

**BW - 5**

**GENERAL  
CORRESPONDENCE**

**YEAR(S):**

2004 → 1992

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 11/8/04  
or cash received on \_\_\_\_\_ in the amount of \$ 340<sup>00</sup>  
from JIM'S WATER SERVICE  
for BRINE STATION BW-05  
Submitted by: <sup>(Facility Name)</sup> WAYNE PROFF Date: 12/10/04  
Submitted to ASD by: \_\_\_\_\_ Date: "  
Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_  
Filing Fee \_\_\_\_\_ New Facility \_\_\_\_\_ Renewal   
Modification \_\_\_\_\_ Other \_\_\_\_\_  
Organization Code 521.07 Applicable FY 2004

To be deposited in the Water Quality Management Fund.  
Full Payment \_\_\_\_\_ or Annual Increment

Security enhanced document. See back for details.

JIM'S WATER SERVICE OF NEW MEXICO  
A DIVISION OF JIM'S WATER SERVICE OF COLORADO, INC.  
1675 BROADWAY STE. 2800  
DENVER, CO 80202

DATE NOVEMBER 8, 2004

PAY TO THE ORDER OF WATER QUALITY MANAGEMENT FUND - OTE CONSERVATION DIVISION \$ 340.00  
DOLLARS

\*\*\*THREE HUNDRED FORTY AND 00/100\*\*\*

KeyBank National Association  
Denver, Colorado 80208  
1-800-KEY2YOU Key.com

FOR [redacted]

*Sherry A. Jan*

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 7/18/03  
or cash received on \_\_\_\_\_ in the amount of \$ 340<sup>00</sup>

from JIM'S WATER SERVICE

for LOCO HILLS PRICIST BW-05

Submitted by: <sup>(Family Name)</sup> WAYNE PRICE Date: <sup>(DP No.)</sup> 7/25/03

Submitted to ASD by: [Signature] Date: "

Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_

Filing Fee \_\_\_\_\_ New Facility \_\_\_\_\_ Renewal \_\_\_\_\_

Modification \_\_\_\_\_ Other \_\_\_\_\_

Organization Code 521.07 Applicable FY 2003 4

To be deposited in the Water Quality Management Fund.

Full Payment \_\_\_\_\_ or Annual Increment ✓

Security enhanced document. See back for details.

JIM'S WATER SERVICE OF NEW MEXICO  
A DIVISION OF JIM'S WATER SERVICE OF COLORADO, INC.  
1675 BROADWAY STE. 2800  
DENVER, CO 80202

DATE JULY 18, 2003

82-7026/3070  
45

PAY TO THE ORDER OF WATER QUALITY MANAGEMENT FUNDS \$ 340.00

\*\*\*THREE HUNDRED FORTY AND 00/100\*\*\*\*\* DOLLARS



FOR BW05

Sherry A. Law

GUARDIAN @ SAFETY

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 6/3/02  
or cash received on \_\_\_\_\_ in the amount of \$ 340<sup>00</sup>  
from JIM'S WATER SERVICE  
for LOCO HILLS BRINE ST BW-005  
Submitted by: WAYNE PRICE (Family Name) Date: 6/19/02 (DP No.)  
Submitted to ASD by: [Signature] Date: '1  
Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_  
Filing Fee \_\_\_\_\_ New Facility \_\_\_\_\_ Renewal   
Modification \_\_\_\_\_ Other \_\_\_\_\_ (Optional)  
Organization Code 521.07 Applicable FY 2002

To be deposited in the Water Quality Management Fund.  
Full Payment \_\_\_\_\_ or Annual Increment

Security enhanced document. See back for details.

**JIM'S WATER SERVICE OF NEW MEXICO**  
**A DIVISION OF JIM'S WATER SERVICE OF COLORADO, INC.**  
1675 BROADWAY STE. 2800  
DENVER, CO 80202

PAY TO THE ORDER OF WATER QUALITY MANAGEMENT FUND DATE JUNE 3, 2002 82-7026/3070  
45

\$ 340.00

\*\*\*\*\*THREE HUNDRED FORTY AND 00/100\*\*\*\*\*  
DOLLARS Security features are included. Details on back.

 KeyBank National Association  
Denver, Colorado 80206  
1-800-KEY2YOU

FOR DISCHARGE PLAN [Signature]  
MP

[redacted]

GUARDIAN & SAFETY  
© Clarke American BA

# Affidavit of Publication

01 DEC 28 PM 2:15

State of New Mexico,  
County of Eddy, ss.

Dawn Higgins  
being first duly sworn, on oath says:

That she is Business Manager of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

<u>December 23,</u>	<u>2001</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

That the cost of publication is \$ 65.66 and that payment thereof has been made and will be assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this

26 day of December, 2001

delo reed

My commission expires 04-25-04  
Notary Public

December 23, 2001

### NOTICE OF PUBLICATION

#### STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge plan applications has been submitted to the Director of the Oil Conservation Division, 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(BW-005) - Jim's Brine Sales, Sammy Stoneman, (505) 748-1352, P.O. Box 1387, Artesia, New Mexico, 88211-1387 has submitted an application for renewal of its previously approved discharge plan for the Loco Hills Brine Station, located in the SE/4 SE/4 of Section 24, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico. Fresh water is injected to an approximate depth of 456 feet and brine water is extracted with an average total dissolved solids concentration of 300,000 mg/l. Ground water most likely to be affected by any accidental discharge is at a depth exceeding 225 feet and has a total dissolved solids content of 600 mg/l to 6,000 mg/l. The discharge plan ad-

dresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 17th day of December 2001.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

LORI WROTENBERRY, Director

THE SANTA FE  
**NEW MEXICAN**  
Founded 1849

RECEIVED  
JAN 10 2002  
Environmental Bureau  
Oil Conservation Division

NM OIL CONSERVATION DIVISION  
1220 ST. FRANCIS DR.  
SANTA FE, NM 87505  
ATTN WAYNE PRICE

AD NUMBER: 240339      ACCOUNT: 56689  
LEGAL NO: 70902      P.O.#: 0219900249  
189 LINES      1 time(s) at \$ 83.31  
AFFIDAVITS:      5.25  
TAX:      5.54  
TOTAL:      94.10

**NOTICE OF PUBLICATION**  
**STATE OF NEW MEXICO**  
**ENERGY, MINERALS**  
**AND NATURAL RESOURCES**  
**DEPARTMENT**  
**OIL CONSERVATION DIVISION**

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GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 17th day of December 2001.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

S E A L

LORI WROTENBERY, Director  
Legal # 70902  
Pub. December 24, 2001

**AFFIDAVIT OF PUBLICATION**

STATE OF NEW MEXICO  
COUNTY OF SANTA FE

I, K. Voorhees being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a Newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication #70902 a copy of which is hereto attached was published in said newspaper 1 day(s) between 12/24/2001 and 12/24/2001 and that the notice was published in the newspaper proper and not in any supplement; the first publication being on the 24 day of December, 2001 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

K. Voorhees

LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this  
24 day of December A.D., 2001

Notary Laura R. Harding

Commission Expires 11/23/03

APPROVED  
Wayne Price

**NOTICE OF PUBLICATION**

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

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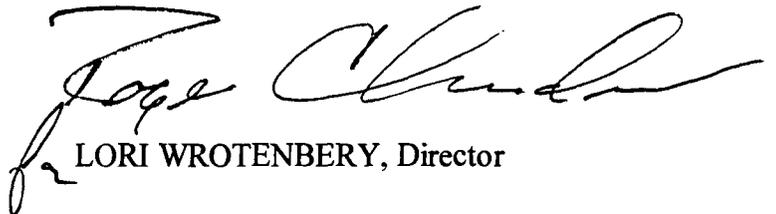
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GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 17<sup>th</sup> day of December 2001.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
LORI WROTENBERY, Director

SEAL

**NOTICE OF PUBLICATION**

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

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STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
LORI WROTENBERY, Director

SEAL

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 8-17-01  
or cash received on \_\_\_\_\_ in the amount of \$ 100<sup>00</sup>  
from STONEMAN MOBILE LIVING for JIM'S WATER SERVICE  
for BRINK STATION STATE "24" BW-005  
Submitted by: (Primary Name) WAYNE PRICE Date: (DP No.) 8/30/01  
Submitted to ASD by: [Signature] Date: "  
Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_  
Filing Fee  New Facility \_\_\_\_\_ Renewal \_\_\_\_\_  
Modification \_\_\_\_\_ Other \_\_\_\_\_  
Organization Code 521.07 Applicable FY 2002

To be deposited in the Water Quality Management Fund.

Full Payment \_\_\_\_\_ or Annual Increment \_\_\_\_\_

STONEMAN MOBILE LIVING 3207 WILLIAMS RD. PH. 746-3751 ARTESIA, NM 88210		95-198/1122 00543268	[redacted]
DATE <u>8-17-01</u>			
PAY TO THE ORDER OF <u>OCD of New Mexico</u>	<u>One Hundred + 00/100</u>	\$ <u>100<sup>00</sup></u>	
Western Bank ARTESIA, NEW MEXICO 88210		DOLLARS	 Security Features Included. Details on Back.
MEMO <u>Discharge Plan Renewal</u>	<u>[Signature]</u>		

State of New Mexico  
Energy, Minerals and Natural Resources Department  
OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, NM 87501

RECEIVED  
AUG 24 2001  
Environmental Bureau  
Oil Conservation Division

DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITY  
(Refer to OCD Guidelines for assistance in completing the application.)

NEW

RENEWAL

- I. FACILITY NAME: JWS Brine Station Loco Hills Brine Station
- II. OPERATOR: Jim's Water Service of NMEX  
ADDRESS: 11413 Lovington Hiway Artesia NMEX  
CONTACT PERSON: Sammy Stoneman PHONE: 5057481352
- III. LOCATION: SE/4 SE/4 Section 24 Township 18 South Range 28 East  
*Submit large scale topographic map showing exact location.*
- ✓IV. Attach the name and address of the landowner of the facility site.
- ✓V. Attach a description of the types and quantities of fluids at the facility.
- ✓VI. Attach a description of all fluid transfer and storage and fluid and solid disposal facilities.
- ✓VII. Attach a description of underground facilities (i.e. brine extraction well).
- ✓VIII. Attach a contingency plan for reporting and clean-up of spills or releases.
- IX. Attach geological/hydrological evidence demonstrating that brine extraction operations will not adversely impact fresh water.
- (X) Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
- XI. CERTIFICATION

*I hereby certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.*

Name: Sammy Stoneman

Title: Manager

Signature: Sammy Stoneman

Date: 8-17-01

DISTRIBUTION: Original and one copy to Santa Fe with one copy to appropriate Division District Office.

**JIM'S WATER SERVICE OF NEW MEXICO**

A DIVISION OF JIM'S WATER SERVICE OF COLORADO, INC.

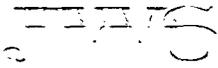
11413 US HIGHWAY 82

P.O. Box 1387

ARTESIA, NEW MEXICO, 88211-1387

TELEPHONE: (505) 748-1352

FACSIMILE: (505) 746-3227



COMPLETE OIL FIELD SERVICES

August 16, 2001

RECEIVED  
AUG 24 2001  
Environmental Bureau  
Oil Conservation Division

We would like to apply for a renewal of our Discharge plan for JWS of Loco Hills Brine Station. Everything is the same as before except we have poured a 120' x 10' concrete slab in front of our brine storage to load trucks on.

Thank you,

Sammy Stoneman  
JWS of New Mexico  
Vice President of Operation



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
**Oil Conservation Division**

## Memorandum of Meeting or Conversation

Telephone \_\_\_\_\_  
Personal \_\_\_\_\_  
E-Mail   X    
FAX: \_\_\_\_\_

Date: July 20, 2001

Originating Party: Wayne Price-OCD

Other Parties: Sammy Stoneman- Jim's Water Service

Subject: Discharge Plan Renewal Notice for the following Facilities:

BW-005 JWS Brine St. expires Dec 19, 2001

**WQCC 3106.F.** If the holder of an approved discharge plan submits an application for discharge plan renewal at least 120 days before the discharge plan expires, and the discharger is not in violation of the approved discharge plan on the date of its expiration, then the existing approved discharge plan for the same activity shall not expire until the application for renewal has been approved or disapproved. A discharge plan continued under this provision remains fully effective and enforceable. An application for discharge plan renewal must include and adequately address all of the information necessary for evaluation of a new discharge plan. Previously submitted materials may be included by reference provided they are current, readily available to the secretary and sufficiently identified to be retrieved. [12-1-95]

**Discussion:** Discussed WQCC 3106F and gave notice to submit Discharge Plan renewal application with \$100.00 filing fee for the above listed facilities.

**Conclusions or Agreements:**

Please send DP application and \$ 100.00 filing Fee before Aug 19, 2001 to retain WQCC 3106.F provision.

Signed: \_\_\_\_\_

**Price, Wayne**

---

**From:** Price, Wayne  
**Sent:** Friday, July 20, 2001 2:43 PM  
**To:** 'sstoneman@jws.kpk.com'  
**Subject:** Brine Well Discharge Plan Renewal BW-005 Notice expires Dce 19, 2001





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

June 8, 2001

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 5357 7874**

Mr. Sammy Stoneman  
Jim's Water Service of New Mexico  
P.O. Box 1387  
Artesia, New Mexico 88211-1387

Re: JWS Brine Station BW-005  
State 24 #1 NW/4 SE/4 Sec 24-Ts18s-R 28e

Subject: Brine Water Spill and Site Improvements

Dear Mr. Stoneman:

The New Mexico Oil Conservation Division (OCD) is in receipt of your response letter dated September 28, 2000 concerning a spill event on May 19, 2000 and Site Improvements. The OCD hereby approves of the minor modification and clean-up activities with the following conditions:

The buried fiberglass tank that was installed shall have secondary containment with leak detection.

Sincerely;

A handwritten signature in black ink, appearing to read "Wayne Price".

Wayne Price-Pet. Engr. Spec.

cc: OCD Artesia Office

**JIM'S WATER SERVICE OF NEW MEXICO**

A DIVISION OF JIM'S WATER SERVICE OF COLORADO, INC.

11413 US HIGHWAY 82

P.O. Box 1387

ARTESIA, NEW MEXICO, 88211-1387

TELEPHONE: (505) 748-1352

FACSIMILE: (505) 746-3227

E G E I W

COMPLETE OIL FIELD SERVICES

EMAIL: SSSTONEMAN@JWS.KPK

COM

OCT 2 2000

WATER CONSERVATION DIVISION

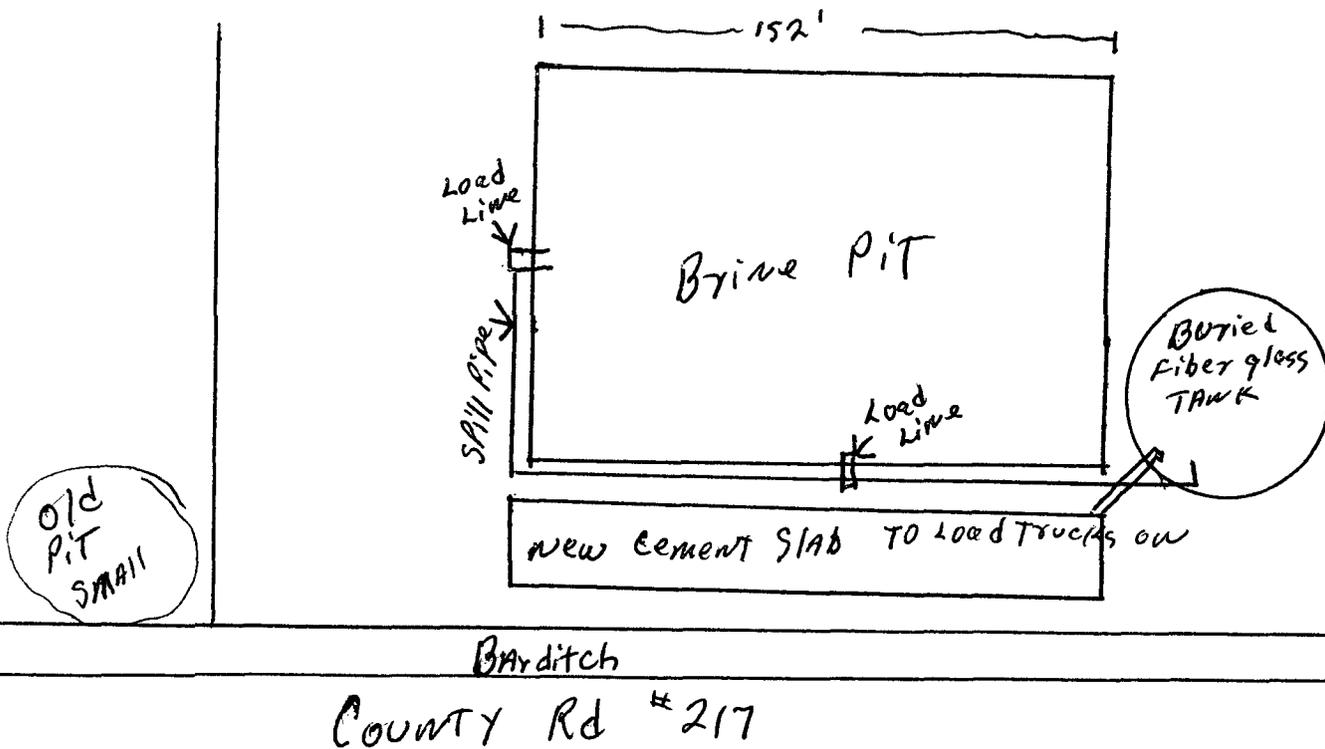
September 28, 2000

Mr. Wayne Price  
New Mexico Energy, Minerals and Natural Resources Department  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Re: JWS Brine Station BW-005  
State 24 #1 NW/4 SE/4 Sec 24-Ts18s-R 28e

Dear Mr. Price

The water ran out into the bar ditch and then into a small pit on the east side of the brine pit. We had soil samples taken from the bar ditch and the small old pit, they were taken from about one foot deep. Analysis sheet attached. What water was not soaked in we picked up with a vacuum truck and took to Loco Hills Disposal. We then covered the spill and back drag it.



So.

