

LAW OFFICES

HEIDEL, SAMBERSON, NEWELL, COX & MCMAHON

C. GENE SAMBERSON 311 NORTH FIRST STREET
 MICHAEL T. NEWELL POST OFFICE DRAWER 1599
 LEWIS C. COX, III LOVINGTON, NEW MEXICO 88260
 PATRICK B. MCMAHON TELEPHONE (575) 396-5303
 FAX (575) 396-5305

F.L. HEIDEL
 (1913-1985)

TELECOPY TRANSMITTAL SHEET

CONFIDENTIALITY NOTE

THE INFORMATION CONTAINED IN THIS FACSIMILE MESSAGE IS LEGALLY PRIVILEGED AND CONFIDENTIAL INFORMATION INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED BELOW. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION, OR COPY OF THIS TELECOPY IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TELECOPY IN ERROR, PLEASE IMMEDIATELY NOTIFY US BY TELEPHONE AND RETURN THE ORIGINAL MESSAGE TO US AT THE ADDRESS SET FORTH ABOVE VIA THE UNITED STATES POSTAL SERVICE.

DATE: 12-6-10

TIME: 3:40 p.m.

TO: New Mexico Oil Conservation Commission
 Attn: Florene Davidson

FAX: ~~505~~-476-3462

RE: Targa Midstream Services
 C-108 Application to Inject Acid Gas
 Case Number: 14575

YOU SHOULD RECEIVE 3 PAGE(S) OF COPY, INCLUDING THIS COVER PAGE. PLEASE NOTIFY US IMMEDIATELY AT (575) 396-5303 IF NOT RECEIVED PROPERLY.

<input type="checkbox"/> FOR YOUR INFORMATION/RECORDS	<input type="checkbox"/> PER YOUR REQUEST
<input type="checkbox"/> AS WAS DISCUSSED	<input type="checkbox"/> FOR YOUR COMMENTS
<input checked="" type="checkbox"/> FOR YOUR REVIEW	<input type="checkbox"/> FOR FILING
<input checked="" type="checkbox"/> FOR PUBLICATION	<input type="checkbox"/> PLEASE CALL ABOUT THIS

Dear Ms. Davidson,

Please forward the attached to the correct hearing examiner and to Mr. Mark Fesmire for the above referenced matter. Your attention to this matter is greatly appreciated. If you should have any questions, please do not hesitate to call.

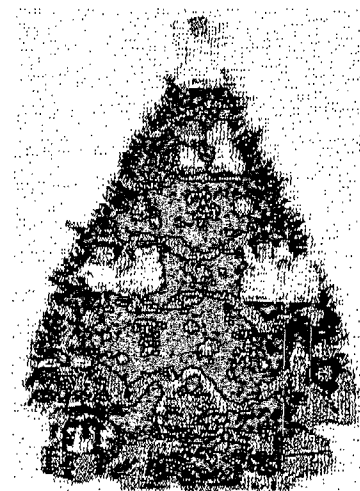
IF CHECKED, ORIGINAL WILL BE FORWARDED TO YOU BY:

☐ FEDERAL EXPRESS ☐ REGULAR MAIL

THANK YOU,

HEIDEL, SAMBERSON, NEWELL, COX & MCMAHON

By: *Julie Ontiveros*
 Julie Ontiveros, Legal Secretary to
 Patrick B. McMahon



*LAW OFFICES***HEIDEL, SAMBERSON, NEWELL, COX & McMAHON**

C. GENE SAMBERSON
MICHAEL T. NEWELL
LEWIS C. COX, III
PATRICK B. McMAHON

311 NORTH FIRST STREET
POST OFFICE DRAWER 1599
LOVINGTON, NM 88260
TELEPHONE (575) 396-5303
FAX (575) 396-5305

F.L. HEIDEL
(1913-1985)

December 6, 2010

New Mexico Oil Conservation Commission
Hearing Examiner
1220 S. St. Francis Drive
Santa Fe, NM 87505

Via Facsimile
575-476-3462

**Re: Targa Midstream Services
C-108 Application to Inject Acid Gas
Case Number: 14575**

Dear Commission,

Please be advised that this firm represents Irvin and Shirley Boyd of Eunice, New Mexico regarding the above-referenced matter. The Boyds have requested that I write this letter to you outlining some of their concerns regarding Targa's application to inject acid gas. Please accept this letter as my clients' request to the Commission to take into consideration their concerns as you make your decision in this case.

First and foremost is the Boyds concerns regarding the health and safety issues raised with the high levels of the H₂S present in the injection fluids, namely 150,000 ppm. The Boyds own property less than a mile from the proposed AGI well. Under the H₂S Plan submitted with this application, the Boyds, in case of a leak, have the very real potential to be exposed to levels of H₂S that are immediately dangerous to life and health. Although the H₂S Plan does provide for an alert to the public and to persons within the ROE, the Plan makes no provision for how the alert is to be communicated. Are the Boyds going to be called? Is someone going to go to their house and evacuate them? What if they are out in the pasture gathering cattle? In addition, the H₂S Plan does not identify the number of people who reside and work within the ROE and the number of Targa personnel necessary to alert this potentially large group of people. The H₂S Plan should be required to address these issues in detail. The convenience of the AGI well should not out weigh the risks to those who live near the well. In addition to the risk to health, the Boyds are concerned that the AGI well poses a risk to groundwater in the vicinity of the well and under their own property. Although the AGI well and one Legacy Resources well will be reworked to deal with the injection issues, what about all of the other wells, both plugged and producing, in that area. The Boyds have already experienced produced water percolating up the

outside of the casing of a P&A well on their property. Their concern is that older wells in the area may have cement work that has lost integrity and therefore poses a route for the acid gas injection fluid to migrate into potable water sources.

Because of a history of problems with water flows in the area of the AGI well, the Boyds question whether a deeper formation is a better injection zone for the acid gas. DCP's acid gas well was drilled specifically for that purpose. In addition, DCP's well also injects into a zone at roughly 9000 ft. Should Targa be required to drill and complete a new well using all available technology to deal with the corrosiveness of the injection fluids and to do so in a formation that reduces the risk of cross communication as much as possible.

As always, the Boyds appreciate the opportunity to present comments and concerns regarding this and other matters presented before the Commission. They hope that you will consider how Targa's AGI well will change their lives and that you require Targa to adopt the most stringent development of this project and any and all necessary safety precautions.

Sincerely,

HEIDEL, SAMBERSON, NEWELL, COX & MCMAHON

By: 
Patrick B. McMahon

PBM:jo

pc: Irvin Boyd