Commission Meeting – December 11, 2008 Docket No. 43-08 Page 6 of 6

CASE 14122: (De Novo) (Continued from the November 6, 2008 Commission Meeting.)

Application of Pecos Operating Company for approval of a non-commercial salt water disposal well, Lea County, New Mexico. Applicant seeks approval to deepen and utilize the State GA Well No. 7 (API No. 30-025-03688) located 660 feet from the North line and 2310 feet from the East line in Unit B of Section 16, Township 15 South, Range 36 East, NMPM, to dispose of up to 8,000 barrels of produced water per day, at a maximum pressure of 1,500 psi, into the Caudill Devonian Pool in the Devonian Formation, at an approximate depth of 13495 feet to 13,900 feet. Applicant may be contacted through its representative, Steve Gray, 400 W. Illinois Ave., Suite 1210, Midland, TX 79701, Phone 432-620-8480. Said well is located approximately 3 miles north of Lovington and one-half mile off of Highway 206 (Tatum Hwy). Upon application of H & M Disposal Company, this case will be heard De Novo pursuant to the provisions of Rule 1221.