At the present we are running a cement slab 12' wide and 152' long with an 8" curb both sides. Any spill will be contained on cement then run into fiberglass tank at east corner of brine pit. The slab is only on the south side. It will have 2 load lines to load trucks. The west side load line will be removed until we run a cement slab there also.

Mr. Price, as we can't be there when every truck loads, we went with the cement slab instead of the brim. So that change will be made on the c-141 form. We tell all our drivers to report to the pusher on duty any over flow from his trailer no matter how small or big at any location.

Mr. Price the last time I talked with you on the phone I went straight to Mr. Gum's office and visited with him about this matter.

There is no surface water within 10 miles that would be the Pecos River. The closest windmill is at least 3 miles from spill.

Sincerely;

Sammy Stoneman  
Vice President of Operation for JWS of New Mexico

Cc: OCD Artesia Office

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-141  
Revised March 17, 1999

Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back  
side of form

Release Notification and Corrective Action

OPERATOR

Initial Report

Final Report

Name of Company <i>Jim Water Service</i>	Contact	
Address <i>PO Box 1387</i>	Telephone No. <i>505-7481352</i>	
Facility Name <i>JWS Brine Station</i>	Facility Type <i>Brine Station</i>	
Surface Owner	Mineral Owner	Lease No.

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>J</i>	<i>24</i>	<i>18 S</i>	<i>28 E</i>					<i>Eddy</i>

NATURE OF RELEASE

Type of Release <i>Salt Water</i>	Volume of Release <i>20 BBL</i>	Volume Recovered <i>0</i>
Source of Release <i>Pit overflowed</i>	Date and Hour of Occurrence <i>Around 5-18-00</i>	Date and Hour of Discovery <i>5-19-00</i>
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.\*

*Pit overflowed Hire watchman to watch Pit and level  
closed Brine Station to Public locked valves*

Describe Area Affected and Cleanup Action Taken.\*

*Back dragged Loc - And have Mesquite services Build Brim around  
Pit. They will do it when they have time. 9-25-00 we  
are pouring a 12' x 12' Cement slab with curb to catch any spill*

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature: <i>Dimas Herrera</i>	<u>OIL CONSERVATION DIVISION</u>	
Printed Name: <i>Dimas Herrera</i>	Approved by District Supervisor:	
Title: <i>Field Supervisor</i>	Approval Date:	Expiration Date:
Date: <i>6-28-00</i> Phone: <i>365-7846</i>	Conditions of Approval:	Attached <input type="checkbox"/>

\* Attach Additional Sheets If Necessary





**ARDINAL  
LABORATORIES**

PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
JIM'S WATER SERVICE  
ATTN: SAMMY STONEMAN  
P.O. BOX 1387  
ARTESIA, NM 88210  
FAX TO: (505) 746-3227

Receiving Date: 05/24/00  
Reporting Date: 05/25/00  
Project Number: NOT GIVEN  
Project Name: NOT GIVEN  
Project Location: NOT GIVEN

Analysis Date: 05/25/00  
Sampling Date: 05/24/00  
Sample Type: SOIL  
Sample Condition: COOL & INTACT  
Sample Received By: BC  
Analyzed By: GP

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/Kg)
H4904-1	SURFACE	116000
H4904-2	1' DEPTH	4800
Quality Control		1039
True Value QC		1000
% Recovery		104
Relative Percent Difference		1.8

METHOD: Standard Methods	4500-Cl <sup>-</sup> B
--------------------------	------------------------

NOTE: Analyses performed on 1:4 w:v aqueous extracts.

*Burgess J. Keebe*  
Chemist

5/25/00  
Date

**H4904.XLS**  
PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.

OFFICE OF THE STATE ENGINEER

DISTRICT II

1900 W. 2nd STREET

ROSWELL, N.M. 88201

FAX # (505) 623-8559

Fax Transmittal Lead Sheet

DATE: 9-14-00 NUMBER OF PAGES ATTACHED: 1

ATTENTION: DIMAS HERRERA

ORGANIZATION: JWS

SECTION: \_\_\_\_\_

FROM: JALAYNE SPIVEY

SECTION: WATER RIGHTS

PHONE #: 622-6521

COMMENTS: DIMAS:  
IN THE AREA (185.28E.24), I DID NOT FIND IN OUR RECORDS ANY WELLS EITHER PERMITTED, DECLARED, OR OTHERWISE.

TIME SENT: 3:50P FAX # TO: 746-3227

TELECOPIER OPERATOR: JMS

JMS

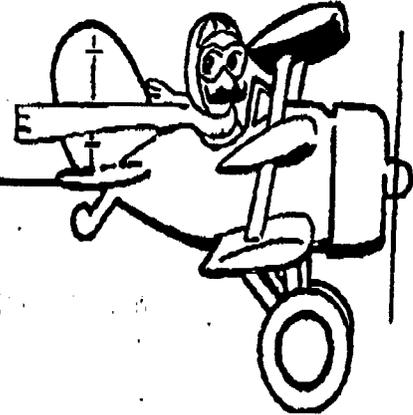
# IN COMING!

DATE: 1/22/2001

ATTENTION: ROGER ANDERSON

FROM: MIKE STUBBLEFIELD

NUMBER OF PAGES INCLUDING COVER SHEET:  
2



OIL CONSERVATION DIVISION  
 DISTRICT II  
 ARTESIA, NM 88210

IF YOU HAVE ANY PROBLEMS WITH THIS TRANSMISSION OR IF YOU DO NOT  
 RECEIVE ALL PAGES, PLEASE CALL 505-748-1283.  
 FAX NUMBER: (505) 748-9720

ROGER,

---

HERE IS THE MEMO WE DISCUSSED.

---



---



---



---



---

HAVE A GREAT DAY!



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

September 13, 2000

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 5051 4928**

Mr. Sammy Stoneman  
Jim's Water Service of New Mexico  
P.O. Box 1387  
Artesia, New Mexico 88211-1387

Re: JWS Brine Station BW-005  
State 24 #1 NW/4 SE/4 Sec 24-Ts18s-R 28e

Subject: Un-Reported Brine Water Spill

Dear Mr. Stoneman:

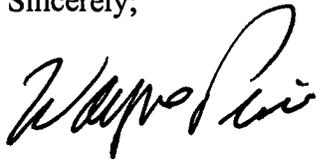
The New Mexico Oil Conservation Division (OCD) is in receipt of Jim's Water Service of New Mexico response letter dated August 31, 2000 concerning the above Brine Water Spill. OCD's letter of August 22, 2000 had requested that Jim's Water Service of New Mexico submit a completed C-141 to include a plan for OCD approval that addresses how you plan to clean up the site and prevent run-off from the site in the future and submit documentation showing that you have communicated with the local OCD district office concerning this matter and documentation showing that Jim's Water Service has trained its employees on spill reporting. After reviewing your response letter OCD has determined your response is deficient in some of the request and therefore requires Jim's Water Service of New Mexico to perform the following actions:

1. Submit documentation showing that you have communicated with the local OCD Artesia District Office concerning this matter and documentation showing that Jim's Water Service has supplied the OCD Artesia District Office with a copy of the C-141 spill report.
2. Submit documentation showing that Jim's Water Service of New Mexico has completed the spill control run-off measures, i.e. installation of berm.

3. In order for OCD to evaluate your clean-up plan listed on the C-141, please provide to OCD a plot plan (sketch) showing the facility and the area affected by the spill. Include on the sketch approximate dimensions, location of where samples were collected, and the migration path of the spill and where it pooled. Identify any major features such as drainage paths to watercourses or surface waters, including playa lakes, depth of groundwater, and distance to any fresh water supply well.

**Please provide the above requested information by October 2, 2000.**

Sincerely;

A handwritten signature in black ink, appearing to read "Wayne Price". The signature is written in a cursive, flowing style.

Wayne Price-Pet. Engr. Spec.

cc: OCD Artesia Office

**JIM'S WATER SERVICE OF NEW MEXICO**

A DIVISION OF JIM'S WATER SERVICE OF COLORADO, INC.

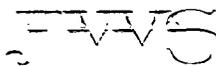
11413 US HIGHWAY 82

P.O. Box 1387

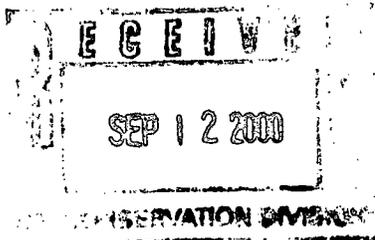
ARTESIA, NEW MEXICO, 88211-1387

TELEPHONE: (505) 748-1352

FACSIMILE: (505) 746-3227



COMPLETE OIL FIELD SERVICES



August 31, 2000

State of New Mexico Energy, Minerals and Natural Resources Dept.  
2040 South Pacheco  
P.O. Box 6429  
Santa Fe, New Mexico 87505-5472

We have told all our employees to watch their trailers and not to run them over. Have told all our drivers to report to us any spills immediately. Sometimes the overflows are not our drivers they are caused by other companies. The only companies we let load their now is Plains Marketing, OK Hot Oilers and Mack Chase. All companies have been told to report to us any spills they make.

Thank you,

A handwritten signature in cursive script that reads 'Sammy Stoneman'. The signature is written in black ink and is positioned above the printed name.

Sammy Stoneman  
JWS of New Mexico, Vice President of Operations



**ARDINAL  
LABORATORIES**

PHONE (915) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR  
JIM'S WATER SERVICE  
ATTN: SAMMY STONEMAN  
P.O. BOX 1387  
ARTESIA, NM 88210  
FAX TO: (505) 746-3227

Receiving Date: 05/24/00  
Reporting Date: 05/25/00  
Project Number: NOT GIVEN  
Project Name: NOT GIVEN  
Project Location: NOT GIVEN

Analysis Date: 05/25/00  
Sampling Date: 05/24/00  
Sample Type: SOIL  
Sample Condition: COOL & INTACT  
Sample Received By: BC  
Analyzed By: GP

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/Kg)
H4904-1	SURFACE	116000
H4904-2	1' DEPTH	4800
Quality Control		1039
True Value QC		1000
% Recovery		104
Relative Percent Difference		1.8

METHOD: Standard Methods 4500-Cl<sup>-</sup>B

NOTE: Analyses performed on 1:4 w:v aqueous extracts.

*B. Stone*  
Chemist

*5/25/00*  
Date

H4904.XLS

PLEASE NOTE: Liability and Damages: Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

Revised Ma

Submit 2 Copies to a  
District Office in ac.  
with Rule 116.  
side c

Release Notification and Corrective Action

OPERATOR

Initial Report  Final Report

Name of Company <i>Jim Water Service</i>	Contact	
Address <i>PO Box 1387</i>	Telephone No. <i>505-7481352</i>	
Facility Name <i>JWS Brine Station</i>	Facility Type <i>Brine Station</i>	
Surface Owner	Mineral Owner	Lease No.

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
<i>J</i>	<i>24</i>	<i>18 S</i>	<i>28 E</i>					<i>Eddy</i>

NATURE OF RELEASE

Type of Release <i>Salt Water</i>	Volume of Release <i>20 GAL</i>	Volume Recovered <i>0</i>
Source of Release <i>Pit overflowed</i>	Date and Hour of Occurrence <i>Around 5-18-00</i>	Date and Hour of Discovery <i>5-19-00</i>
Was Immediate Notice Given? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	
By Whom?	Date and Hour	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully.*		
Describe Cause of Problem and Remedial Action Taken.* <i>Pit overflowed Hire watchman to watch Pit and level Closed Brine Station to Public hooked Valves</i>		
Describe Area Affected and Cleanup Action Taken.* <i>Back dragged Loc - And HAVE Mesquite Services Build Brim around PIT. They will do it when they HAVE Time.</i>		

RECEIVED  
SEP 12 2000  
Environmental Bureau  
Oil Conservation Division

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

Signature: <i>Dimas Herrera</i>	Approved by	
Printed Name: <i>Dimas Herrera</i>	District Supervisor:	
Title: <i>Field Supervisor</i>	Approval Date:	Expiration Date:
Date: <i>6-28-00</i>	Phone: <i>365-7846</i>	Conditions of Approval:
		Attached <input type="checkbox"/>

\* Attach Additional Sheets If Necessary

116 RELEASE NOTIFICATION AND CORRECTIVE ACTION [1-1-50...2-1-96 ; A, 3-15-97]

116.A. NOTIFICATION

(1) The Division shall be notified of any unauthorized release occurring during the drilling, producing, storing, disposing, injecting, transporting, servicing or processing of crude oil, natural gases, produced water, condensate or oil field waste including Regulated NORM, or other oil field related chemicals, contaminants or mixture thereof, in the State of New Mexico in accordance with the requirements of this Rule. [1-1-50...2-1-96 ; A, 3-15-97]

(2) The Division shall be notified in accordance with this Rule with respect to any release from any facility of oil or other water contaminant, in such quantity as may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3). [3-15-97]

116.B. REPORTING REQUIREMENTS: Notification of the above releases shall be made by the person operating or controlling either the release or the location of the release in accordance with the following requirements: [5-22-73...2-1-96; A, 3-15-97]

(1) A **Major Release** shall be reported by giving both immediate verbal notice and timely written notice pursuant to Paragraphs C(1) and C(2) of this Rule. A Major Release is:

- (a) an unauthorized release of a volume, excluding natural gases, in excess of 25 barrels;
- (b) an unauthorized release of any volume which:
  - (i) results in a fire;
  - (ii) will reach a water course;
  - (iii) may with reasonable probability endanger public health; or
  - (iv) results in substantial damage to property or the environment;
- (c) an unauthorized release of natural gases in excess of 500 mcf; or
- (d) a release of any volume which may with reasonable probability be detrimental to water or cause an exceedance of the standards in 19 NMAC 15.A.19. B(1), B(2) or B(3). [3/15/97]

(2) A **Minor Release** shall be reported by giving timely written notice pursuant to Paragraph C(2) of this Rule. A Minor Release is an unauthorized release of a volume, greater than 5 barrels but not more than 25 barrels; or greater than 50 mcf but less than 500 mcf of natural gases. [3-15-97]

116.C. CONTENTS OF NOTIFICATION

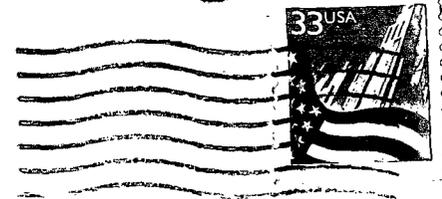
(1) **Immediate verbal notification** required pursuant to Paragraph B shall be reported within twenty-four (24) hours of discovery to the Division District Office for the area within which the release takes place. In addition, immediate verbal notification pursuant to Subparagraph B .(1).(d). shall be reported to the Division's Environmental Bureau Chief. This notification shall provide the information required on Division Form C-141. [5-22- 73 . 2-1-96; A, 3-15-97]

(2) **Timely written notification** is required to be reported pursuant to Paragraph B within fifteen (15) days to the Division District Office for the area within which the release takes place by completing and filing Division Form C-141. In addition, timely written notification required pursuant to Subparagraph B .(1).(d). shall also be reported to the Division's Environmental Bureau Chief within fifteen (15) days after the release is discovered. The written notification shall verify the prior verbal notification and provide any appropriate additions or corrections to the information contained in the prior verbal notification. [5-22-73...2-1-96; A, 3-15-97]

116.D. CORRECTIVE ACTION: The responsible person must complete Division approved corrective action for releases which endanger public health or the environment. Releases will be addressed in accordance with a remediation plan submitted to and approved by the Division or with an abatement plan submitted in accordance with Rule 19 (19 NMAC 15.A. 19). [3-15-97]

**JWS**

**JIM'S WATER SERVICE OF NEW MEXICO**  
11413 US HIGHWAY 82  
P.O. Box 1387  
ARTESIA, NEW MEXICO, 88211-1387



State of New Mexico Energy, Mineral and  
Natural Resources Dept.  
2040 South Pacheco  
P.O. Box 6429  
Santa Fe, New Mexico 87505-5472

87505-5472



**Price, Wayne**

---

**From:** Stubblefield, Mike  
**Sent:** Wednesday, August 23, 2000 1:42 PM  
**To:** Price, Wayne  
**Subject:** PHOTO'S TAKEN 8/23/2000 JIM'S WTR SER. BRINE STATION CO RD 217

8/23/2000

WAYNE,

THOUGHT YOU MIGHT BE INTERESTED IN  
SEEING PHOTO'S OF THE JIM'S BRINE STATION.

MIKE S.



Mvc-003s.jpg



Mvc-002s.jpg



Mvc-001s.jpg







# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
Jennifer A. Salisbury  
Cabinet Secretary

August 22, 2000

**Lori Wrotenberg**  
Director  
Oil Conservation Division

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. 5051 5062**

Mr. Sammy Stoneman  
Jim's Water Service of New Mexico  
P.O. Box 1387  
Artesia, New Mexico 88211-1387

Re: JWS Brine Station BW-005  
State 24 #1 NW/4 SE/4 Sec 24-Ts18s-R 28e

Subject: Un-Reported Brine Water Spill

Dear Mr. Stoneman:

As of this date, the New Mexico Oil Conservation Division (OCD) has not received a completed C-141 spill report form for a spill that occurred on or about May 18, 2000 at the above captioned site. Jim's Water Service of New Mexico is hereby required to perform the following actions:

1. Submit a completed C-141 to include a plan for OCD approval that addresses how you plan to clean up the site and prevent run-off from the site in the future.
2. Submit documentation showing that you have communicated with the local OCD district office concerning this matter and documentation showing that Jim's Water Service has trained its employees on spill reporting.

**Please provide the above information by August 31, 2000. Failure to comply with this request will result in a Notice of Violation being issued to Jim's Water Service of New Mexico for violating the discharge plan permit conditions.**

Sincerely;

Wayne Price-Pet. Engr. Spec.

cc: OCD Artesia Office

**JIM'S WATER SERVICE OF NEW MEXICO**

A DIVISION OF JIM'S WATER SERVICE OF COLORADO, INC.

11413 US HIGHWAY 82

P.O. Box 1387

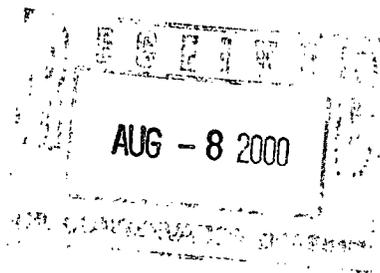
ARTESIA, NEW MEXICO, 88211-1387

TELEPHONE: (505) 748-1352

FACSIMILE: (505) 746-3227



COMPLETE OIL FIELD SERVICES



August 7, 2000

Mr. Wayne Price  
New Mexico Oil Conservation Commission  
2040 South Pacheco  
Santa Fe, NM 87505

Dear Mr. Price

I apologize for not letting the Santa Fe office know about a salt-water spill at JWS Brine Station. We did tell the Artesia office of it and got soil samples. We did what they told us to do.

