

**Michael H. Feldewert**

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**From:** Albers, Jeff [jalbers@slo.state.nm.us]  
**Sent:** Monday, August 09, 2004 3:11 PM  
**To:** Michael H. Feldewert  
**Subject:** RE: Case No. 13325 - Application of Myco Industries for a non-std Atoka spacing unit

Michael, an objection request in the matter at hand (per attachment) will not be forwarded and or recommended to the Commissioner of Public Lands.  
JA

[Albers, Jeff] -----Original Message-----

**From:** Michael H. Feldewert [mailto:MFeldewert@hollandhart.com]  
**Sent:** Monday, August 09, 2004 1:57 PM  
**To:** Albers, Jeff  
**Cc:** Shari Hodges  
**Subject:** Case No. 13325 - Application of Myco Industries for a non-std Atoka spacing unit

Jeff: As we discussed, attached is the application filed by Myco Industries in Case No. 13325. Due to the unique ownership interests in these state lands, the existing wells, and the existing communitization agreements, Myco is seeking permission to form a non-standard 160-acre spacing and proration unit for the Atoka formation comprised of the SE/4 of Section 14, T-21-S, R-27-E.

Myco seeks to re-enter an existing well in Unit O of this Section, try the Morrow, and eventually complete up hole in the Atoka. Devon Energy operates an Atoka well in the NE/4 of Section 14 under a N/2 Atoka Communitization Agreement. Mewbourne operates a Morrow well in the SW/4 of Section 14 under a W/2 Communitization Agreement. To avoid operational issues, Myco seeks to form a standard E/2 spacing unit for the Morrow, and a non-standard 160-acre SE/4 spacing unit for the Atoka.

A hearing before an Examiner of the Oil Conservation Division is scheduled July 19th. Does the State Land Office have any objection to this proposal?

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BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Case No. 13325 Exhibit No. 7  
Submitted by:  
Myco Industries, Inc.  
Hearing Date: September 2, 2004

8/9/2004