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October 5, 2009

Ms. Mary Jo Kunkle
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way
P. O. Box 30221
Lansing MI 48909

Re: HighMount Midwest Energy, LLC - MPSC Case No. U-16074

Dear Ms. Kunkle:

Enclosed for electronic filing is a **Petition for Leave to Intervene of HRF Exploration & Production LLC**. Also enclosed is a Proof of Service.

If you have any questions or concerns, please feel free to contact me.

Very truly yours,

James R. Neal

JRN:mbh
Enclosures
pc/enc:

Hon. Sharon L. Feldman
Hon. Mark A. Eyster
All Interested Parties
HRF Exploration & Production LLC

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STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the Application of **HighMount**)
Midwest Energy, LLC for Approval to)
Operate Certain Natural Gas Wells Under a)
Vacuum in Oscoda County, Montmorency)
County, and Otsego County, Michigan.)

Case No. U-16074

**PETITION FOR LEAVE TO INTERVENE
OF
HRF EXPLORATION & PRODUCTION LLC**

HRF EXPLORATION & PRODUCTION LLC ("HRF") (hereinafter referred to as "Intervenor"), by and through its attorneys, Loomis, Ewert, Parsley, Davis & Gotting, P. C., petitions for leave to intervene in the above-captioned proceeding pursuant to Rule 201 of the *Commission's Rules of Practice and Procedure*, 1992 AACSR460.17201, and in support thereof states:

1. HRF is a limited liability company duly authorized to do business in the State of Michigan, with its principal offices located at 990 S. Wisconsin, P. O. Box 160, Gaylord, Michigan 49735-0160.
2. The Intervenor is a producer of natural gas in Michigan and currently operates Antrim Gas Projects which are either nearby or are adjoining one or more of the projects involved in the Application.

3. The Intervenor meets the statutory two-prong test for intervention¹, i.e. 1) it will suffer an injury in fact, and 2) its interests are within the area in which Applicant is requesting vacuum operations. If the Commission grants Applicant the use vacuum operations in the Projects covered by the Application, the Intervenor could potentially lose the ability to sustain gas production from its Antrim gas projects, which would affect the Intervenor and its mineral interest owners economically. These interests are within the zone of interests protected or regulated by the statutes in question in this case.

4. The Intervenor additionally meets the Commission's criteria for granting discretionary leave to intervene² because any associated delay will be outweighed by the benefit of its participation in the case. The Intervenor's participation will assist the Commission, and will be in the best interests of the public, because it possesses unique and highly pertinent information that they may present to the Commission regarding vacuum operations.

5. There is no party to the proceeding which can adequately represent the interests of the Intervenor absent its intervention in this case.

6. Intervenor takes the position that the Application, as proposed, to operate the Projects under a vacuum is unjustified. Operation of Antrim gas wells on vacuum in the particular manner proposed by Applicant has the potential to cause surface, reservoir and economic waste, as proscribed by applicable MPSC statutes and regulations, and to harm correlative rights and equitable takes. Intervenor reserves the right to raise such further and additional issues, and to present such further and additional claims, as the facts may warrant following completion of discovery.

¹ *Association of Data Processing Service Organizations, Inc. v Camp*, 397 US 150 (1970); *Drake v The Detroit Edison Co*, 453 F Supp 1123 (WD Mich 1978); *Re Michigan Consolidated Gas Co*, Case No. U-10150 (MPSC Dec. 8, 1992).

² *Re Michigan Consolidated Gas Co*, n1, *supra*.

WHEREFORE, HRF respectfully requests that this Petition for Leave to Intervene be granted and that it be allowed to participate as a full party in this proceeding.

Respectfully submitted,

HRF EXPLORATION & PRODUCTION LLC

Dated: October 5, 2009

By _____
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& Gotting, P. C.
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STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the Application of **HighMount**)
Midwest Energy, LLC for Approval to Operate)
Certain Natural Gas Wells Under a Vacuum in)
Oscoda County, Montmorency County, and)
Otsego County, Michigan.)

Case No. U-16074

PROOF OF SERVICE

STATE OF MICHIGAN)
) SS
COUNTY OF INGHAM)

Maurita Holcomb, being duly sworn, deposes and says that on October 5, 2009, she served a copy of the **Petition for Leave to Intervene of HRF Exploration & Production LLC** upon the attached service list by electronic mail.

Maurita Holcomb

Subscribed and sworn to before me
me this 5th day of October, 2009.

Karen M. Culton, Notary Public, Ingham
County, MI, Acting in Ingham County, MI.
My commission expires: 07/28/12

SERVICE LIST

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