After I talked to you Mr. Price I called Mesquite Services and they are going to build us a brim around our Brine Station, they can't get to it today but will as soon as possible.

Again I am sorry for not letting you know. In the future I will notify you first.

Attached is a copy of the analysis of the soil that Artesia office told us to get.

Respectfully Yours

A handwritten signature in cursive script, reading 'Sammy Stoneman', is written over a horizontal line.

Sammy Stoneman  
Vice President, JWS of New Mexico



ANALYTICAL RESULTS FOR  
JIM'S WATER SERVICE  
ATTN: SAMMY STONEMAN  
P.O. BOX 1387  
ARTESIA, NM 88210  
FAX TO: (505) 746-3227

Receiving Date: 05/24/00  
Reporting Date: 05/25/00  
Project Number: NOT GIVEN  
Project Name: NOT GIVEN  
Project Location: NOT GIVEN

Analysis Date: 05/25/00  
Sampling Date: 05/24/00  
Sample Type: SOIL  
Sample Condition: COOL & INTACT  
Sample Received By: BC  
Analyzed By: GP

LAB NUMBER	SAMPLE ID	Cl <sup>-</sup> (mg/Kg)
H4904-1	SURFACE	116000
H4904-2	1' DEPTH	4800
Quality Control		1039
True Value QC		1000
% Recovery		104
Relative Percent Difference		1.8

METHOD: Standard Methods : 4500-Cl<sup>-</sup>B

NOTE: Analyses performed on 1:4 w/v aqueous extracts.

*Bruce A. Kelly*  
Chemist

*5/25/00*  
Date

H4904.XLS



**Price, Wayne**

---

**From:** Stubblefield, Mike  
**Sent:** Monday, June 12, 2000 11:54 AM  
**To:** Price, Wayne  
**Subject:** UNREPORTED BRINE WTR SPILL JIM'S WTR SERVICE CO RD 217

6/12/2000

WAYNE,

ON 5/18/2000 AFTER BEING KNOWTIFED OF BRINE SPILL AT BRINE STATION BY TIM GUM I INSPECTED THE FACILITY AND FOUND THAT BRINE WTR HAD RUN DOWN BAR DITCH IN FRONT ON THE HOLDING POND AND POOLED IN A CALICHE PIT NEXT TO FACILITY.

5/19/2000 I CALLED SAMMY STONEMAN AND KNOWTIFIED HIM TO REPORT SPILLS TO SEND IN C-141 WITH REMEDIATION ACTIONS TO BE TAKEN TO CORRECT THE BRINE RELEASE.

HIS TRUCK PUSHER CAME INTO THE OFFICE A COUPLE DAYS LATTER AND REQUESTED C-141 FORMS AND WAS ALSO INSTRUCTED TO TURN IN C-141 FORM AND TO TAKE PROPER REMEDIATION ACTIONS TO CORRECT THE BRINE SPILL.

MIKE S.



# PERMIAN BRINE SALES, INC.

BRINE - FRESHWATER - WATER DISPOSAL - SOLIDS DISPOSAL

WEB SITE: <http://www2.basinlink.com/us/permbrin/main.htm>  
E-MAIL: [Permbrine@basinlink.com](mailto:Permbrine@basinlink.com)

6067 W. TENTH ST. • ODESSA, TEXAS 79763  
OFF. (915) 381-0531 FAX (915) 381-9316

September 11, 1997

Jim's Water Service  
PO Box 1387  
Artesia, NM 88210

Attention: Mr. Sam Stoneman

Dear Sirs:

You have requested me to calculate the cavern dimensions in your brine well located in Section 24, Township 18S, Range 28 E, New Mexico.

Brine sold from the well totals 549,619 barrels. The casing (top of the salt) is at 367 feet with the tubing bottomed at 681 feet.

The rock salt underlying the Permian Basin has an approximate density of 140 pounds per cubic foot. As saturated brine contains 111 lbs of salt per barrel the cubic feet of caverns size is as follows:

$$\frac{549,619 \times 111}{140} = 453,769 \text{ cubic ft.}$$

Based on my experience in washing caverns, the shape will be an approximate cylinder, except for the gradual filling near the bottom, due to the deposition of the granular solids of shale, gravel, redbeds, etc. which fall to the bottom of the cavern or to the next ledge during salt solutioning.

The thickness of the salt is approximately 314 feet. Based on a cylinder of this depth, the diameter of the cavern cylinder would be:

$$\begin{aligned} \frac{453,769}{314} &= 1445 \text{ square feet of area} \\ 1445 \div (\pi) &= 460 \text{ equal to radius squared} \\ \sqrt{460} &\text{ equals a radius of 21.45 feet or a diameter of 42.9 feet.} \end{aligned}$$

To be on the safe side, I assume that 20% of the cavern is filled with solids or anhydrite ledges.

$$\begin{aligned} 314 \times 80\% &= 251 \text{ feet of depth} \\ \frac{453,769}{251} &= 1808 \text{ Square feet} \end{aligned}$$

$$1808 \div 31,416 = 575$$

$\sqrt{575}$  equals a radius of 24 feet or a diameter of 48 feet

From these calculations you can readily see that the diameter increases in size very slowly. After reaching a diameter of 48 feet, the next foot of diameter would contain enough salt to make over 24,000 barrels of brine.

As you know sonar surveys cannot be run in layered salt because of the anhydrite ledges present in the salt and the cavern. When the tubing is pulled out of a brine well, the tubing has to have a bit put on it and the tubing has to be drilled - with a reverse unit - through each ledge still present. The original bore hole is covered with solids deposited on each ledge, from the dissolution of the salt, so you cannot run an open hole sonar tool past these ledges.

I have a great deal of confidence in the integrity of the salt section. (See attached map of the Permian Basin with all the caverns spotted thereon). When we were storing propane in the salt caverns, we did a great deal of testing for salt configuration and the stability of the anhydrite ledges. I remember one case when the anhydrite ledge (or layer) was 7 feet thick, and was still stable after the cavern reached a diameter of 165 feet. A copy of the cavern plat is attached.

If you need additional information or have any questions please give me a call.

Very Truly Yours,

PERMIAN BRINE SALES, INC.



A.L. Hicherson  
President/CEO

alh/acr

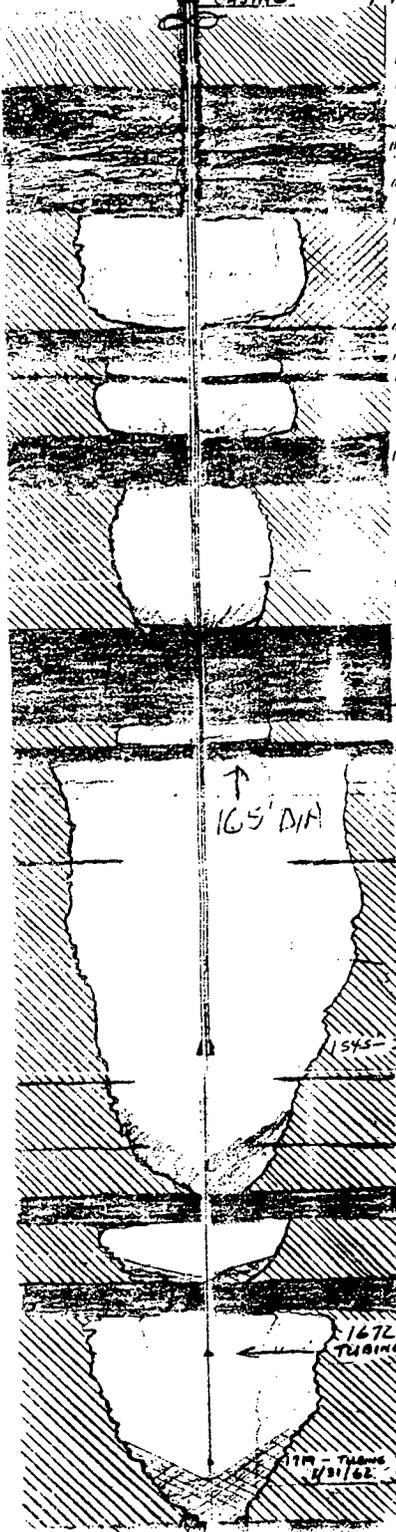
Attachments

TUBING - 4"  
 INT. TUBING - 7"  
 CASING - 9 3/8"

12 3/4" C. MENTRO TO 310'  
 9 3/8" " " TO 1206'

**KERMIT WELL**  
 1/18/66  
 SCALE - 1" = 40'  
 CALC. SIZE 400000 BM.  
 CALC. RADIUS 60 FT. MAX

1160  
 1200  
 1240  
 1280  
 1320  
 1360  
 1400  
 1440  
 1480  
 1520  
 1560  
 1600  
 1640  
 1680  
 1720



104 - TOP OF SALT  
 114 - ANHYDRITE  
 1170 - 9 3/8" CASING BEAT  
 1173 - SALT  
 1175 - ANHYDRITE  
 1178 - SALT  
 1192 - ANHYDRITE  
 1206 - Part of Anhydrite  
 SALT 44  
 1250 - ANHYDRITE  
 1266 - SALT  
 1270-12 - Anhydrite  
 SALT 24  
 1290-119 - ANHYDRITE  
 SALT 54  
 1374 - ANHYDRITE - 72'  
 1414 - SALT 6  
 1420-1427 - ANHYDRITE 7'  
 SALT 44  
 1471-1472 - ANHYDRITE 1'  
 SALT 91  
 1545 - INT. (7") TO 1/31/62  
 1562 - ANHYDRITE 1'  
 SALT 26'  
 1585-1589 - ANHYDRITE 1'  
 SALT 16'  
 1615-1618 - ANHYDRITE 13'  
 SALT 23'  
 1641-1656 - ANHYDRITE 15'  
 SALT 20'  
 1672 - TUBING SETTING 6-22-62  
 1676-1675 - ANHYDRITE 2'  
 SALT 45'  
 1717 - TUBING TO 1/31/62  
 1724 - ORIGINAL 7" INT. TUBING TO 126'  
 ANHYDRITE  
 SALT 5'

25'  
 6'

144' WASHING HISTORY  
 45000 GALS 10 4" OUT 9 3/8"  
 115000 " 10 7/8" OUT 4"  
 200000 " 11" OUT 4"  
 220000 " " " "

16' TUBING STRINGS  
 7" - 23" = 35,900'  
 4" - 9.3" = 15,950'

ANNULAR CAPACITIES  
 9" - 7" - 1.245 gal/ft = 1466 gal  
 7" - 4" - 1.0 gal/ft = 1545 gal  
 4" - 0.5 gal/ft = 897.5 gal

This cavern was carefully measured each time proper wires injected

**PERMIAN BRINE SALES, INC.**  
 6057 W Tenth St  
 Odessa, Texas 79763  
 OFFICE: 915/381-0531  
 915/563-4730  
 FAX: 915/381-0316  
 RESIDENCE: 915/382-4814  
 3216 Bainbridge Dr  
 Odessa, Texas 79763

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 1/8/97,

or cash received on \_\_\_\_\_ in the amount of \$ 690.00

from Jim's Water Service

for Brine Well BW-005

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_  
(Facility Name) (OP No.)

Submitted to ASD by: R. Anderson Date: 1/24/97

Received in ASD by: \_\_\_\_\_ Date: \_\_\_\_\_

Filing Fee \_\_\_\_\_ New Facility \_\_\_\_\_ Renewal X

Modification \_\_\_\_\_ Other \_\_\_\_\_  
(specify)

Organization Code 521.07 Applicable FY 97

To be deposited in the Water Quality Management Fund.

Full Payment X or Annual Increment \_\_\_\_\_

**JWS**

JIM'S WATER SERVICE OF NEW MEXICO  
A DIVISION OF JIM'S WATER SERVICE OF COLORADO, INC.  
1675 BROADWAY, SUITE 1970,  
DENVER, CO 80202 (303) 825-5467

KEY BANK OF COLORADO  
DENVER, CO  
82-7028/3070

REGISTERED 8P144074690 DOLS 00 CTS

CHECK NO. [REDACTED]

DATE  
1/08/97

AMOUNT  
\$\*\*\*690.00\*\*\*

PAY  
TO THE  
ORDER  
OF:

NMED-WATER QUALITY MANAGEMENT  
STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION  
2040 S. PACHECO  
SANTA FE, NM 87505

Valerie A. Johnson

# Jim's Water Service of New Mexico

OIL CONSERVATION DIVISION

RECEIVED

'96 NOV 15 AM 8 52

November 13, 1996

Mark Ashley  
Oil Conservation Division  
2040 Pacheco  
Santa Fe NM 87505

Dear Mr. Ashley,

Please find enclosed the original analysis on our Brine Well, Lease # M-19609. I hope this will be sufficient. If not, please call me at 800-874-7024 and I will get the proper documentation from Haliburton.

Sincerely,



Deanna Johnson,  
Administration - Artesia Field Office

HALLIBURTON ENERGY SERVICES  
Artesia Service Center

Laboratory Report

Company Name:

Time Water Service

Date:

11/13/96

This report is the property of Halliburton Energy Services and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operation by any person or concern and employees thereof receiving such report from Halliburton Energy Services.

Submitted By:

Date Rec.:

Lease:

ST 2A

Depth:

Formation:

Well #

1

County:

Eddy

Field:

Sample Markings:

Brine Well

Resistivity

0.05

Specific Gravity

1.2

pH

7

Chlorides

170,000 mpl

mpl

mpl

Calcium

925 mpl

mpl

mpl

Magnesium

270 mpl

mpl

mpl

Sulfates

7000 mpl

mpl

mpl

Bicarbonates

200 mpl

mpl

mpl

Soluble Iron

Nil mpl

mpl

mpl

mpl

mpl

mpl

Remarks:

mpl = milligram per liter

  
Respectfully submitted by

Analyst:

Halliburton Energy Services

**NOTICE:** This report is for information only and the content is limited to the sample described. Halliburton Energy Services makes no warranties, expressed or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton Energy Services shall not be liable for any loss or damage, regardless of cause, including any act or omission of Halliburton Energy services, resulting from the use hereof.

# The Santa Fe New Mexican

Since 1849. We Read You.

NEW MEXICO OIL CONSERVATION  
ATTN: SALLY MARTINEZ  
2040 S. PACHECO  
SANTA FE, NM 87505

AD NUMBER: 530465

ACCOUNT: 56689

LEGAL NO: 60120

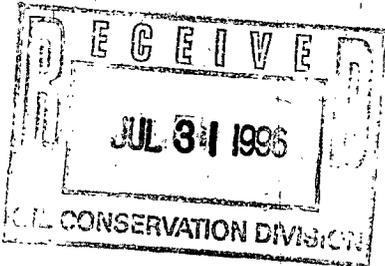
P.O. #:

324 LINES once at \$

Affidavits:

Tax:

Total: \$ no charge



## AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO  
COUNTY OF SANTA FE

I, BETSY PERNER being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily news paper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a Newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication # 60120 a copy of which is hereto attached was published in said newspaper once each week for one consecutive week(s) and that the notice was published in the newspaper proper and not in any supplement; the first publication being on the 29th day of JULY 1996 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/S/

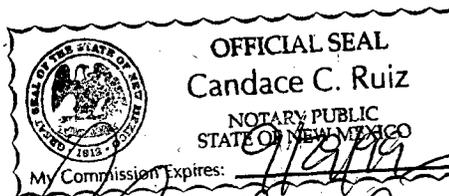
Betsy Perner  
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this  
29th day of JULY A.D., 1996

REPRINT WITH  
CORRECTIONS.

OK

MA  
8-5-96



202 East Marcy Street • P.O. Box 2048 • Santa Fe, New Mexico 87501

505-983-3303 • NEWMEX@NEW.MEXICO.COM • <http://www.interart.net/zia.connection/>

**NOTICE OF PUBLICATION**

**STATE OF NEW MEXICO**

**ENERGY, MINERALS  
AND NATURAL  
RESOURCES  
DEPARTMENT**

**OIL CONSERVATION  
DIVISION**

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge plan renewal application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico, 87505, Telephone (505) 827-7131:

(BW-005) - Jim's Brine Sales, Sammy Stoneman, (505) 748-1352, P.O. Box 1387, Artesia, New Mexico, 88211-1387 has submitted an application for renewal of its previously approved discharge plan for the Loco Hills Brine Station, located in the SE/4 SE/4 of Section 24, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico. Fresh water is injected to an approximate depth of 456 feet and brine water is extracted with an average total dissolved solids concentration of 300,000 mg/l. Ground water most likely to be affected by any accidental discharge is at a depth exceeding 225 feet and has a total dissolved solids content of 600 mg/l to 6,000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-014) - Navajo Refining Company, David Griffin, (505) 748-3311, P.O. Box 159, Artesia, New Mexico, 88211-0159 has submitted an application for renewal of its previously approved discharge plan for the Lovington Refinery located in the SW/4 of Section 31, Township 16 South, Range 37 East; the SE/4 of Section 36, Township 16 South, Range 36 East; the NW/4 of Section 6, Township 17 South, Range 37 East; and

the NE/4 of Section 1, Township 17 South, Range 36 East, NMPM, Lea County, New Mexico. Approximately 101,000 gallons per day of treated refinery waste water with a total dissolved solids concentration of approximately 1,300 mg/l will undergo treatment in a USEPA regulated pretreatment unit prior to discharge to the City of Lovington publicly owned treatment works (POTW). Ground water most likely to be affected by an accidental discharge is at a depth of approximately 90 feet with a total dissolved solids concentration of approximately 500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-252) - Rotary Wireline, Inc., Mickey Welborn, (505) 397-6302, P.O. Box 2135, Hobbs, New Mexico, 88241 has submitted a discharge plan application for the Rotary Wireline, Inc. facility located in the NW/4 NW/4 of Section 5, Township 19 South, Range 38 East, NMPM, Lea County, New Mexico. Approximately 42 gallons per day of waste water is discharged to the City of Hobbs publicly owned treatment works (POTW). Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 55 feet with a total dissolved solids concentration of approximately 1,100 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-253) - Sonny's Oilfield Services, Inc., Scotty Greenlee, (505) 393-4521, 816 Northwest County Road, Hobbs, New Mexico, 88240 has submitted a discharge plan application for the Sonny's Oilfield Services, Inc. facility located in the SE/4 NW/4 of Section 32, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico. Approximately 700 gallons per day of waste water is generated and disposed

of at Parabo Disposal Facility, an offsite OCD permitted disposal facility. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 50 feet with a total dissolved solids concentration of 40 mg/l to 1,000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday thru Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on information in the discharge plan application and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 9th day of July 1996.

