



December 16, 1985

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

RE: Application for Solids and
Produced Water Disposal Site

Gentlemen:

We have been advised that Petro-Thermo Corporation has applied to the Oil Conservation Division for authorization to operate a disposal site for oil field related solids and liquids in Section 16, Township 20 South, Range 32 East.

We understand that Petro-Thermo Corporation will undertake the disposal of oil field related solids and liquids in a manner that will afford reasonable protection against contamination of fresh water supplies.

It is in the public interest, convenience, and necessity to grant Petro-Thermo Corporation's application. Presently, there are only two approved waste disposal sites of this kind serving the entire southeastern New Mexico area. There is a need for additional approved waste disposal sites convenient to our currently operated oil and gas properties. Petro-Thermo Corporation's proposal will meet this need.

We also believe that the waste of valuable energy resources can be avoided by approving Petro-Thermo Corporation's application. Properties which would, from the standpoint of the production of crude oil, be otherwise uneconomical, could be more efficiently operated given a conveniently located waste disposal site.

Please consider our endorsement of this proposal as a positive step forward in the continued development of New Mexico's important energy industry.

Sincerely yours,

Joe T. Garcia, President
Natural Resource Engineering, Inc.

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OIL CONSERVATION DIVISION	
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