BRUCE KING GOVERNOR LARRY KEHOE SECRETARY

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 334-6178

December 30, 1981

Mr. D. F. Wood Cotton Petroleum Corporation 717 Seventeenth Street, Suite 2200 Denver CO 80202

Re: Disposal of water onto roads in 24N-4W, from Apache 100, 106, 120, 123, 124, 126, 129, 134, 138

Dear Mr. Wood:

We understand that there was an agreement between the USGS and the Jicarilla Apache Indians to allow the disposal of the water onto roads for a period of two weeks in November, 1981. We didn't receive the sundry notice from the USGS until after Thanksgiving. We didn't receive the water analysis or exact rate of water production; in the future we also need that information. The Oil and Gas Division has just initiated new laws that prohibit disposal of produced water onto lease roads without good cause. The analysis and production records are needed to determine this.

If you have any questions please call this office.

Yours truly

Jeff A. Edmister

Geologist/Field Representative

JAE:gc

cc: Well files

Operator file Oscar Simpson Prentice Childs