STATE OF NEW MEXICO  
OIL CONSERVATION  
DIVISION  
WILLIAM J. LEMAY,  
Director  
Legal #60120  
Pub. July 29, 1996

# Affidavit of Publication

No. 15568

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott being duly sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto attached Legal Notice

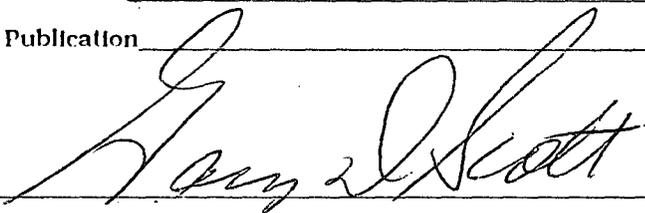
was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 consecutive weeks on the same day as follows:

First Publication July 23, 1996

Second Publication \_\_\_\_\_

Third Publication \_\_\_\_\_

Fourth Publication \_\_\_\_\_



Subscribed and sworn to before me this 23rd day of July 19 96

Barbara Ann Bowers  
Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1999

OK MA  
8-5-96

# Copy of Publication



## LEGAL NOTICE

### NOTICE OF PUBLICATION STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge plan renewal application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505)827-7131:

(BW-005) - Jim's Brine Sales, Sammy Stoneman, (505) 748-1352, P.O. Box 1387, Artesia, New Mexico, 88211-1387 has submitted an application for renewal of its previously approved discharge plan for the Loco Hills Brine Station, located in the SE/4 SE/4 of Section 24, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico. Fresh water is injected to an approximate depth of 456 feet and brine water is extracted with an average total dissolved solids concentration of 300,000 mg/l. Ground water most likely to be affected by any accidental discharge is at a depth exceeding 225 feet and has a total dissolved solids content of 600 mg/l to 6,000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-014) - Navajo Refining Company, David Griffin, (505) 748-3311, P.O. Box 150, Artesia, New Mexico, 88211-0159 has submitted an application for renewal of its

previously approved discharge plan for the Lovington Refinery located in the SW/4 of Section 31, Township 16 South, Range 37 East; the SE/4 of Section 36, Township 16 South, Range 36 East; the NW/4 of Section 6, Township 17 South, Range 37 East; and the NE/4 of Section 1, Township 17 South, Range 36 East NMPM, Lea County, New Mexico. Approximately 101,000 gallons per day of treated refinery waste water with a total dissolved solids concentration of approximately 1,300 mg/l will undergo treatment in a USEPA regulated pretreatment unit prior to discharge to the City of Lovington publicly owned treatment works (POTW). Ground water most likely to be affected by an accidental discharge is at a depth of approximately 90 feet with a total dissolved solids concentration of approximately 500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(GW-252) - Rotary Wireline, Inc., Mickey Welborn, (505) 397-6302, P.O. Box 2135, Hobbs, New Mexico, 88241 has submitted a discharge plan application for the Rotary Wireline, Inc. facility located in the NW/4 NW/4 of Section 5, Township 19 South, Range 38 East, NMPM, Lea County, New Mexico. Approximately 42 gallons per day of waste water is discharged to the City of Hobbs publicly owned treatment works (POTW). Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 55 feet with a total dissolved

solids concentration of approximately 1,100 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

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Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be sub-

mitted to him and a public hearing may be requested by any interested person. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on the information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on the information in the discharge plan application and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 9th day of July 1996.

STATE OF NEW MEXICO  
OIL CONSERVATION  
DIVISION  
s-William J. LeMay  
WILLIAM J. LEMAY,  
Director

SEAL  
Published in the Artesia Daily  
Press, Artesia, N.M. July 23,  
1996.

Legal 15568

# Affidavit of Publication

LEGAL NOTICE  
NOTICE OF PUBLICATION  
STATE OF NEW MEXICO  
ENERGY, MINERALS AND  
NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

STATE OF NEW MEXICO )  
 ) ss.  
COUNTY OF LEA )

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge plan renewal application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

Joyce Clemens being first duly sworn on oath deposes and says that he is Adv. Director of THE LOVINGTON DAILY LEADER, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

(BW-005) - Jim's Brine Sales, Sammy Stoneman, (505) 748-1352, P.O. Box 1387, Artesia, New Mexico, 88211-1387 has submitted an application for renewal of its previously approved discharge plan for the Loco Hills Brine Station, located in the SE/4 SE/4 of Section 24, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico. Fresh water is injected to an approximate depth of 456 feet and brine water is extracted with an average total dissolved solids concentration of 300,000 mg/l. Ground water most likely to be affected by any accidental discharge is at a depth exceeding 225 feet and has a total dissolved solids content of 600 mg/l to 6,000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

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That the notice which is hereto attached, entitled  
Notice Of Publication

~~and numbered~~ ~~XXXXXX~~

~~County of New Mexico~~ ~~XXXXXX~~

was published in a regular and entire issue of THE LOVINGTON DAILY LEADER and not in any supplement thereof, ~~and each week~~

~~and each week~~ for one (1) day

~~and each week~~ beginning with the issue of

July 18, 19 96

and ending with the issue of

July 18, 19 96

And that the cost of publishing said notice is the sum of \$ 84.00

which sum has been (Paid) (Assessed) as Court Costs

*Joyce Clemens*

Subscribed and sworn to before me this 22nd

day of July, 19 96

*Jean Senior*  
Notary Public, Lea County, New Mexico

My Commission Expires Sept. 28, 19 98

OK MA  
8-5-96

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan on the information in the discharge plan application and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 9th day of July 1996.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION  
WILLIAM J. LEMAY, Director

SEAL

Published in the Lovington Daily Leader July 18, 1996.

# The Santa Fe New Mexican

Since 1849. We Read You.

NEW MEXICO OIL CONSERVATION

AD NUMBER: 526933

ACCOUNT: 56689

LEGAL NO: 60068

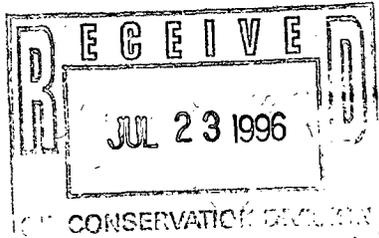
P.O. #: 96199002997

314 LINES once at \$ 125.60

Affidavits: 5.25

Tax: 8.18

Total: \$ 139.03



### AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO  
COUNTY OF SANTA FE

I, BETSY PERNER being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily news paper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a Newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication # 60068 a copy of which is hereto attached was published in said newspaper once each week for one consecutive week(s) and that the notice was published in the newspaper proper and not in any supplement; the first publication being on the 19th day of JULY 1996 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/s/

Betsy Perner  
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this  
19th day of JULY A.D., 1996

NEEDS CORRECTIONS

WILL REW

on 7-29-96

MA



OFFICIAL SEAL

Janet L. Montoya

NOTARY PUBLIC - STATE OF NEW MEXICO

Janet L. Montoya  
MY COMMISSION EXPIRES 12/30/99

**NOTICE OF PUBLICATION**

**STATE OF NEW MEXICO**

**ENERGY, MINERALS  
AND NATURAL  
RESOURCES  
DEPARTMENT**

**OIL CONSERVATION  
DIVISION**

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lons per day of treated refinery waste water with a total dissolved solids concentration of approximately 1,300 mg/l will undergo treatment in a USEPA regulated pretreatment unit prior to discharge to the City of Lovington publicly owned treatment works (POTW). Ground water most likely to be affected by an accidental discharge is at a depth of approximately 90 feet with a total dissolved solids concentration of approximately 500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

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GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 9th day of July 1996.

STATE OF NEW MEXICO  
OIL CONSERVATION  
DIVISION  
WILLIAM J. LEMAY,  
Director  
Legal #60068  
Pub. July 19, 1996

WROVB  
Location  
USEL REW on 7-29-96



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

July 22, 1996

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z-765-962-970**

Mr. Larry Wright  
Jim's Water Service of Colorado, Inc.  
World Trade Center  
1675 Broadway  
Suite 1970  
Denver, Colorado 80202

**Re: Request For Additional Information  
Discharge Plan BW-005  
Jim's Water Service of Colorado, Inc.  
Jim's Brine Sales  
Loco Hills Facility  
Eddy County, New Mexico**

Dear Mr. Wright:

The New Mexico Oil Conservation Division (OCD) has begun review of Jim's Water Service of Colorado, Inc. (Jim's) June 26, 1996 discharge plan renewal application for the Loco Hills Facility. Before the review and approval process can be completed, the OCD is requesting the following additional information:

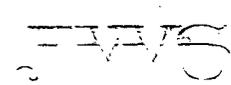
- The required quarterly report of injected and produced fluid volumes, and the quarterly report of inspection of your leak detection system have not been received by the OCD since Jim's acquired the facility from B&E, Inc. in 1991. Please provide a copy of all delinquent records.
- Are there any below grade lines or sumps associated with the facility? If so, where are they located, and when were they last pressure tested for integrity? Please provide a copy of records from the last test.
- Which fluids are being injected into the casing, and which fluids are being produced through the tubing?
- When was the last mechanical integrity test performed on the brine well? Please provide a copy of the last recorded chart.

**JIM'S WATER SERVICE OF NEW MEXICO**

A DIVISION OF JIM'S WATER SERVICE OF COLORADO, INC.

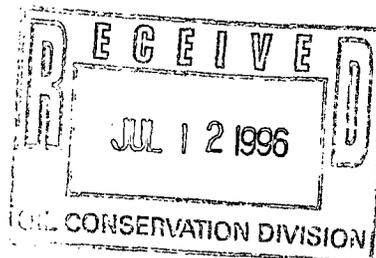
WORLD TRADE CENTER  
1675 BROADWAY, SUITE 1970  
DENVER, COLORADO 80202

TELEPHONE: (303) 825-5467  
FACSIMILE: (303) 825-4825

  
COMPLETE OIL FIELD SERVICES

June 26, 1996

New Mexico Energy, Minerals & Natural Resources Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501



Attention: Mark Ashley

Re: Discharge Plan BW-005 Renewal  
Loco Hills Brine Station  
Eddy County, New Mexico

Dear Mr. Ashley;

I have submitted my application for renewal of my discharge plan with my filing fee of \$50.00.

We have not, and do not plan to make any changes to our previously approved discharge plan.

Please feel free to call me if you have any questions or concerns.

Sincerely,

A handwritten signature in cursive script, appearing to read "Larry Wright".

Larry Wright  
President

LW/sw

Mr. Larry Wright

July 22, 1996

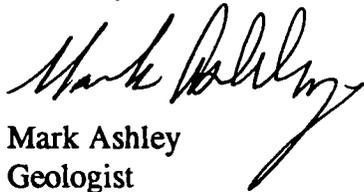
Page 2

- When was the last analysis of the injected fresh water and the produced brine water performed? Please provide a copy of the last analysis.

Please submit the above mentioned information to the OCD Santa Fe Office by August 30, 1996.

If you have any questions, please call me at (505) 827-7155.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Ashley". The signature is fluid and cursive, with a long, sweeping tail that extends downwards and to the right.

Mark Ashley  
Geologist



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

July 15, 1996

**LOVINGTON DAILY LEADER**  
**P. O. Box 1717**  
**Lovington, New Mexico 88260**

**RE: NOTICE OF PUBLICATION**

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**ATTN: ADVERTISING MANAGER**

*Dear Sir/Madam:*

*Please publish the attached notice one time immediately on receipt of this request. Please proofread carefully, as any error in a land description or in a key word or phrase can invalidate the entire notice.*

*Immediately upon completion of publication, please send the following to this office:*

- 1. Publisher's affidavit in duplicate.**
- 2. Statement of cost (also in duplicate.)**
- 3. CERTIFIED invoices for prompt payment.**

*We should have these immediately after publication in order that the legal notice will be available for the hearing which it advertises, and also so that there will be no delay in your receiving payment.*

*Please publish the notice no later than July 22, 1996.*

*Sincerely,*

*Sally Martinez*  
Sally E. Martinez  
Administrative Secretary

*Attachment*



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

July 15, 1996

**ARTESIA DAILY PRESS**  
P. O. Box 179  
Artesia, New Mexico 88210

**RE: NOTICE OF PUBLICATION**

**ATTN: ADVERTISING MANAGER**

*Dear Sir/Madam:*

*Please publish the attached notice one time immediately on receipt of this request. Please proofread carefully, as any error in a land description or in a key word or phrase can invalidate the entire notice.*

*Immediately upon completion of publication, please send the following to this office:*

1. ***Publisher's affidavit in duplicate.***
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*Sincerely,*

*Sally Martinez*  
Sally E. Martinez  
Administrative Secretary

*Attachment*



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

July 15, 1996

**THE NEW MEXICAN**  
202 E. Marcy  
Santa Fe, New Mexico 87501

**RE: NOTICE OF PUBLICATION**

**PO #96-199-002997**

**ATTN: Betsy Perner**

*Dear Sir/Madam:*

*Please publish the attached notice one time immediately on receipt of this request. Please proofread carefully, as any error in a land description or in a key word or phrase can invalidate the entire notice.*

*Immediately upon completion of publication, please send the following to this office:*

- 1. Publisher's affidavit.*
- 2. Invoices for prompt payment.*

*We should have these immediately after publication in order that the legal notice will be available for the hearing which it advertises, and also so that there will be no delay in your receiving payment.*

*Please publish the notice on Friday, July 19, 1996.*

*Sincerely,*

*Sally Martinez*  
Sally E. Martinez  
Administrative Secretary

*Attachment*

## NOTICE OF PUBLICATION

### STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following discharge plan renewal application has been submitted to the Director of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, Telephone (505) 827-7131:

**(BW-005) - Jim's Brine Sales, Sammy Stoneman, (505) 748-1352, P.O. Box 1387, Artesia, New Mexico, 88211-1387 has submitted an application for renewal of its previously approved discharge plan for the Loco Hills Brine Station, located in the SE/4 SE/4 of Section 24, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico. Fresh water is injected to an approximate depth of 456 feet and brine water is extracted with an average total dissolved solids concentration of 300,000 mg/l. Ground water most likely to be affected by any accidental discharge is at a depth exceeding 225 feet and has a total dissolved solids content of 600 mg/l to 6,000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.**

**(GW-014) - Navajo Refining Company, David Griffin, (505) 748-3311, P.O. Box 159, Artesia, New Mexico, 88211-0159 has submitted an application for renewal of its previously approved discharge plan for the Lovington Refinery located in the SW/4 of Section 31, Township 16 South, Range 37 East; the SE/4 of Section 36, Township 16 South, Range 36 East; the NW/4 of Section 6, Township 17 South, Range 37 East; and the NE/4 of Section 1, Township 17 South, Range 36 East NMPM, Lea County, New Mexico. Approximately 101,000 gallons per day of treated refinery waste water with a total dissolved solids concentration of approximately 1,300 mg/l will undergo treatment in a USEPA regulated pretreatment unit prior to discharge to the City of Lovington publicly owned treatment works (POTW). Ground water most likely to be affected by an accidental discharge is at a depth of approximately 90 feet with a total dissolved solids concentration of approximately 500 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.**

**(GW-252) - Rotary Wireline, Inc., Mickey Welborn, (505) 397-6302, P.O. Box 2135, Hobbs, New Mexico, 88241 has submitted a discharge plan application for the Rotary Wireline, Inc. facility located in the NW/4 NW/4 of Section 5, Township 19 South, Range 38 East, NMPM, Lea County, New Mexico. Approximately 42 gallons per day of waste water is discharged to the City of Hobbs publicly owned treatment works (POTW). Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 55 feet with a total dissolved solids concentration of approximately 1,100 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.**

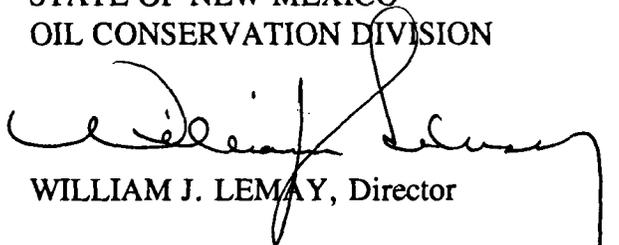
(GW-253) - Sonny's Oilfield Services, Inc., Scotty Greenlee, (505) 393-4521, 816 Northwest County Road, Hobbs, New Mexico, 88240 has submitted a discharge plan application for the Sonny's Oilfield Services, Inc. facility located in the SE/4 NW/4 NW/4 of Section 32, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico. Approximately 700 gallons per day of waste water is generated and disposed of at Parabo Disposal Facility, an offsite OCD permitted disposal facility. Groundwater most likely to be affected by a spill, leak, or accidental discharge to the surface is at a depth of approximately 50 feet with a total dissolved solids concentration of 40 mg/l to 1,000 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

Any interested person may obtain further information from the Oil Conservation Division and may submit written comments to the Director of the Oil Conservation Division at the address given above. The discharge plan application may be viewed at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday. Prior to ruling on any proposed discharge plan or its modification, the Director of the Oil Conservation Division shall allow at least thirty (30) days after the date of publication of this notice during which comments may be submitted to him and a public hearing may be requested by any interested person. Requests for a public hearing shall set forth the reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on the information in the discharge plan application and information submitted at the hearing.

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 9th day of July 1996.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY, Director

S E A L

State of New Mexico  
Energy, Minerals and Natural Resources Department  
OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, NM 87501

**DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITIES**  
(Refer to OCD Guidelines for assistance in completing the application.)

