

RALPH E. WILLIAMSON

ONE FIRST CITY CENTER, SUITE 805

MIDLAND, TEXAS 79702

MAILING ADDRESS
P. O. BOX 994

(915) 683-2200
(915) 683-2633

September 16, 1988

State of New Mexico
Department of Energy and Minerals
Oil Conservation Division
PO Box 2088
Santa Fe, NM 87504-2088

Attn: Mr. David Catanach

Re: Conversion to Salt Water Disposal
of the Zac Federal #1
660' FSL & 1980' FWL of
Section 25, T-26S, R-30E
Eddy County, New Mexico
Return Receipt Requested P 699 087 295

Dear Mr. Catanach,

In response to the September 15, 1988 "Application To Inject", received by certified mail at this office on September 16, 1988, by Corinne B. Grace to convert the referenced well to salt water disposal, I would like to register a protest to this conversion. Based on our knowledge of geology in the immediate area surrounding the proposed disposal well we feel many of the proposed injection zones contain recoverable hydrocarbons in significant quantities.

I respectfully request that the New Mexico Oil Conservation Commission schedule a hearing so that we may present evidence to substantiate our claims.

Yours very sincerely,

Mary Huber
for Ralph E. Williamson

cc: NMOCC - P 699 087 294
Artesia, New Mexico
Corinne B. Grace - P 699 087 292
Carlsbad, New Mexico

SEP 16 1988
OIL CONSERVATION DIVISION
SANTA FE, NM

KELLAHIN, KELLAHIN AND AUBREY

Attorneys at Law

El Patio - 117 North Guadalupe

Post Office Box 2265

Santa Fe, New Mexico 87504-2265

Telephone 982-4285
Area Code 505

W. Thomas Kellahin
Karen Aubrey

Jason Kellahin
Of Counsel

October 11, 1988

Mr. William J. LeMay
Oil Conservation Division
310 Old Santa Fe Trail
Room 206 Land Office Building
Santa Fe, New Mexico 87503

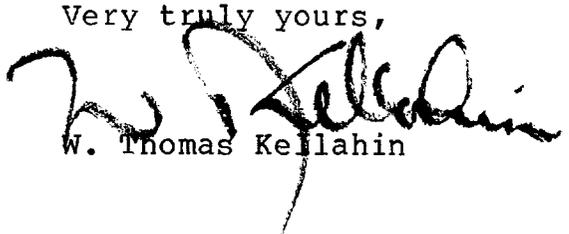
Re: Application of Corrine B. Grace
for Salt Water Disposal,
Eddy County, N.M. NMOCD Case 9497

Dear Mr. LeMay:

On behalf of Terra Resources, Inc. please enter our appearance in this case which is set for hearing on the Examiner's docket of October 12, 1988 but which we understand has been continued to October 26, 1988 at the request of Mrs. Grace.

Terra Resources, Inc. is an owner of mineral interest in the area which will be adversely affected if this application is granted. Therefore, we are appearing in opposition to the application.

Very truly yours,


W. Thomas Kellahin

WTK/dm

cc: Ernest L. Padilla, Esq.
Kevin Pfister (Terra Resources)