STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

DIL CONSERVATION DIVISION

June 6, 1989

GARREY CARRUTHERS

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

The Permian Corporation P.O. Box 1183 Houston, Texas 77251-1183

Attention: Thomas M. Harris

Dear Mr. Harris:

We are in receipt of your letter dated April 20, 1989, whereby you requested that the status of Division Order No. R-8481, which order authorized the construction of a commercial salt water disposal facility in Eddy County, New Mexico, be maintained until such time as the economic climate in the oilfield improves sufficiently to justify the construction of said facility.

Inasmuch as said Order No. R-8481 contains no expiration provisions, the authorization shall be considered valid until such time as the facility is constructed subject to the following provisions:

1. Any deviation from the design and operation of the facility as presented as evidence in Case No. 9140 shall not be permitted without Division approval.

2. Permian Corporation shall notify the Division upon construction of said facility so that it may be witnessed and/or inspected.

3. The authority granted to Permian Corporation by said order shall not be transferable.

You are further exempted from filing Division Form C-120-A, (Monthly Disposal Report) until such time as the facility is constructed and in use.

Sincerely, David Catanach

xc: OCD-Artesia Tim Gallegos Case File-9140