NEW  RENEWAL

I. FACILITY NAME: JIM'S BRINE SALES

II. OPERATOR: JIM'S WATER SERVICE OF COLORADO, INC.

ADDRESS: P. O. BOX 1387, ARTESIA, NM 88211-1387

CONTACT PERSON: SAMMY STONEMAN PHONE: (505) 748-1352

III. LOCATION: SE/4 SE/4 Section 24 Township 18 SOUTH Range 28 EAST  
*Submit large scale topographic map showing exact location.*

IV. Attach the name and address of the landowner of the facility site.

V. Attach a description of the types and quantities of fluids at the facility.

VI. Attach a description of all fluid transfer and storage and fluid and solid disposal facilities.

VII. Attach a description of underground facilities (i.e. brine extraction well).

VIII. Attach a contingency plan for reporting and clean-up of spills or releases.

IX. Attach geological/hydrological evidence demonstrating that brine extraction operations will not adversely impact fresh water.

X. Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

XI. CERTIFICATION

*I hereby certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.*

Name: JIM'S WATER SERVICE OF COLORADO, INC Title: PRESIDENT

LARRY WRIGHT

Signature: 

Date: 6/26/96

DISTRIBUTION: Original and one copy to Santa Fe with one copy to appropriate Division District Office.

State of New Mexico  
Energy, Minerals and Natural Resources Department  
OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, NM 87501

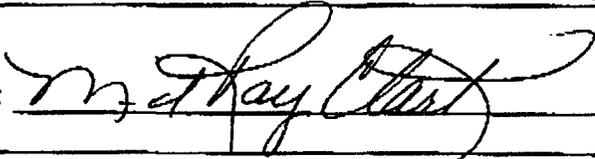
**DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITIES**  
(Refer to OCD Guidelines for assistance in completing the application.)

NEW       RENEWAL

- I. FACILITY NAME: Jim's Brine Sales
- II. OPERATOR: Jim's Water Service of Colo. Inc.  
ADDRESS: P.O. Box 848 - Artesia, N.M. 88210  
CONTACT PERSON: Mid Ray Clark PHONE: (505) 748-1352
- III. LOCATION: SE /4 SE /4 Section 24 Township 18 South Range 28 East  
*Submit large scale topographic map showing exact location.*
- IV. Attach the name and address of the landowner of the facility site.
- V. Attach a description of the types and quantities of fluids at the facility.
- VI. Attach a description of all fluid transfer and storage and fluid and solid disposal facilities.
- VII. Attach a description of underground facilities (i.e. brine extraction well).
- VIII. Attach a contingency plan for reporting and clean-up of spills or releases.
- IX. Attach geological/hydrological evidence demonstrating that brine extraction operations will not adversely impact fresh water.
- X. Attach such other information as is necessary to demonstrate compliance with any other OCI rules, regulations and/or orders.
- XI. CERTIFICATION

*I hereby certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.*

Name: Jim's Water Service of Colo, Inc. Title: Manager

Signature:  Date: 1-15-92

DISTRIBUTION: Original and one copy to Santa Fe with one copy to appropriate Division District Office

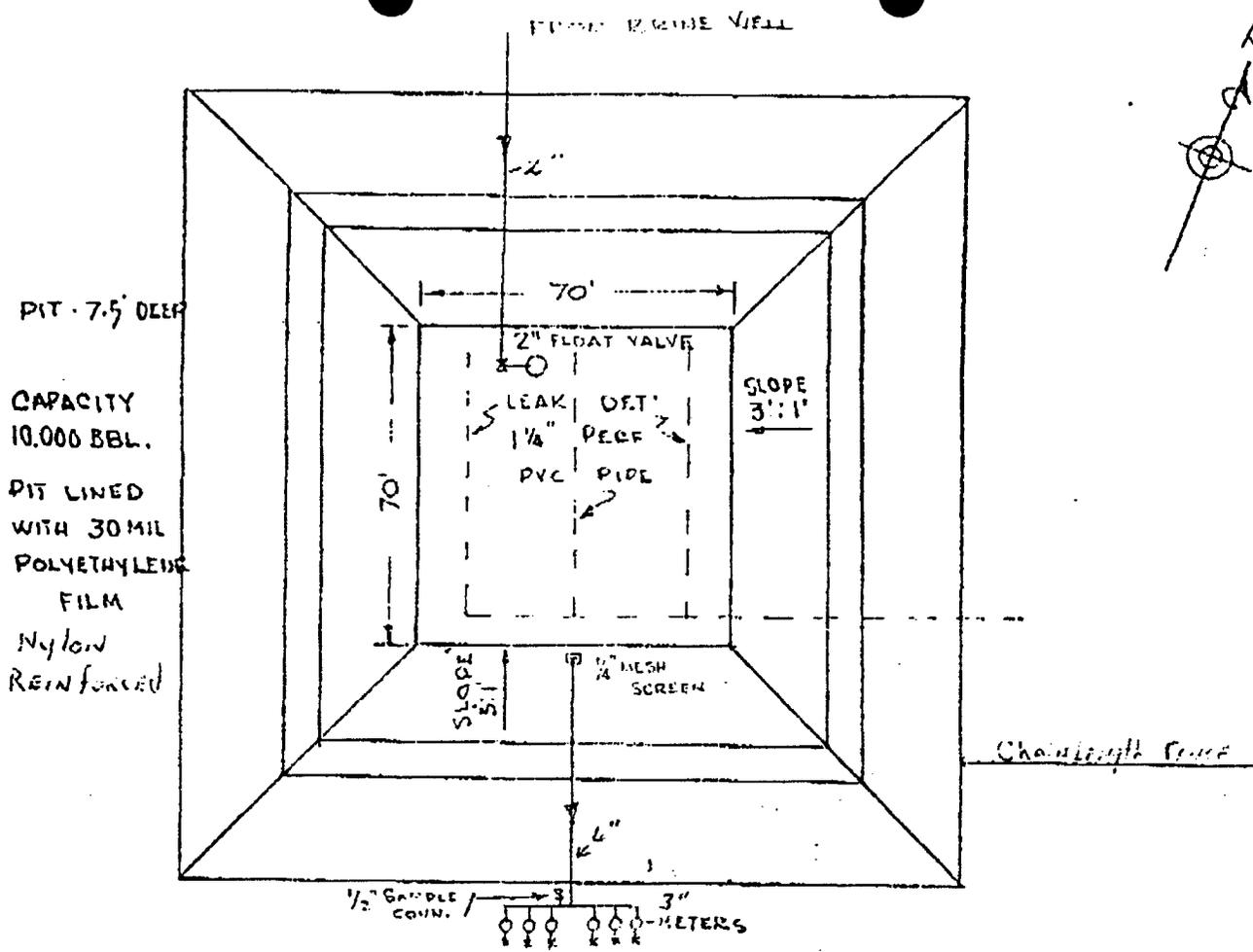
IV. Land is Owned by the State of N.M.

Jim's is assuming B & E's Leases and Right of Way  
Contracts with Bogle Farm Inc.

Exhibit V. Fresh Water will be pumped to the Brine Well, (quantities to be determined by demand.)

The Fresh Water will be circulated down Brine Well into Salt Cavity. The Brine produced from said Well, will be conveyed by flow line to the storage reservoir, who's capacity is approximately 10,000 bbls.

VI



PIT 7.5' DEEP

CAPACITY 10,000 BBL.

PIT LINED WITH 30 MIL POLYETHYLENE FILM Nylon Reinforced

Each customer has their own meter. When a transport arrives the driver will make the necessary connections and unlock the valve, then load with his own truck pump. The Brine Water is pumped from the bottom of the reservoir up and over the dam and through the 3" water meter, which determines the volume purchased.

B & E, Inc.  
 Brine Sales Well St. 24 #  
 1988' FSL - 1930' FEL  
 S.24 T.18S R.28E  
 Eddy Co., New Mexico

VII

MAX. PRESSURE 120%  
Avg. PRESSURE 90%

FRESH WATER

503' ALGV.

SURFACE

2" Pipe

TR. STORAGE PIT

catcher surfaces

GRAVEL

RED BEDS

RED BEDS & GRAVEL

8 5/8" 24# casing

225'  
295' SAND & GYP. WATER

RED BED

2 7/8" N90 Tubing

RED BED

371'

SALT

SALT

416' Bottom of 2 7/8" casing

BRINE WATER

660' Bottom 2 7/8" Tubing

Anhy. strings

Anhy. strings

Anhydrite

Anhydrite

670'

740'

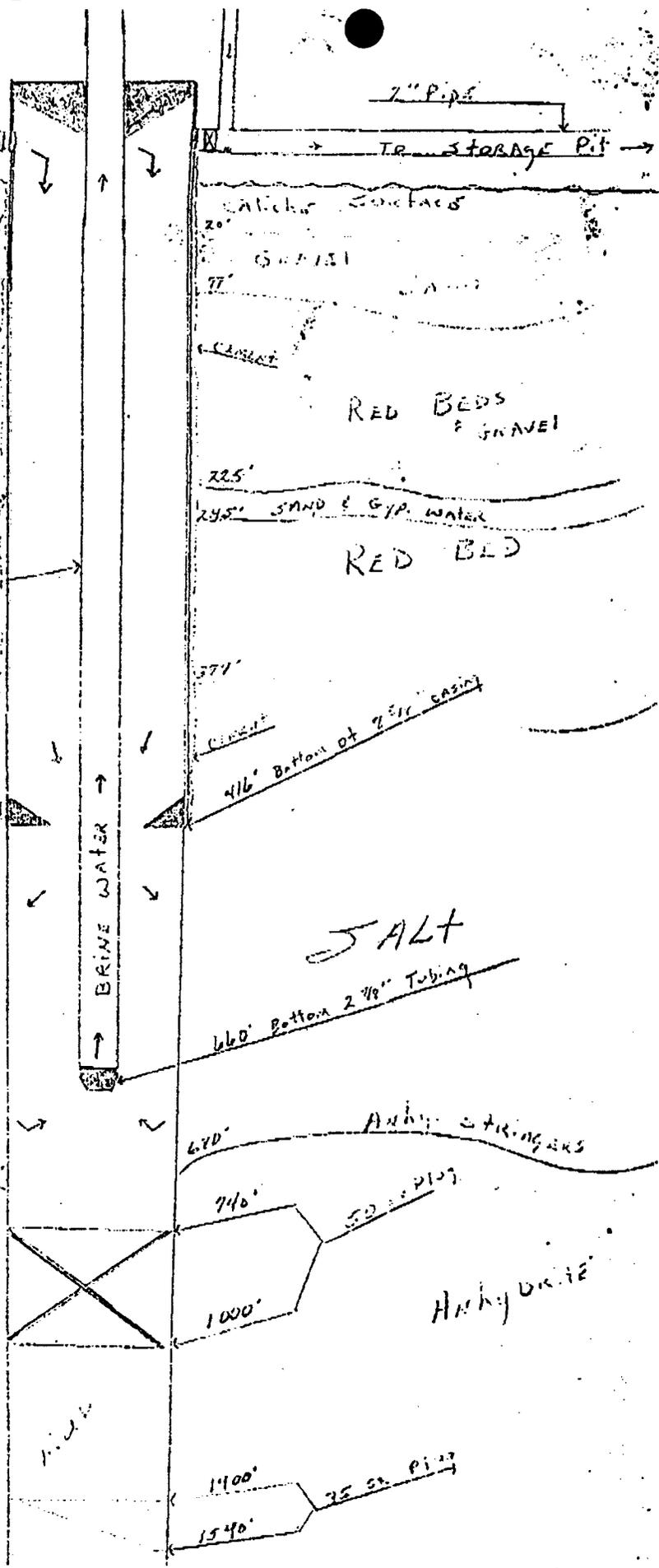
1000'

1100'

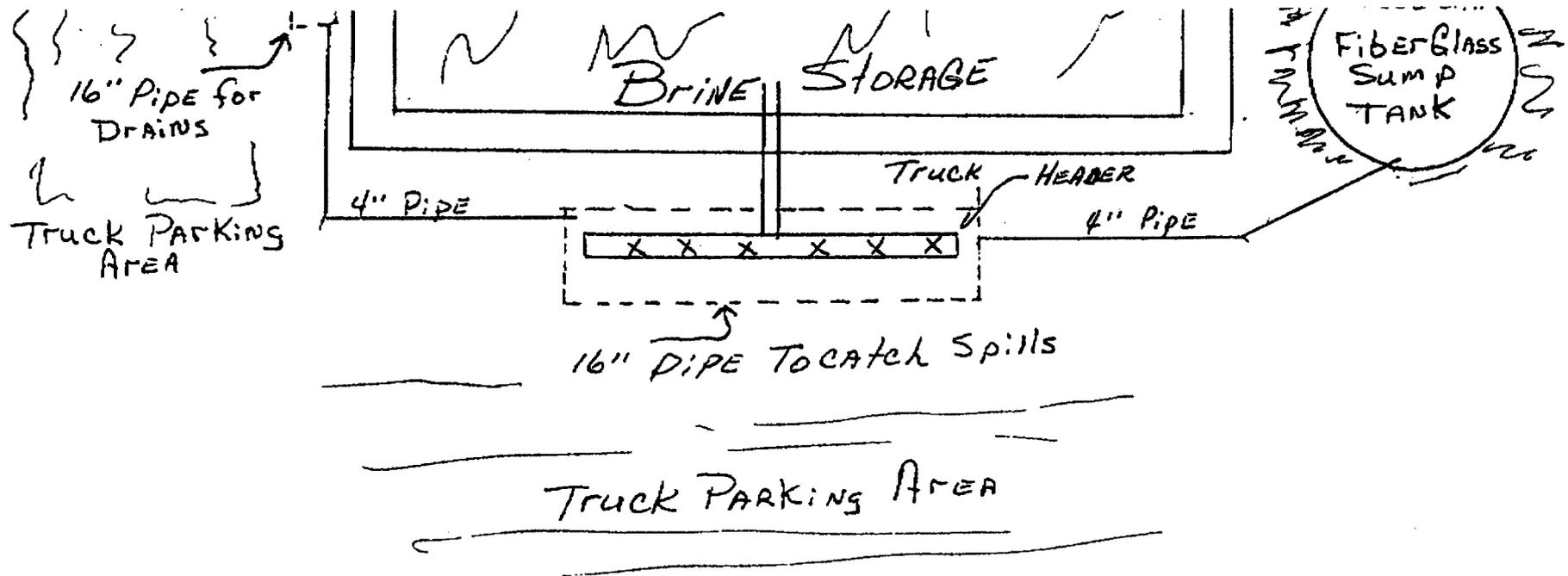
1540'

50" Pipe

25" Pipe



13038254825 P.05 TO FROM JIMS WATER SERVICE : 06-26-1996 10:02AM

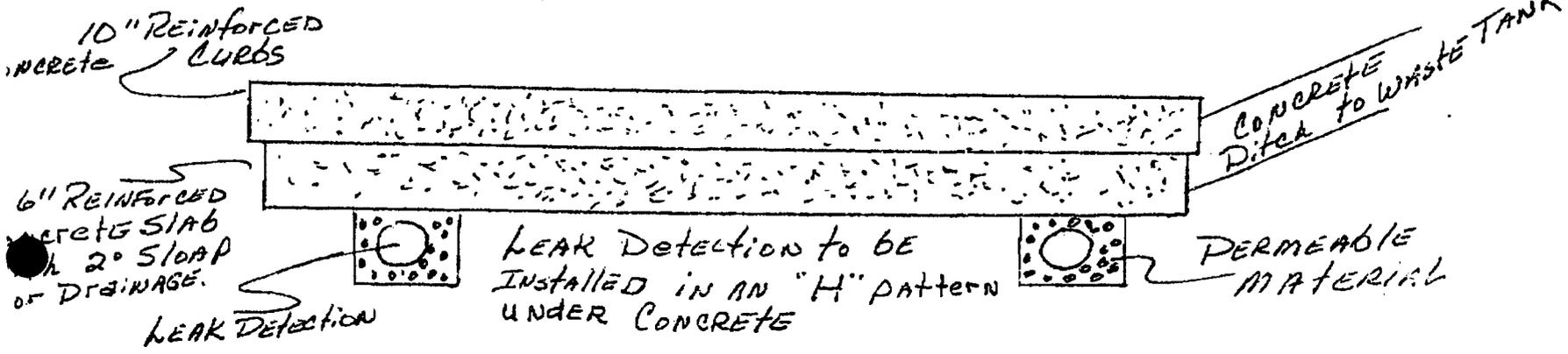
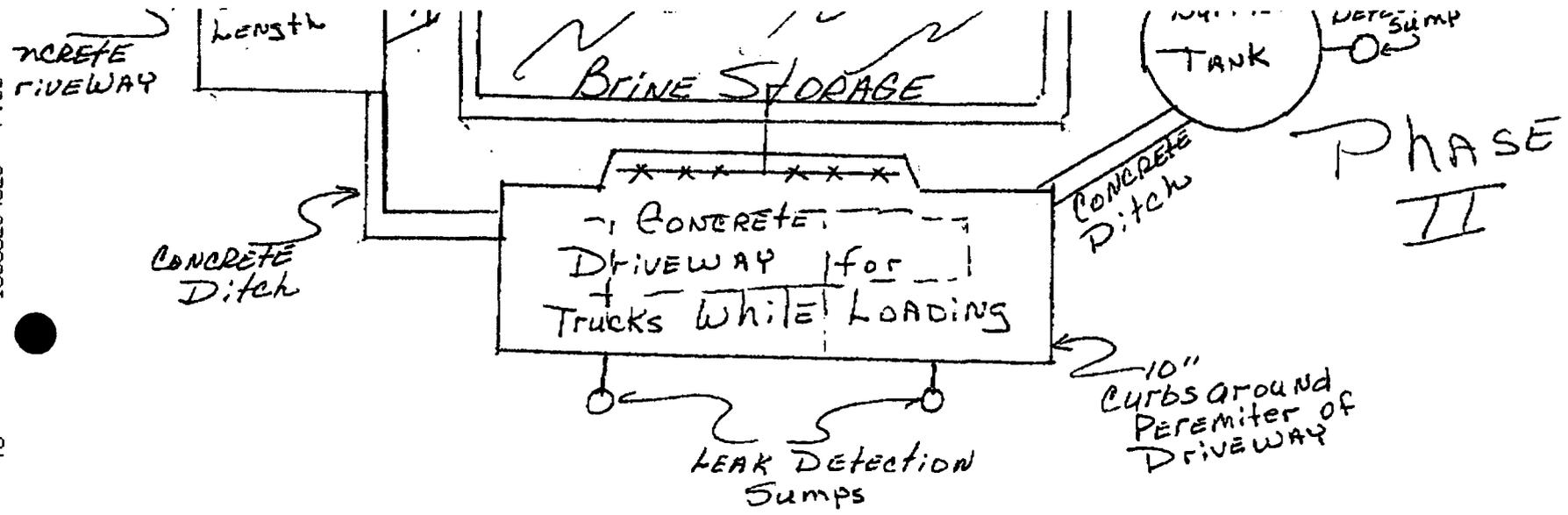


PHASE I

This phase to be completed 6 months from date of approval. Will install 16" (waste traps) pipe under existing truck loading headers. Both waste traps will be connected together with 4" steel pipe to convey Brine Waste and leaks to a 3000 gallon fiber glass tank. This tank will be buried with the proper leak detection methods to catch waste until it can be transported to the proper disposal.

