

E. A. CLEMENT
906 NORTH WATSON
FARMINGTON, N. M. 87401

May 21, 1991

N.M. Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

The following specifications and installation procedure of a below grade produced water tank are being submitted for your approval before installation. We plan to use one tank to serve both wells, which are on the same location.

WELLS:

Manana Gas, Inc.
Marian S. No. 1
Chacra Sand production
1547' FNL & 1593' FWL
Section 27, T29N, R11W

Manana Gas, Inc.
Lauren Kelley No. 1
Fruitland Sand production
1477' FNL & 1593' FWL
Section 27, T29N, R11W

EXPECTED WATER PRODUCTION:

3 to 4 gallons per day from Lauren Kelley No. 1 (Fruitland Sand)
15 to 20 gallons per day from Marian S. #1 (Chacra Sand)

TANK & LEAK DETECTION INSTALLATION:

Dig 16' square hole, 5' deep; line hole with 10 mil thick plastic; place 1' coarse sand on bottom; install 4" perforated, fiber glass pipe in sand across bottom of hole with slant of 6" to 50'; extend pipe to surface for sump; place tank on sand; secure plastic up sides to top of tank and hold with wire encircling tank; back fill around tank and plastic.

LEAK DETECTION SYSTEM:

Perforated 4" fiber glass pipe installed with slope of 6" to 50', covered with coarse sand and extended to surface for sump. Sump to be checked weekly for water indicating leak in tank.

TANK CONSTRUCTION:

1/4" thick welded steel plate, epoxy coated, 12' diameter, 5' high, capacity 100 barrels.

ANCHORS:

Tank will be constructed with square bottom with corners extending for weight from back-fill to keep tank from floating in the event of a high ground water table.

CONTINGENCY PLAN:

In the event of a leak in the tank, the tank will be removed, repaired and re-installed.

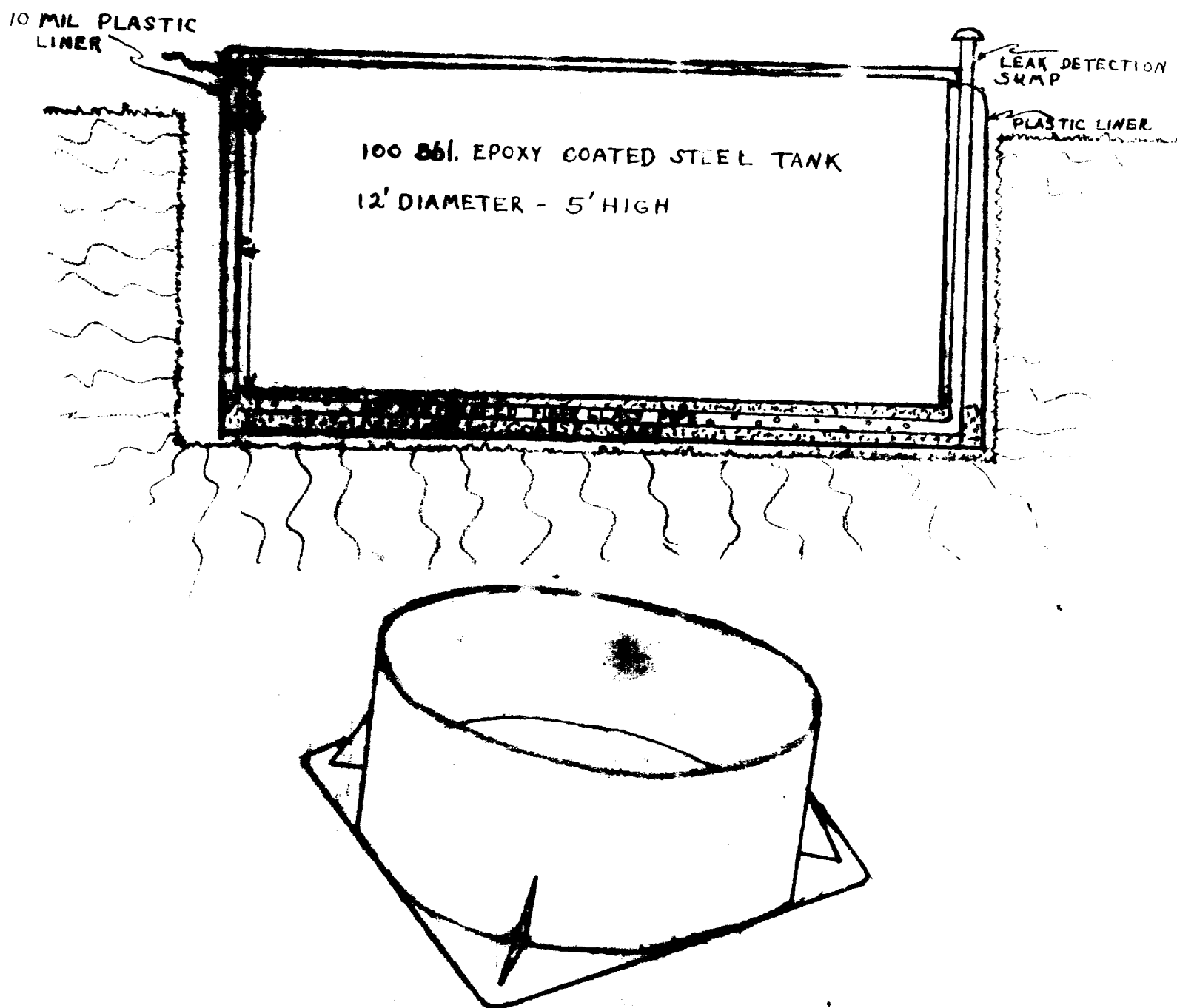
We expect to make this installation approximately the week of June 17, 1991.

Attachments:
Tank Installation Diagram
Well location layout

MANANA GAS, INC.

E. A. Clement, District Manager at

PRODUCED WATER TANK INSTALLATION DIAGRAM



MANANA GAS INC.
 PRODN. S. No. 1
 PROD: CHACRA Sand Fm. n.
 LOC: 1547' FWL & 1508' FWL
 SECTION 27-T23N-R11W
 San Juan County, N.M.

MANANA GAS, INC.
 Leuron Kelly No. 1
 PROD: Fruitland Sand Fm. n.
 LOC: 1477' FWL & 1503' FWL
 SECTION 27-T23N-R11W
 San Juan County, N.M.

BURIED LIND VALVES

2" GAS LINE

WATER COLLECTOR TANKS

PRODUCED WATER STORAGE TANK

GAS METER

check VALVES

GATE

4" GAS LINE TO EL PASO N. M.