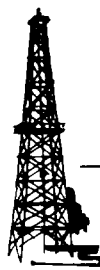


HEYCO

PETROLEUM PRODUCERS



HARVEY E. YATES COMPANY

P.O. BOX 1933

ONE SUNWEST CENTRE

505 / 623-6601

FAX 505 / 622-4221

ROSWELL, NEW MEXICO 88202-1933

September 21, 1989

RECEIVED

SEP 25 1989

OIL CONSERVATION DIV.
SANTA FE

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Florine Davidson

Re: T-19S, R-32E, N.M.P.M.
Sec. 16: SW/4
Lea County, New Mexico
Produced Brine Disposal Into
An Unlined Surface Pit

Case 9786

Gentlemen:

Harvey E. Yates Company wishes to dispose of produced brine from the Delaware formation from our Lusk "16" State #1 and #2 wells into an unlined surface pit. The pit is to be located in the SW/4 of Section 16, T-19S, R-32E, Lea County, New Mexico, at the quarter section quarter section intersect. The location of the Lusk "16" State #1 well is 660' FS & WL of Section 16. The location of the Lusk "16" State #2 well is 1650' FSL & 330' FWL of Section 16. We anticipate drilling no other wells at this time. Current water production is 65 BWPD.

Please advertise this for the October 18, 1989, hearing.
Thank you.

Sincerely,

Larry Brooks
Geologist, CPG 4028

LLB/dlm

luskocd/LL