Note Figure 1: Tank Installation

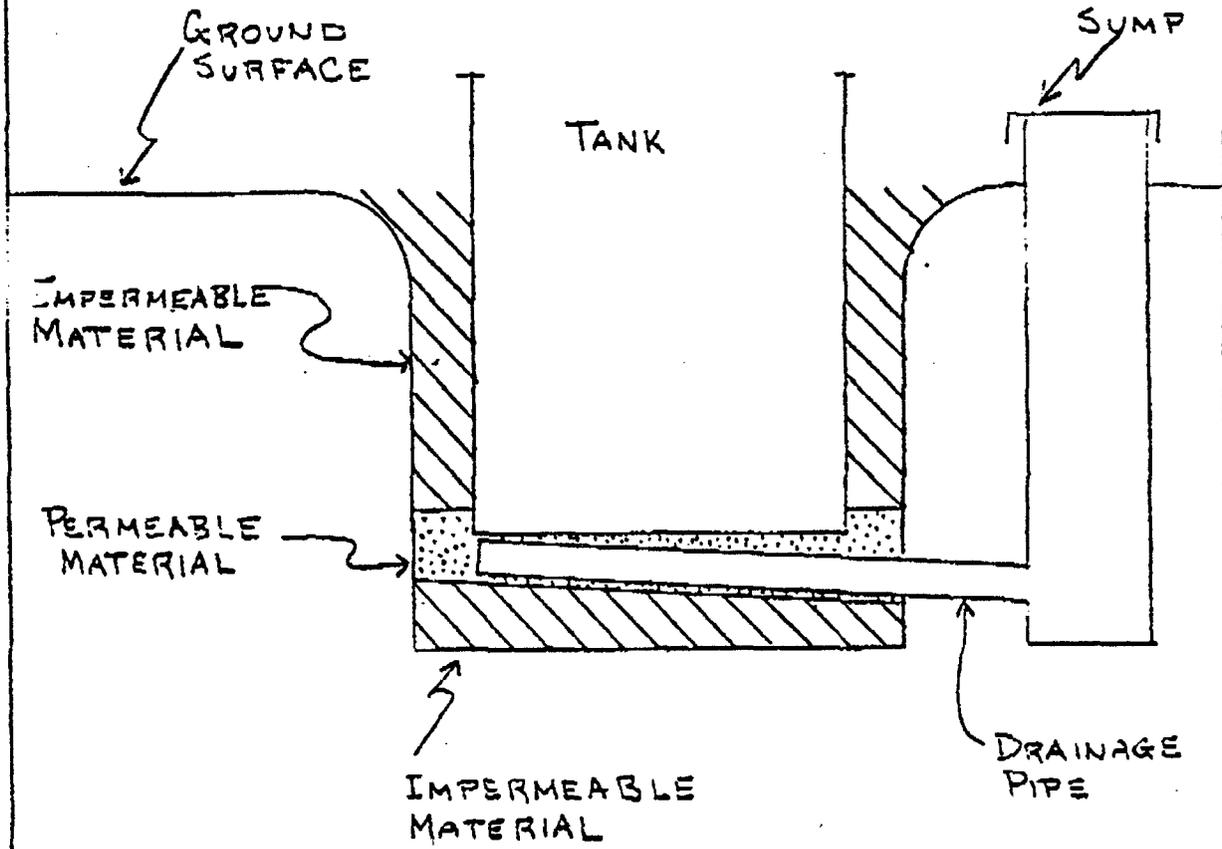
13038254825 P.06 TO FROM JIM'S WATER SERVICE : 06-26-1996 10:03AM



Jim's Water Service Discharge and Waste Containment Plan for Brine Sales Site.

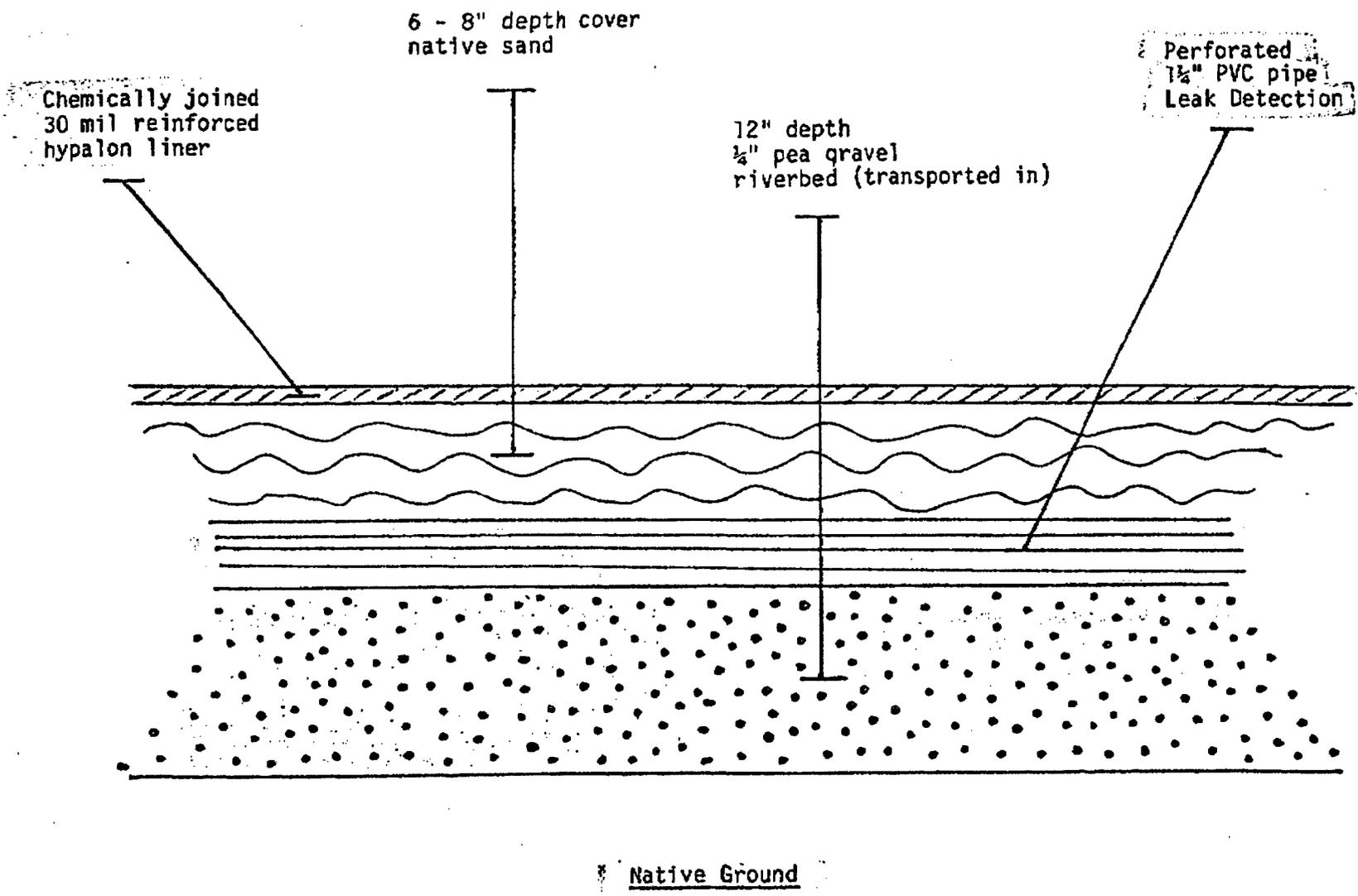
St. 24 #1 1988' FSL-1930' FEL  
S. 24-T. 185-R. 28E  
Eddy Co., New Mexico

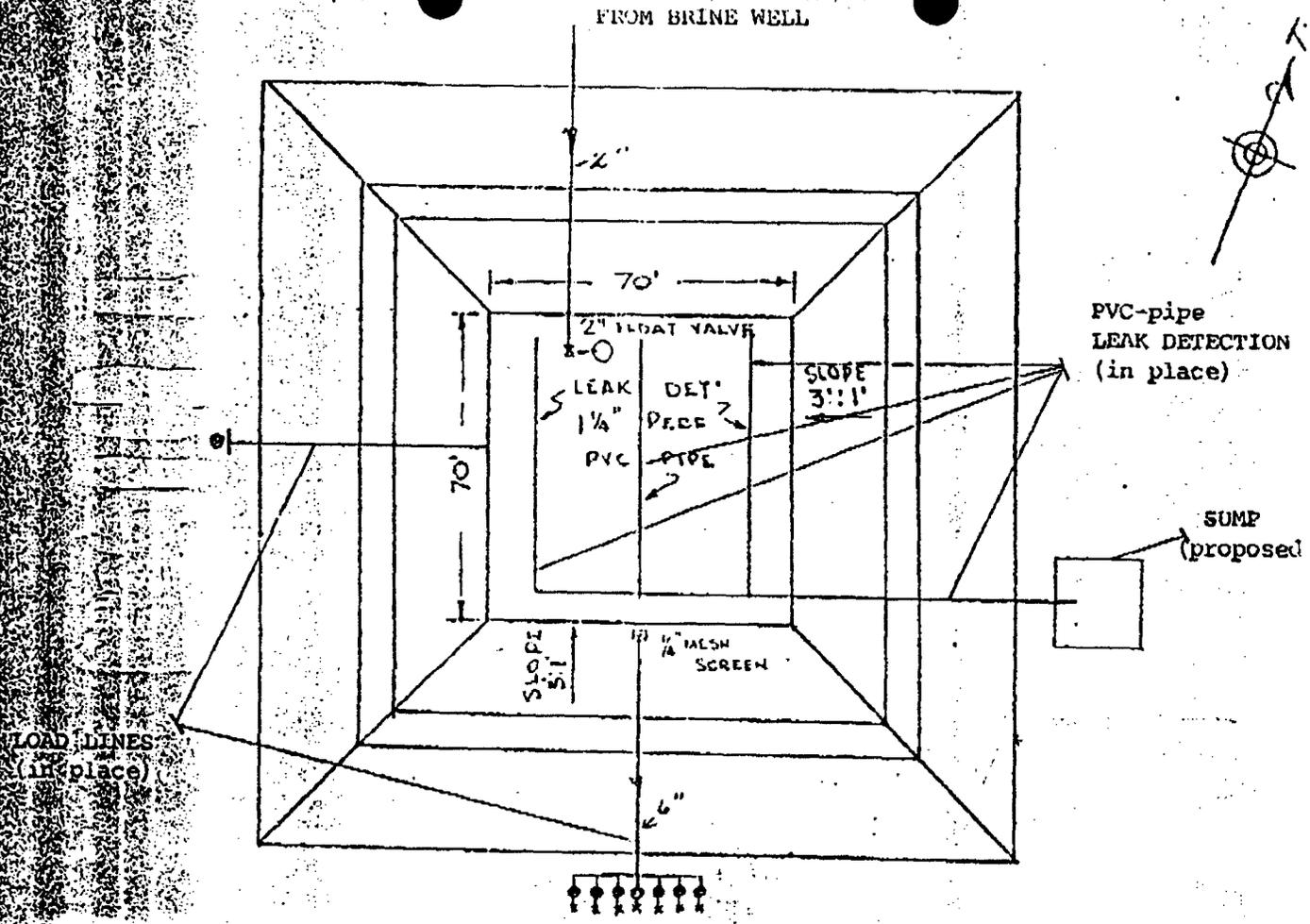
# FIGURE 1: TANK INSTALLATION



6/85

06-26-1996 10:05AM FROM JIMS WATER SERVICE TO 13038254825 P.12





STATE 24 #1 -  
 SEC. 24 T-18S R-28E

HIGHWAY

Each customer has their own meter. When a transport arrives the driver will make the necessary connections and unlock the valve, then load with his own truck pump. The Brine Water is pumped from the bottom of the reservoir up and over the dam and through the 3" water meter, which determines the volume purchased.

Brine Sales Well St. 24  
 1988' FSL - 1930' FEL  
 S.24 T.18S R.28E  
 Eddy Co., New Mexico

## NOTICE OF PUBLICATION

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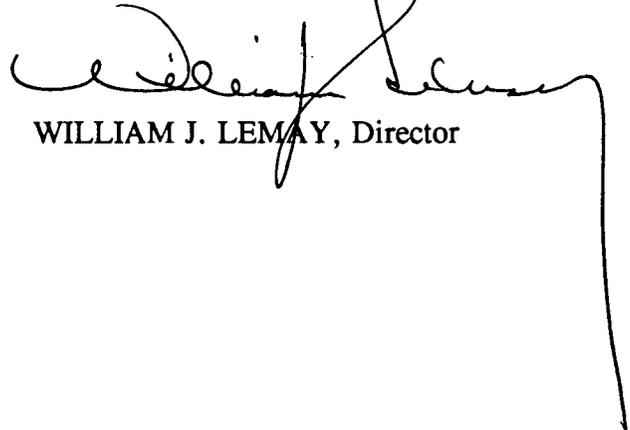
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GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 9th day of July 1996.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY, Director

S E A L

ACKNOWLEDGEMENT OF RECEIPT  
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 6/26/96  
or cash received on \_\_\_\_\_ in the amount of \$ 50.00

from Jim's Water Service

for Loco Hills Brine BW-005

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

Submitted to ASD by: R. Chudler Date: 7/2/96

Received in ASD by: D. Salazar Date: 7-2-96

Filing Fee  New Facility \_\_\_\_\_ Renewal \_\_\_\_\_

Modification \_\_\_\_\_ Other \_\_\_\_\_

Organization Code 521.07 Applicable FY 96

To be deposited in the Water Quality Management Fund.

Full Payment \_\_\_\_\_ or Annual Increment \_\_\_\_\_

**JWS**

JIM'S WATER SERVICE OF NEW MEXICO  
A DIVISION OF JIM'S WATER SERVICE OF COLORADO, INC.  
1675 BROADWAY, SUITE 1970,  
DENVER, CO 80202 (303) 825-5467

KEY BANK OF COLORADO  
DENVER, CO  
82-7026/3070

BW-005 RENEWAL

REGISTERED 50 DOLS 00 CTS  
8P144074 [REDACTED] CHECK NO.

DATE  
6/26/96

AMOUNT  
\*\*\*50.00\*\*\*

PAY  
TO THE  
ORDER  
OF:

STATE OF NEW MEXICO  
ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NM 87501

*[Handwritten Signature]*

REFERENCE NO.	DESCRIPTION	INVOICE DATE	INVOICE AMOUNT	DISCOUNT TAKEN	AMOUNT PAID
	FILING FEE DISCHARGE PLAN BW-005 RENEWAL LOCO HILLS BRINE STATION LOCO HILLS, NM EDDY COUNTY, NEW MEXICO		\$50.00		\$50.00
CHECK DATE	CHECK NO.	PAYEE		DISCOUNTS TAKEN	CHECK AMOUNT
6/26/96		STATE OF NEW MEXICO, OIL CONSERVATION			\$50.00



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

June 21, 1996

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z-765-962-957**

Mr. Mid Ray Clark  
Jim's Water Service  
P.O. Box 848  
Artesia, New Mexico 88210

**RE: Discharge Plan BW-005 Renewal  
Loco Hills Brine Station  
Eddy County, New Mexico**

Dear Mr. Clark:

On January 17, 1992, the groundwater discharge plan, BW-005, for the Jim's Water Service (Jim's) Loco Hills Brine Station located in the NW/4, SE/4 of Section 24, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico, was approved by the Director of the New Mexico Oil Conservation Division (OCD). This discharge plan was required and submitted pursuant to Water Quality Control Commission (WQCC) regulations and was approved for a period of five years. The approval will expire on December 19, 1996.

If the facility continues to have potential or actual effluent or leachate discharges and wishes to continue operation, the discharge plan must be renewed. Pursuant to Section 5101.G., if an application for renewal is submitted at least 180 days before the discharge plan expires (on or before June 19, 1996), then the existing approved discharge plan for the same activity shall not expire until the application for renewal has been approved or disapproved. The OCD is reviewing discharge plan submittals and renewals carefully and the review time can extend for several weeks to months. Please indicate whether Jim's has made, or intends to make, any changes in the system, and if so, please include these modifications in the application for renewal.

Mr. Mid Ray Clark

June 21, 1996

Page 2

The discharge plan renewal application for the **Loco Hills Brine Station** is subject to WQCC Regulation 3114. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of \$50 plus a flat fee of \$690.00 for Brine Extraction Facilities. The \$50 filing fee is to be submitted with the discharge plan renewal application and is nonrefundable. The flat fee for an approved discharge plan renewal may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the discharge plan.

Please make all checks payable to: **NMED-Water Quality Management** and addressed to the **OCD Santa Fe Office**.

Please submit the original discharge plan renewal application and one copy to the **OCD Santa Fe Office** and one copy to the **OCD Artesia District Office**. **Note that the completed and signed application form must be submitted with your discharge plan renewal request.**

If Jim's no longer has any actual or potential discharges and a discharge plan is not needed, please notify this office. If Jim's has any questions, please do not hesitate to contact Mark Ashley at (505) 827-7155.

Sincerely,



Roger C. Anderson  
Environmental Bureau Chief

RCA/mwa

xc: OCD Artesia Office

Mr. Mid Ray Clark  
December 8, 1995  
Page 2

discharge plan - with the first payment due the at the time of approval. Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office.

Please submit the original and one copy to the OCD Santa Fe Office and one copy to the OCD Artesia District Office. **Note that the completed and signed application form must be submitted with your discharge plan renewal request.** The following information is enclosed: Application form, Guidelines, and WQCC regulations.

