

**HINKLE, HENSLEY, SHANOR & MARTIN, L.L.P.**  
 ATTORNEYS AT LAW  
 218 MONTEZUMA  
 SANTA FE, NEW MEXICO 87501  
 505-982-4554 (FAX) 505-982-8623

WRITER:  
 Gary W. Larson,  
 Partner  
 glarson@hinklelawfirm.com

February 15, 2013

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

Nick Jaramillo  
 State Land Office  
 Post Office Box 1148  
 Santa Fe, NM 87504

**Re: State 28 #001 SWD Well (API #30-025-25558)  
 Unit Letter I, 1,980' FSL and 660' FEL, Section 28, T10S, R34E, Lea County**

Dear Mr. Jaramillo:

On behalf of New Mexico Salt Water Disposal Company, Inc. ("NMSWD"), this is to notify you that an application filed by NMSWD with the Oil Conservation Division ("Division") that requests a change in the disposal interval within its State 28 #001 SWD well will be heard by a Division Hearing Examiner on March 7, 2013. The application requests authority to inject into the Glorieta formation from 5,588 to 5,660 feet below ground surface (NMSWD will plug the well below that depth).

The hearing is scheduled at 8:15 a.m. on Thursday, March 7, 2013, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Your failure to appear at that time and become a party of record will preclude you from contesting the matter at a later date.

A party appearing in a Division case is required by the Division's Rules to file a Prehearing Statement no later than Thursday, February 28, 2013. This statement must be filed with the Division's Santa Fe office at the above address, and should include: the name of the party and its attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and an identification of any procedural matters that need to be resolved prior to the hearing. This Prehearing Statement must also be provided to me.

I will provide you with a complete copy of NMSWD's application upon request, and am available to answer any questions you may have.

PO BOX 10  
 ROSWELL, NEW MEXICO 88202  
 (575) 622-6510  
 FAX (575) 623-9332

PO BOX 3580  
 MIDLAND, TEXAS 79702  
 (432) 683-4691  
 FAX (432) 683-6518

PO BOX 2068  
 SANTA FE, NEW MEXICO 87505  
 (505) 982-4554  
 FAX (505) 982-8623

OCD Case No. 14960

**NMSWD  
 Exhibit # 1**

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Gary W. Larson". The signature is written in a cursive style with a large, sweeping flourish at the end.

Gary W. Larson

GWL/sm

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <span style="float: right;"><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</span>  <b>X</b> </p> <p>B. Received by (Printed Name) _____ C. Date of Delivery _____</p>
<p>1. Article Addressed to:</p> <p><b>Nick Jaramillo</b>  <b>State Land Office</b>  <b>P.O. Box 1148</b>  <b>Santa Fe, NM 87504</b></p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes  If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type  <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <b>USPS</b></p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number  (Transfer from service label)</p>	<p><b>7008 0500 0001 4690 2554</b></p>

PS Form 3811, February 2004

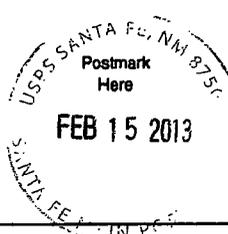
Domestic Return Receipt

102595-02-M-1540

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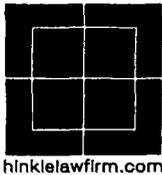
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Postage	\$ 1.46	
Certified Fee	3.10	
Return Receipt Fee <small>(Endorsement Required)</small>	2.55	
Restricted Delivery Fee <small>(Endorsement Required)</small>		
<b>Total Postage &amp; Fees</b>	<b>\$ 6.11</b>	

<i>Sent To</i>	State Land Office
<i>Street, Apt. No., or PO Box No.</i>	P.O. Box 1148
<i>City, State, ZIP+4</i>	Santa Fe, NM 87504

PS Form 3800, August 2006 See Reverse for Instructions

7008 0500 0001 4690 2554



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WRITER:  
Gary W. Larson,  
Partner  
glarson@hinklelawfirm.com

February 15, 2013

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

Kathie Porter  
Yates Petroleum Corporation  
105 S. Fourth Street  
Artesia, NM 88210

**Re: State 28 #001 SWD Well (API #30-025-25558)  
Unit Letter I, 1,980' FSL and 660' FEL, Section 28, T10S, R34E, Lea County**

Dear Ms. Porter:

On behalf of New Mexico Salt Water Disposal Company, Inc. ("NMSWD"), this is to notify you that NMSWD's application to change the disposal interval within its State 28 #001 SWD well will be heard by an Oil Conservation Division ("Division") Hearing Examiner on March 7, 2013. On January 8, 2013, NMSWD notified you of the filing of its application with the Division.

The hearing is scheduled at 8:15 a.m. on Thursday, March 7, 2013, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Your failure to appear at that time and become a party of record will preclude you from contesting the matter at a later date.

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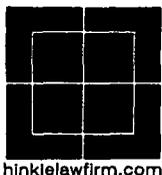
Sincerely,

A handwritten signature in black ink that reads "Gary W. Larson". The signature is written in a cursive style with a large, looping initial "G".

Gary W. Larson

GWL/sm





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WRITER:

Gary W. Larson,  
Partner

glarson@hinklelawfirm.com

February 15, 2013

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

Justin Johnson  
Diamond & Hall, Inc.  
Post Office Box 367  
Tatum, NM 88267-0367

**Re: State 28 #001 SWD Well (API #30-025-25558)  
Unit Letter I, 1,980' FSL and 660' FEL, Section 28, T10S, R34E, Lea County**

Dear Mr. Johnson:

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<p>1. Article Addressed to:</p> <p><b>Justin Johnson</b> <b>Diamond &amp; Hall, Inc.</b> <b>P.O. Box 367</b> <b>Tatum, NM 88267-0367</b></p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>
<p>2. Article Number (Transfer from service label)</p>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>7008 0500 0001 4690 2547</p>	

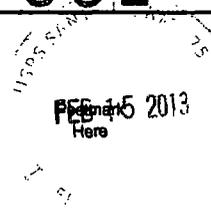
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Restricted Delivery Fee (Endorsement Required)	
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PS Form 3800, August 2006      See Reverse for Instructions

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