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DUNCAN ENERGY COMPANY

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COLO. OIL & GAS CONS. COMM.

December 7, 1994

Department of Natural Resources
Oil and Gas Conservation Commission
1580 Logan Street, Suite 380
Denver, Colorado 80203

RE: Cause No. 1, Docket No. 12-28
Bristol Resources Proposed
Re-Entry and Conversion to
Saltwater Disposal
Leathers "B" #3 Well
NE/4NE/4 Sec. 1-T18S-R42W
Kiowa County, Colorado

Gentlemen:

Duncan Energy Company on behalf of Energy Partners Nominee Company wishes to give notice of protest to the Colorado Commission concerning the application by Bristol Resources Corporation for a permit to re-enter and convert the Leathers "B" #3 well into a saltwater disposal well into the Morrow formation.

Based on available data from well logs, oil production and drillstem tests from the Leathers "B" #3 and "A" #1 wells, both located within 100′ of each other in the NE/4NE/4 Section 1-T18S-R42W, it is evident that the correlative Morrow sandstone encountered in these two wells is an oil-bearing, water-free reservoir, correlative to production at the adjacent Jace and nearby Moore-Johnson fields. The continuity of this reservoir onto adjacent lands to the east, namely the S/2 of Section 31-T17S-R41W and the N/2 of Section 6-T18S-R41W, is indicated by log data from the Barnes #1-31 well located in the NW/4SE/4 Section 31-T17S-R41W.

Duncan Energy Company is causing the Barnes #21-5 well to be drilled in the N/2 of Section 5-T18S-R41W to explore for Morrow oil production from zones correlative to the Leathers "B" #3 and "A" #1 wells and at Moore-Johnson field.

Oil Production from future wells to be drilled on these lands could be impacted by water injection into the Leathers "B" #3 well and also impact the correlative rights of landowners, therefore we recommend the application be denied.

Very truly yours,

DUNCAN ENERGY COMPANY

Bruce E. Johnston

Bruce E. Johnston
Land Manager

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