If you no longer have any actual or potential discharges, a discharge plan is not needed, please notify this office, and provide a closure plan for the facility. If you have any questions regarding this matter, please do not hesitate to contact Mark Ashley at (505) 827-7155.

Sincerely,



Roger C. Anderson  
Environmental Bureau Chief

RCA/mwa

xc: OCD Artesia Office

Enclosures

OIL CONSERVATION DIVISION

December 8, 1995

**CERTIFIED MAIL**  
**RETURN RECEIPT NO. Z-765-962-902**

Mr. Mid Ray Clark  
Jim's Water Service  
P.O. Box 848  
Artesia, New Mexico 88210

**RE: Discharge Plan BW-005 Renewal  
Loco Hills Brine Station  
Eddy County, New Mexico**

Dear Mr. Clark:

On December 19, 1996, the groundwater discharge plan, BW-005, for Jim's Water Service Loco Hills Brine Station located in the NW/4, SE/4 of Section 24, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico, will expire. The plan was approved by the Director of the New Mexico Oil Conservation Division (OCD). This discharge plan was required and submitted pursuant to Water Quality Control Commission (WQCC) regulations and was approved for a period of five years.

If your facility continues to have potential or actual effluent or leachate discharges and you wish to continue operation, you must renew your discharge plan. The OCD is reviewing discharge plan submittals and renewals carefully and the review time can extend for several weeks to months. Please indicate whether you have made, or intend to make, any changes in your system, and if so, please include these modifications in your application for renewal.

The discharge plan renewal application for the Loco Hills Brine Station is subject to the WQCC Regulations 3114 discharge plan fee. Every billable facility submitting a discharge plan renewal will be assessed a fee equal to the filing fee of \$50 plus a flat fee of \$690 for Brine Extraction Facilities.

The \$50 filing fee is to be submitted with the discharge plan renewal application and is nonrefundable. The flat fee for an approved discharge plan renewal may be paid in a single payment due at the time of approval, or in equal annual installments over the duration of the

**Jim's Water Service of New Mexico** A Division of Jim's Water Service of Colorado, Inc.

OIL CONSERVATION DIVISION  
RECEIVED

P. O. Box 848  
Artesia, New Mexico 88210  
(505) 748-1352  
Roswell, New Mexico 88201  
(505) 622-9790  
FAX (505) 746-3227

May 27, 1992

'92 JUN 1 AM 9 56

Kathy Brown  
Energy, Minerals and Natural Resources Department  
Post Office Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

RE: Phase I of Jim's Water Service Discharge Plan BW-5

Dear Kathy:

On January 17, 1992, I received in writing the approval for the proposed discharge plan BW-5. This is for the water station south of Loco Hills.

As of this date, May 27, 1992, Jim's has completed Phase I of our plan. This was accomplished in less than the six months that we proposed for completion. This facility has been inspected and approved by Mike Williams, District II Supervisor and Chris Eustice "OUR" OCD Inspector. Please note the enclosed letter from Mr. Williams.

Our Plan for Phase II is to be completed in twelve months following this approval of Phase I. We hope economics will continue so we may be completed sooner than the approved twelve months period.

Thank you for your cooperation and especially to Mike and his people. Chris Eustice has been exceptionally helpful and an enjoyable person with which to work.

Sincerely,



Mid Ray Clark

Enclosure  
MRC:jsb



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

BRUCE KING  
GOVERNOR

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88241-1980  
(505) 393-6161

May 19, 1992

Mr. Midray Clark  
Jim's Water Service  
P. O. Box 848  
Artesia, NM 88210

Attn: Midray Clark

RE: Loco Hills Brine Facility Discharge Plan

Dear Mr. Clark:

Pursuant to earlier conversations and inspections with Chris Eustice, the Oil Conservation Division (OCD) feels that you have fulfilled your Phase I obligations for your Loco Hills brine facility discharge plan.

The OCD approves your Phase I obligations with the condition that the leak detection system for the brine storage pond be continually inspected by onsite personnel.

If you have any questions contact Chris Eustice at (505) 393-6161.

Sincerely,

MIKE WILLIAMS  
District II Supervisor

CEE/sad

xc: Chris Eustice - OCD, Hobbs office  
Roger Anderson - OCD, Santa Fe office





STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

BRUCE KING  
GOVERNOR

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88241-1980  
(505) 393-6161

May 19, 1992

Mr. Midray Clark  
Jim's Water Service  
P. O. Box 848  
Artesia, NM 88210

Attn: Midray Clark

RE: Loco Hills Brine Facility Discharge Plan

Dear Mr. Clark:

Pursuant to earlier conversations and inspections with Chris Eustice, the Oil Conservation Division (OCD) feels that you have fulfilled your Phase I obligations for your Loco Hills brine facility discharge plan.

The OCD approves your Phase I obligations with the condition that the leak detection system for the brine storage pond be continually inspected by onsite personnel.

If you have any questions contact Chris Eustice at (505) 393-6161.

Sincerely,

MIKE WILLIAMS  
District II Supervisor

CEE/sad

xc: Chris Eustice - OCD, Hobbs office  
Roger Anderson - OCD, Santa Fe office



**Jim's Water Service of New Mexico** A Division of Jim's Water Service of Colorado, Inc.

P. O. Box 848  
Artesia, New Mexico 88210  
(505) 748-1352  
Roswell, New Mexico 88201  
(505) 622-9790  
FAX (505) 746-3227

January 15, 1992

**RECEIVED**

JAN 15 1992

**OIL CONSERVATION DIV.  
SANTA FE**

State Of New Mexico  
Oil Conservation Division  
P.O. Box 2088  
State Land Office Bldg.  
Santa Fe, N.M. 87504

Re: Application for Discharge Plan and (Update of Former BW-5 Plan).

Attn: Kathy Brown

Jim's Water Service has now purchased and operating the old B & E, Loco Hills Brine Station (BW-5).

Enclosed is our application for the Required Discharge Plan, along with the two (2) phases that we discussed a few weeks back. Along with this I have tried to follow along with the concerns you had expressed to B & E, trying to comply and even add some new ideas.

We hope this form is adequate; so we can get started as soon as possible.

Thanks for your consideration.

Truly,



Mid Ray Clark  
Jim's Water Service

State of New Mexico  
Energy, Minerals and Natural Resources Department  
OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, NM 87501

DISCHARGE PLAN APPLICATION FOR BRINE EXTRACTION FACILITIES

(Refer to OCD Guidelines for assistance in completing the application.)

RECEIVED

NEW  RENEWAL

JAN 15 1992

- I. FACILITY NAME: Jim's Brine Sales OIL CONSERVATION DIV. SANTA FE
- II. OPERATOR: Jim's Water Service of Colo. Inc.  
ADDRESS: P.O. Box 848 - Artesia, N.M. 88210  
CONTACT PERSON: Mid Ray Clark PHONE: (505) 748-1352
- III. LOCATION: NW SE /4 SE /4 Section 24 Township 18 South Range 28 East  
*Submit large scale topographic map showing exact location.*
- IV. Attach the name and address of the landowner of the facility site.
- V. Attach a description of the types and quantities of fluids at the facility.
- VI. Attach a description of all fluid transfer and storage and fluid and solid disposal facilities.
- VII. Attach a description of underground facilities (i.e. brine extraction well).
- VIII. Attach a contingency plan for reporting and clean-up of spills or releases.
- IX. Attach geological/hydrological evidence demonstrating that brine extraction operations will not adversely impact fresh water.
- X. Attach such other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.
- XI. CERTIFICATION

*I hereby certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.*

Name: Jim's Water Service of Colo, Inc. Title: Manager

Signature:  Date: 1-15-92

IV. Land is Owned by the State of N.M.

Jim's is assuming B & E's Leases and Right of Way  
Contracts with Bogle Farm Inc.



PERMIAN BRINE SALES & SERVICE, INC.

# NEW MEXICO STATE LAND OFFICE

APPRAISEMENT OF STATE INSTITUTIONAL LANDS  
FOR right-of-way PURPOSES

To the Commissioner of Public Lands, Santa Fe, N. M.

SIR:

I have personally inspected the following described tract of land in Eddy County, New Mexico, and submit this appraisal report together with a statement of the natural character and conditions thereof:

Subdivision	Sec.	Twp.	Range	Acres
See Exhibit				

Attach Exhibit if more space is needed for entire description or to complete answers below

### CHARACTER OF LAND

Answer the following questions in all appraisals:

State the best use for which the land may be adapted native pasture and wildlife habitat

State what other uses, if any, it may be or is being used for none

What is the general terrain or topography of the land? level to gently sloping

What type(s) of soil? gravelly fine sand loam Are there any signs of erosion? yes

If so, what type and to what extent? severe wind

What kind of vegetation is on the land, including grasses, if any? blue grama, black grama, side-oat grama, little bluestem, Javelina, snakeweed, sand muhly, sand sagebrush, and mesquite

Is the land cultivated, grassland, or other? grassland

If cultivated, is it dry land or irrigated farm land? (state acreage involved) not cultivated

Are there natural streams, rivers, springs, ponds, and water holes on the land? If so, describe same none

State kind of merchantable timber, quality, and present condition, if any none

What irrigation ditches are on the land? If none, then distance of nearest one none

12 miles west to the Pecos River Valley

State the number of wells, depth, and type, on the land, whether used for domestic, irrigation, or other purposes none

State nearest distance to city, town, or village limits and name of municipality Artesia, New Mexico  
12 miles northwest

Are there any existing or abandoned utility (electric, telephone, or telegraph) lines, railroads, public roads or highways, pipelines, borrow pits, material pits, cooperative irrigation ditches, reservoirs, airports, land strips, or trash dumps on the land? none If so, please describe and give approximate location none If any of the above are found on the land, are they a benefit or detriment to the land? Explain none

List all improvements, their location, and value (including, but not limited to, houses, barns, stables, their sizes and how built; wells and their depth and description; windmills; fences, their amount, kind, and length; and all other improvements) none

Name and address of present owner of improvements is: none

State if any trespass or waste has been done to the land, or to any existing natural products thereon, and in what manner, by whom if known, and how it detracts from the value of the land only the trespass to graze cattle and operate oil wells

Does the land have any recreational potential, such as cabin sites, etc? Explain none

Answer the following questions in specific category for which application is made by applicant:

#### BUSINESS LEASE:

If known, what type of business is the land going to be used for by the applicant? \_\_\_\_\_

Or is the land being leased for speculative purposes, if known? \_\_\_\_\_

Estimate how much the parcel would lease for on a yearly basis for commercial purposes \_\_\_\_\_

List amounts for which parcels of fee land similarly situated lease for (monthly or annual rentals) \_\_\_\_\_  
If land applied for is within municipal limits, state type and \_\_\_\_\_

kinds of businesses or uses to which surrounding properties are being put \_\_\_\_\_

State what (type and kind) improvements are located on this land that are beneficial to and consistent with business or commercial use of this land \_\_\_\_\_

**RIGHT OF WAY AND WATER EASEMENT:**

Is this State land within a declared water basin? Capitan Water Basin

Will the construction or use of this right of way (water easement) increase or decrease the value of surrounding State lands? increase How? [REDACTED]

Have you examined the plat (survey for right of way) accompanying the application? yes

If yes, then is the acreage (width) requested sufficient or excessive for purposes of the right of way? sufficient

Are there any other rights of way (easements) that bisect or cross over the one being applied for? yes What type and kind? see plats

Are there any existing water wells within one mile of lands inspected? none

If so, how many and how far distant therefrom? none

If known, at what depth is fresh water known to exist in this area? not known

If known, what damage will be done, if any, to the tangible property of state's prior patentees or lessees of this land by reason of applicant's use in making and constructing of a right of way (water easement) as requested? none

**SALT WATER DISPOSAL SITES:**

Have you examined the plat showing the disposal well(s) from which produced salt water is to be disposed of together with necessary pipelines and haul roads, if any? \_\_\_\_\_

If known, what is the formation into which the salt water will be injected? \_\_\_\_\_

Will a pipeline, roadway, or other means of conveyance be necessary to dispose of the salt water in the instant application? \_\_\_\_\_

If so, what? \_\_\_\_\_

What tangible surface damage, if any, will occur to other state lessees or patentees by the proposed salt water disposal site, roadway, or pipeline? \_\_\_\_\_

Based upon your examination of the land applied for, is there an existing abandoned dry hole(s) located thereon? \_\_\_\_\_ To what depth, if known \_\_\_\_\_

How? Provide water for making brine for drilling of Oil and Gas wells.

**AFFIDAVIT**

STATE OF NEW MEXICO ) ss  
County Lea )

I am well acquainted with the character of said described land and that my personal knowledge of said land is such as to enable me to testify understandingly with regard thereto.

After having personally inspected the within described tract of land, I HEREBY APPRAISE THE SAME at and state the ACTUAL CASH VALUE of same for the purpose desired to be \$50.00 per acre (indicate per acre, square foot, or other), and certify that I am not interested in said land or leasing or sale thereof.

Signed [Signature]  
412 North Dal Paso  
P.O. Hobbs, New Mexico 88240

Subscribed and sworn (affirmed) to before me this 8th day of September, 19 78.

[Signature]

My Commission Expires: August 10, 1980

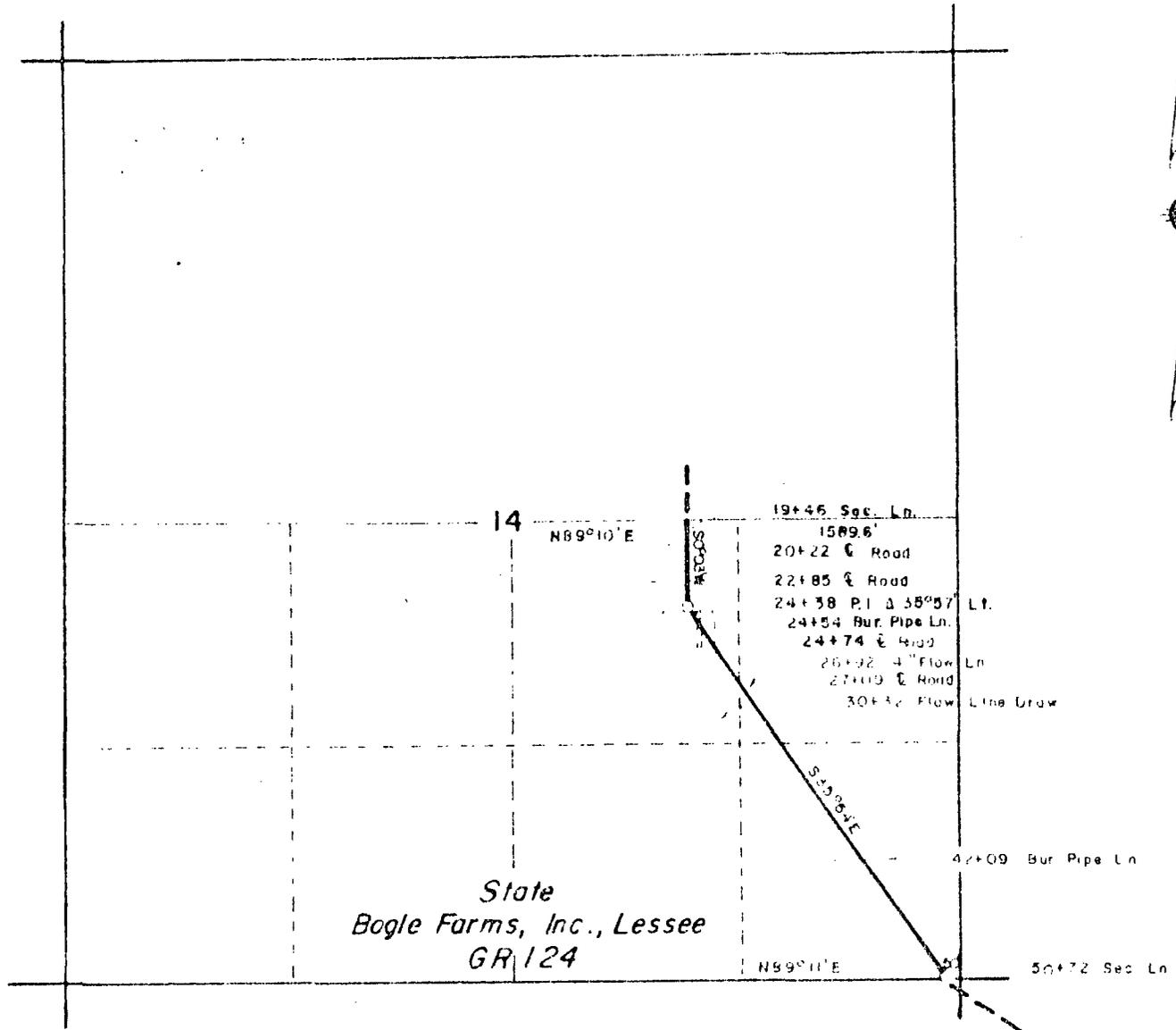
NOTE: The Laws of New Mexico require that all statements in appraisements must be made from personal knowledge, and not upon information and belief; save only those with reference to the actual value of the land appraised. This appraisement must be sworn to before a Notary Public or County Magistrate.

