



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

December 4, 2003

Mr. Michael Feldewert
Holland & Hart L.L.P.
P.O. Box 2208
Santa Fe, New Mexico 87504-2208

Re: Form C-108 Application
Mack Energy Corporation
Federal "18" Well No. 2
Section 18, T-19S, R-33E, NMPM,
Lea County, New Mexico

Dear Mr. Feldewert:

On August 29, 2003, Mr. William F. Carr filed a Form C-108 (Application to Inject) on behalf of Mack Energy Corporation for the Federal "18" Well No. 2. By letter dated September 9, 2003, Mr. Carr submitted additional information necessary to process the application. By letter from myself to Mr. Carr dated October 21, 2003, I advised him that I had concerns regarding two plugged and abandoned wells within the "area of review" of the Federal "18" Well No. 2. My concern is that these wells are not plugged sufficiently so as to preclude the migration of injected fluid from the injection interval to the Capitan Reef. In my letter, I gave Mr. Carr the opportunity to submit additional geologic and/or engineering data that would demonstrate that these wellbores would not pose a threat to the Capitan Reef through the proposed injection operations. I further advised him that if no additional data was submitted, an injection permit would be issued for the Federal "18" Well No. 2, with a stipulation that these two "area of review" wells be re-plugged.

As of this date I have not been contacted either by Mr. Carr or by Mack Energy Corporation. In addition, I have reconsidered by earlier position that an injection permit would be issued for this well in the absence of additional evidence. Based upon the data submitted, I do not feel that it is appropriate to issue an injection permit for the well at this time. Consequently, I am returning the application to you unprocessed.

If Mack Energy Corporation wishes to pursue approval of this application, a hearing before a Division examiner will be required.

RECEIVED

DEC 05 2003

Holland & Hart L.L.P.
BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 13220 Exhibit No. 2

Submitted by:

MACK ENERGY CORPORATION

Hearing Date: February 19, 2004

*Mack Energy Corporation
Application to Inject
Federal "18" Well No. 2
December 4, 2003*

If you should have any questions, please contact me at (505) 476-3466.

Sincerely,



David Catanach
Engineer

Xc: OCD-Hobbs
Mack Energy Corporation

Confirmation Report - Memory Send

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HOLLAND & HART. 

Friday, December 5, 2003

To: Ron Lanning
Mack Energy Corporation

Fax : (505) 746-2362
Phone: (505) 748-1288
Fax :
Phone:

From: Michael H. Feldewert

Fax : (505) 983-6043
Phone: (505) 988-4421

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