

The advantages of this approach are:

1. The shallow, surface, ground water is adequately protected.
2. There is no salt water invasion into the fresh water section of the Capitan reef while drilling.
3. If extraordinary lost circulation problems are encountered opposite the Capitan reef we have the option of running and cementing 7" casing.
4. A key economic advantage of this program is the saving of \$7,200. of 13 3/8 inch casing costs and \$44,000 in running and cementing 3000 feet of 7 inch casing.

As additional protection for the Capitan reef aquifer I propose a stipulation that substantial cement plugs be emplaced inside the 5 1/2 inch casing opposite the top and bottom of the Capitan reef when the well is plugged.

Sincerely,

A handwritten signature in black ink that reads "George L. Scott, Jr." with a stylized flourish at the end.

George L. Scott, Jr.