EMNRD
Subject: RE: Disposal Application from Gandy: Albacore 25 Com #1 30-025-37054 Unit N, Sec 25, T16S R35E Abo and Wolfcamp Disposal Formations

Can you help us enter a Case for an examiner hearing of our application for the Albacore 25 SWD?

Terry M. Duffey

EverQuest Energy Corporation – Dominating World Oil - One Well at a Time.

PO Box 10079

Midland, Texas 79702

432-686-9790

432-682-3821 Fax

EverQuest@nts-online.net

-----Original Message-----

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]

Sent: Tuesday, February 03, 2009 6:21 PM

To: EverQuest@nts-online.net

Cc: Ezeanyim, Richard, EMNRD; wcarr@hollandhart.com

Subject: Disposal Application from Gandy: Albacore 25 Com #1 30-025-37054 Unit N, Sec 25, T16S R35E Abo and Wolfcamp Disposal Formations

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Please let me know if and when Gandy Corporation enters a Case for an examiner hearing.

Alternately, let me know if you reach agreement with V-F Petroleum. If so, we will resume a review of this application.

Regards,

William V. Jones PE

New Mexico Oil Conservation Division

1220 South St. Francis

Santa Fe, NM 87505

505-476-3448

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Jones, William V., EMNRD

From: Terry Duffey [tduffey@everquestenergy.com]
Sent: Wednesday, March 18, 2009 11:11 AM
To: Jones, William V., EMNRD
Cc: Dale Gandy
Subject: RE: Disposal Application from Gandy: Albacore 25 Com #1 30-025-37054 Unit N, Sec 25, T16S R35E Abo and Wolfcamp Disposal Formations

FYI – we have met with **V-F Petroleum** regarding their specific concerns to this SWD application. We have provided them additional materials for them to consider relative to their protest. In essence they believe there are potentially productive zones behind pipe in the Permo-Penn interval in one of their wells inside the AOR. We provided them copies of electric logs, mud logs and operations reports from the recent testing of these same zones in the Albacore well. They are looking at the information and we are awaiting their response. Please keep our application “on hold” a little longer while we work this through with V-F. Ultimately, there is a good chance we will have to schedule a hearing in this matter. I will let you know as soon as possible. Thanks.

Terry M. Duffey
10 Desta Drive, Suite 300-East
Midland, Texas 79705
432-686-9790 ofc
432-682-3821 fax



Dominating World Oil ... One Well at a Time

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]
Sent: Monday, February 16, 2009 1:52 PM
To: Davidson, Florene, EMNRD
Cc: EverQuest@nts-online.net
Subject: FW: Disposal Application from Gandy: Albacore 25 Com #1 30-025-37054 Unit N, Sec 25, T16S R35E Abo and Wolfcamp Disposal Formations

Terry – forwarding to Florene, she takes care of all our hearings. Just have your attorney send an application to Florene.

Regards,

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

From: Terry M. Duffey [mailto:EverQuest@nts-online.net]
Sent: Monday, February 16, 2009 10:01 AM
To: Jones, William V., EMNRD
Subject: RE: Disposal Application from Gandy: Albacore 25 Com #1 30-025-37054 Unit N, Sec 25, T16S R35E Abo and Wolfcamp Disposal Formations