Arrant, Bryan, EMNRD

From: Lucy Ward [Lucy_Ward@SWN.COM]

Sent: Wednesday, November 01, 2006 1:12 PM

To: Arrant, Bryan, EMNRD

Subject: RE: Carlsbad Corral 2 State # 7H/API # 30-015-34936

Dear Mr. Arrant:

Sorry for the delay, we received copy of logs this morning. They will be sent over night to you along with the Revised C-105 as requested. Please let me know if you require any additional information.

Thank you,

Lucy Ward

Production Analyst Southwestern Energy Production Company

Phone: 281-618-4099 Fax: 281-618-4755

E-mail: lucy_ward@swn.com

From: Arrant, Bryan, EMNRD [mailto:bryan.arrant@state.nm.us]

Sent: Thursday, October 26, 2006 3:53 PM

To: Lucy Ward

Cc: Macquesten, Gail, EMNRD; Sanchez, Daniel J., EMNRD; Gum, Tim, EMNRD

Subject: Carlsbad Corral 2 State # 7H/API # 30-015-34936

October, 26, 2006
Dear Lucy Ward or to Whom it May Concern,

We have received your regulatory reports for the above noted well.

On NMOCD Form C-104 it is noted in (item 28) "Date of first Production" as 9/08/2006.

Please be aware that Southwestern Energy Production Company is in violation to NMOCD Rule 105.A.

According to this rule, all electric logs ran should have been submitted by 9/28/2006. I cannot sign off on your C-104: (Request for Allowable and Authorization to Transport)

I'm sorry, but I cannot accept the note that you wrote:

"We are still waiting on final log will send as soon as we receive".

In addition, please resubmit an amended C-105 as it is incomplete.

I find only 1 data entry of formation tops on the back of this form.

Please submit to our office here in Artesia a copy of all logs ran by 11/03/2006, along with the amended C-105 form.

As always, please call if you have any questions regarding this matter.

Yours truly,

Bryan G. Arrant District II Geologist NMOCD-Artesia 505-748-1283 ext. 103