

OIL CONSERVATION DIVISION  
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Mr. & Mrs. Lawrence Kelley  
329 Road 4020  
Middle Mesa Area  
Ignacio, Colorado, 81137

13 August 1994

Mr. David Catanach,  
Examiner  
State of New Mexico  
Energy, Minerals & Natural Resources Department  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico, 87504-2088

Reference: Case No. 11067, Meridian Oil Inc.  
CO2 Injection Project, Allison Unit

Dear Mr. Catanach:

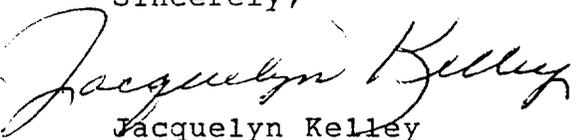
Thank you for your letter of 11 August 1994. Please let us clear up a matter here; we are NOT objecting to the application of Meridian Oil, Inc. to establish a CO2 injection well within its Allison Unit. What we objected to was their statement that there were no 'fresh water (drinking) wells within one mile of the proposed wells'.

We have had several visits by representatives of Meridian Oil, Inc. since our letters. They are, indeed, testing all the fresh water wells out here, and have located them on their geological/survey maps. Since they are now cognizant of these fresh water wells, and will continue to test them for any possible, future contamination, we feel we are, for the present, satisfied. We will not plan to attend the meeting scheduled for August 18th.

However, by copy of this letter, we reserve the right to instigate a complaint at a later date, should our fresh water well become contaminated in any way or manner.

Thank you for your attention in this matter.

Sincerely,

  
Jacquelyn Kelley

cc: Kellahin & Kellahin  
Meridian Oil, Inc.