EXHIBIT

Subdivision	Sec.	Twp.	Range	Acres
NW $\frac{1}{4}$ SE $\frac{1}{4}$	14	18S	28E	0.71
NE $\frac{1}{4}$ SE $\frac{1}{4}$	14	18S	28E	0.31
SE $\frac{1}{4}$ SE $\frac{1}{4}$	14	18S	28E	1.13
NE $\frac{1}{4}$ NE $\frac{1}{4}$	23	18S	28E	0.05
NW $\frac{1}{4}$ NW $\frac{1}{4}$	24	18S	28E	1.22
SW $\frac{1}{4}$ NW $\frac{1}{4}$	24	18S	28E	0.05
SE $\frac{1}{4}$ NW $\frac{1}{4}$	24	18S	28E	1.21
NE $\frac{1}{4}$ SW $\frac{1}{4}$	24	18S	28E	0.04
NW $\frac{1}{4}$ SE $\frac{1}{4}$	24	18S	28E	1.09
NE $\frac{1}{4}$ SE $\frac{1}{4}$	24	18S	28E	<u>0.23</u>
	Sub-Total			6.04
NW $\frac{1}{4}$ NE $\frac{1}{4}$	14	18S	28E	0.43
SW $\frac{1}{4}$ NE $\frac{1}{4}$	14	18S	28E	<u>0.91</u>
	Sub-Total			1.34
	Total			7.38

SEC. 14, T18S, R28E, N.M.P.M.,

EDDY COUNTY, NEW MEXICO



DESCRIPTION OF RIGHT-OF-WAY

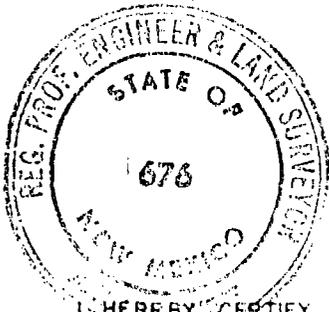
A strip of land 30 feet wide being 15 feet right and 15 feet left of the following described survey of centerline:

Beginning at Eng. Sta. 19+46, a point on the north boundary line of the south half of Section 14, Township 18 South, Range 28 East, N. M. P. M., Eddy County, New Mexico, from which the east quarter corner of the said Section 14 bears north 89°10' east a distance of 1589.6 feet; thence, south 0°03' west, crossing the State of New Mexico land a distance of 492 feet to Eng. Sta. 24+38; thence, south 35°54' east a distance of 2634 feet to Eng. Sta. 50+72, a point on the south boundary line of the said Section 14, from which the southeast corner of the said Section 14 bears north 89°11' east a distance of 50 feet.

The said tract of land contains 2.15 acres, more or less, all within the said Section 14, and is allocated by forties as follows:

NW $\frac{1}{4}$  SE $\frac{1}{4}$  0.71 acres  
NE $\frac{1}{4}$  SE $\frac{1}{4}$  0.31 acres

SE $\frac{1}{4}$  SE $\frac{1}{4}$  1.13 acres



I HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*John W. West*  
JOHN W. WEST, N.M. PE & L.S. NO 676  
TEXAS R.P.S. NO. 1138  
RONALD J. EDSON, N.M. L.S. NO 3239  
TEXAS R.P.S. NO 1883

PERMIAN BRINE SALES & SERVICE, INC.

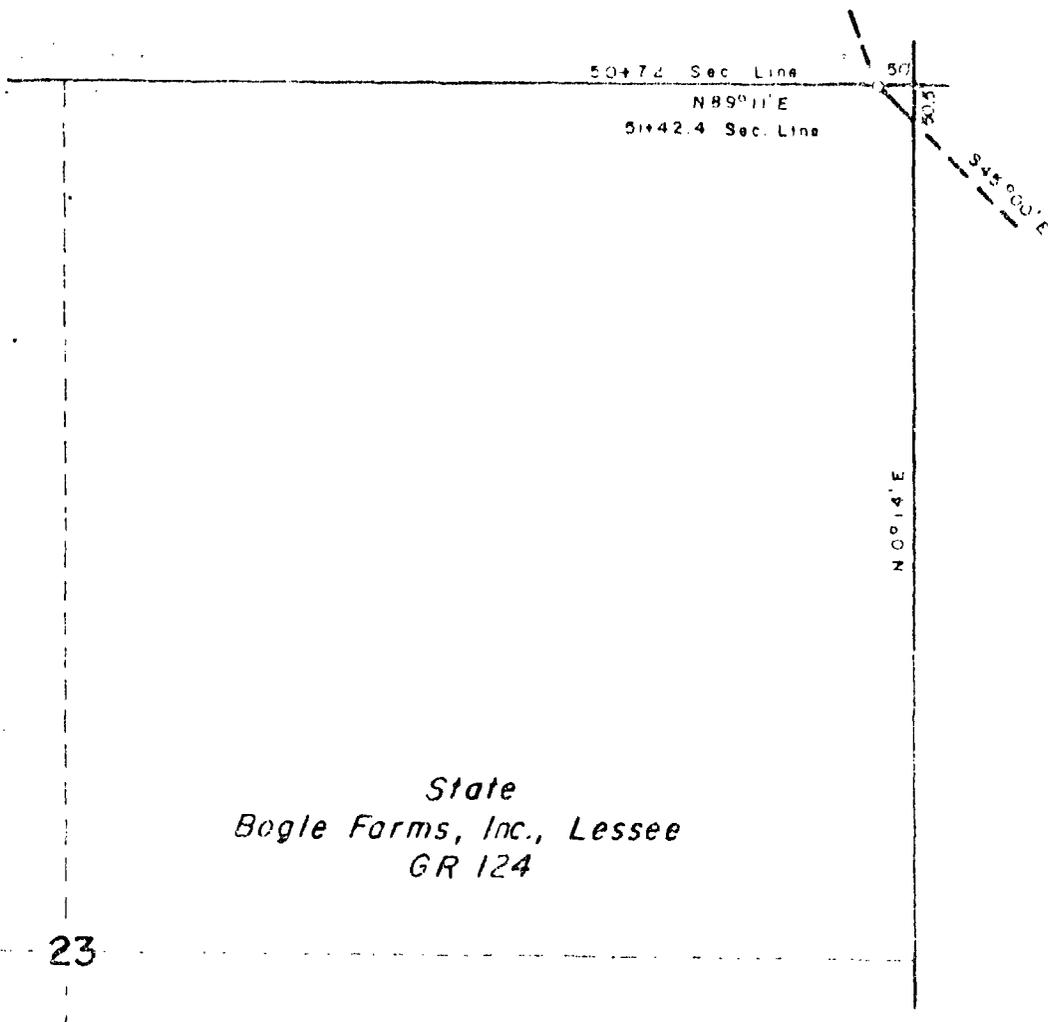
Proposed water pipeline crossing the State of New Mexico land in Section 14, Township 18 South, Range 28 East, N. M. P. M., Eddy County, New Mexico.

JOHN W. WEST ENGINEERING COMPANY  
CONSULTING ENGINEERS HOBBS, NEW MEXICO

Scale: 1" = 1000'  
Date: Sept. 7, 1978  
Drawn by: chb  
Sheet 1 of 1 She

SEC.23, T18S, R28E, N.M.P.M.,

EDDY COUNTY, NEW MEXICO



State  
Bogle Farms, Inc., Lessee  
GR 124

23

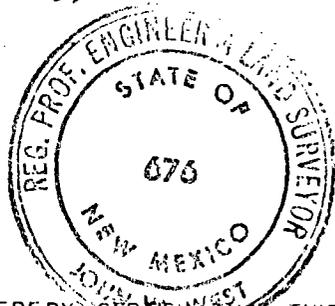
DESCRIPTION OF RIGHT-OF-WAY

A strip of land 30 feet wide being 15 feet right and 15 feet left of the following described survey of centerline:

Beginning at Eng. Sta. 50+72, a point on the north boundary line of Section 23, Township 18 South, Range 28 East, N. M. P. M., Eddy County, New Mexico, from which the northeast corner of the said Section 23 bears north 89°11' east a distance of 50 feet; thence, south 45°00' east, crossing the State of New Mexico land a distance of 70.4 feet to Eng. Sta. 51+42.4, a point of the east boundary line of the said Section 23, from which the northeast corner of the said Section 23 bears north 0°14' east a distance of 50.5 feet.

The said tract of land contains 0.05 acres, more or less, all within the said Section 23, and is allocated by forties as follows:

NE $\frac{1}{4}$  NE $\frac{1}{4}$  0.05 acres



I HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

JOHN W. WEST, N.M. PE. & L.S. NO. 676  
TEXAS R.P.S. NO. 1138

RONALD J. EIDSON, N.M. L.S. NO. 3239  
TEXAS R.P.S. NO. 1883

PERMIAN BRINE SALES & SERVICE, INC.

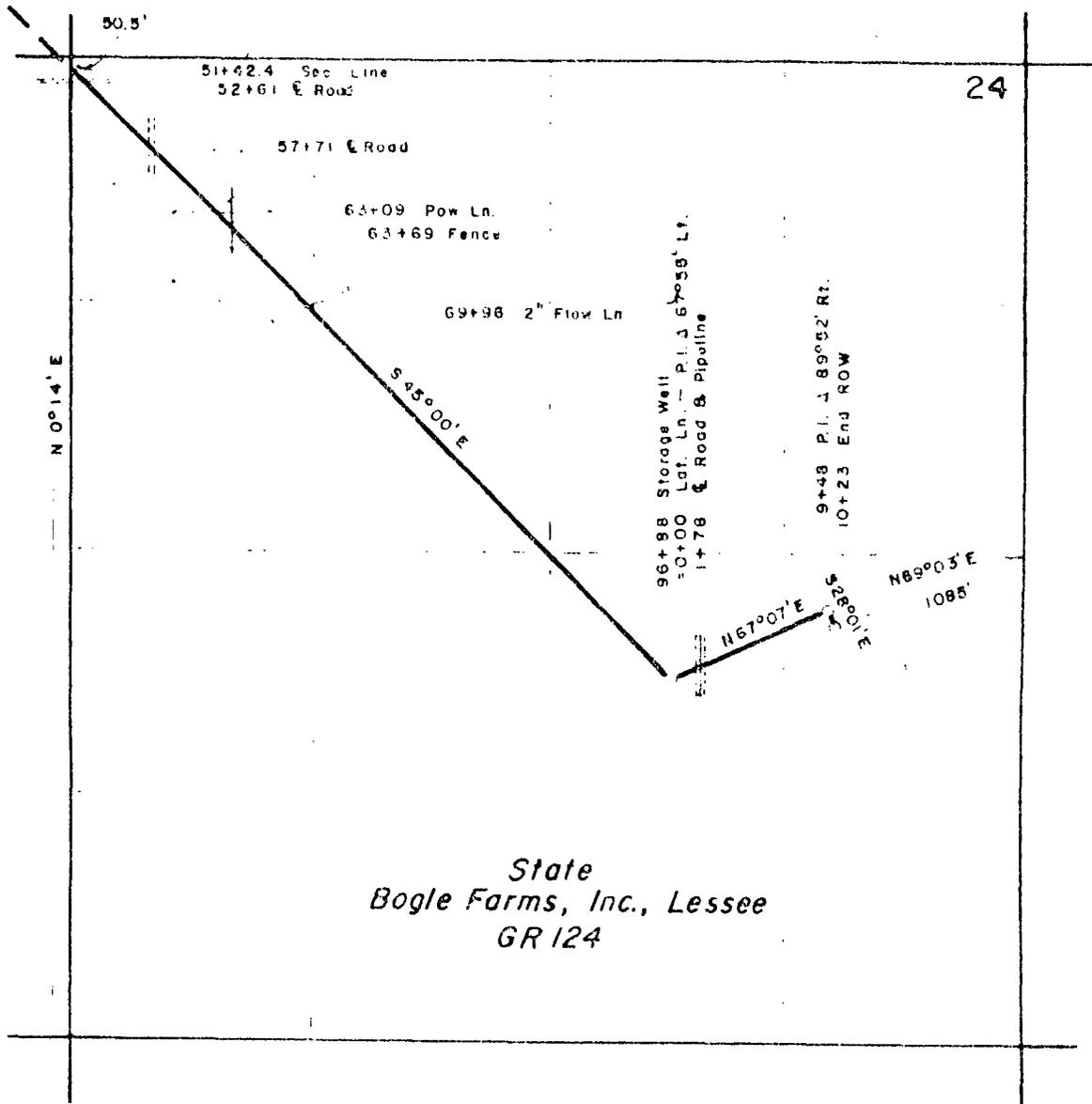
Proposed ~~oil~~ water pipeline crossing the State of New Mexico land in Section 23, Township 18 South, Range 28 East, N. M. P. M., Eddy County, New Mexico.

JOHN W. WEST ENGINEERING COMPANY  
CONSULTING ENGINEERS HOBBS, NEW MEXICO

Scale: 1" = 300'	Drawn by: chb
Date: Sept. 7, 1978	Sheet 1 of 2 Sheet

SEC. 24, T18S, R28E, N.M.P.M.,

EDDY COUNTY, NEW MEXICO



State  
Bogle Farms, Inc., Lessee  
GR 124

DESCRIPTION OF RIGHT-OF-WAY

A strip of land 30 feet wide being 15 feet right and 15 feet left of the following described survey of centerline:

Beginning at Eng. Sta. 51+42.4, a point on the west boundary line of Section 24, Township 18 South, Range 28 East, N. M. P. M., Eddy County, New Mexico, from which the northwest corner of the said Section 24 bears north 00°14' east a distance of 50.5 feet; thence, south 45°00' east, crossing the State of New Mexico land a distance of 1545.6 feet to Eng. Sta. 96+88 equals Eng. Sta. 0+00; thence, north 67°07' east a distance of 948 feet to Eng. Sta. 9+48; thence, south 28°01' east a distance of 75 feet to Eng. Sta. 10+23, ending this right-of-way, from which the east quarter corner of the said Section 24 bears north 69°03' east a distance of 1085 feet.

The said tract of land contains 3.84 acres, more or less, all within the said Section 24, and is allocated by forties as follows:

NW $\frac{1}{4}$ NW $\frac{1}{4}$ 1.22 acres	SE $\frac{1}{4}$ NW $\frac{1}{4}$ 1.21 acres	NW $\frac{1}{4}$ SE $\frac{1}{4}$ 1.09 acres
NW $\frac{1}{4}$ SW $\frac{1}{4}$ 0.05 acres	NE $\frac{1}{4}$ SW $\frac{1}{4}$ 0.04 acres	NE $\frac{1}{4}$ SE $\frac{1}{4}$ 0.23 acres

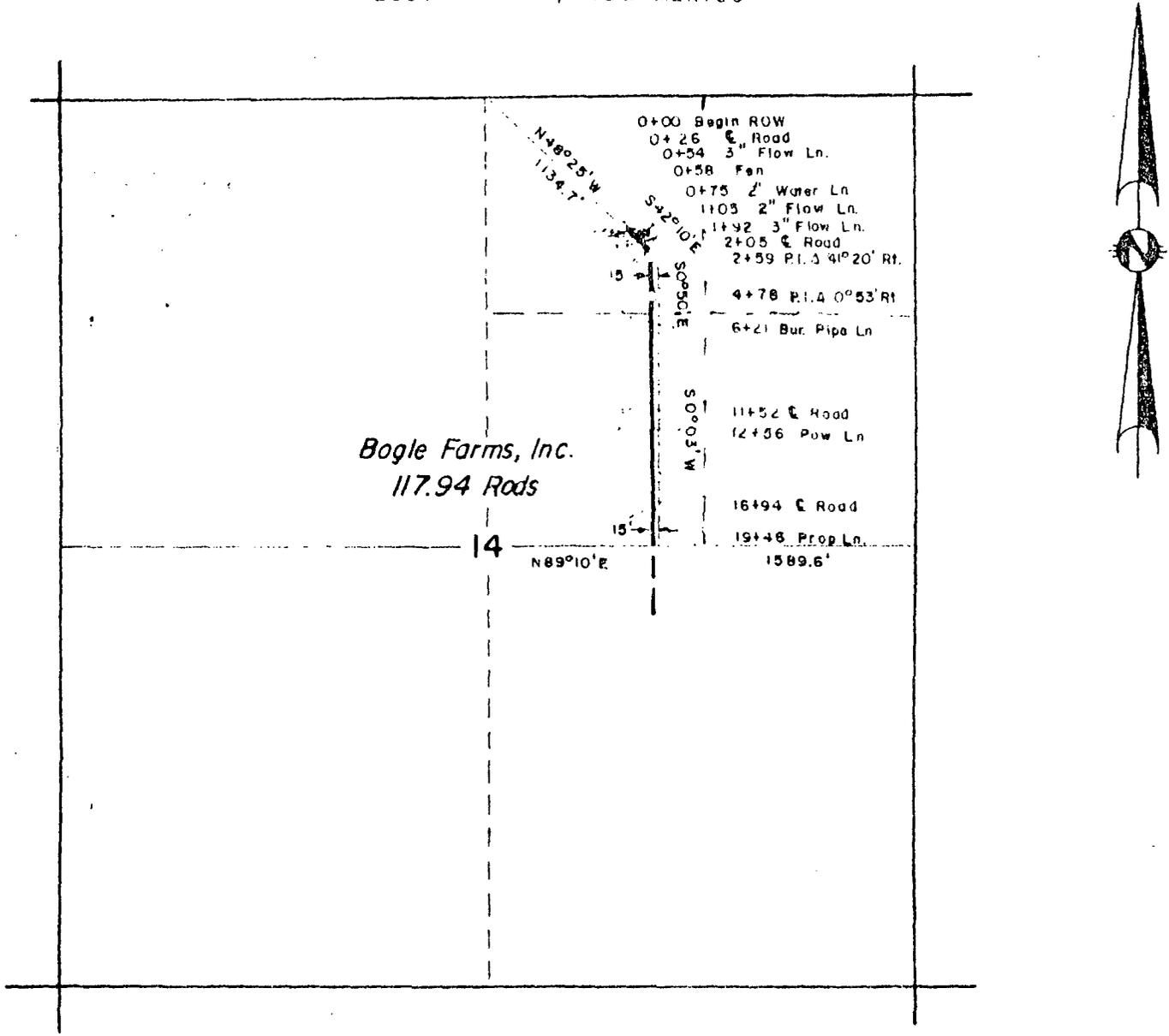


HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*John W. West*  
JOHN W. WEST, N.M. P.E. & L.S. NO 676  
TEXAS R.P.S. NO. 1138  
RONALD J. EIDSON, N.M. L.S. NO 3239  
TEXAS R.P.S. NO 1883

PERMIAN BRINE SALES & SERVICE, INC.	
Proposed <del>water</del> water pipeline crossing the State of New Mexico land in Section 24, Township 18 South, Range 28 East, N. M. P. M., Eddy County, New Mexico.	
JOHN W. WEST ENGINEERING COMPANY CONSULTING ENGINEERS HOBBS, NEW MEXICO	
Scale: 1" = 1000'	Drawn by: chb
Date: Sept. 8, 1978	Sheet 1 of 1 Sheet

SEC. 14, T18S, R28E, N. M. P. M.,  
EDDY COUNTY, NEW MEXICO



DESCRIPTION OF RIGHT-OF-WAY

A strip of land 30 feet wide being 15 feet right and 15 feet left of the following described survey of centerline:

Beginning at Eng. Sta. 0+00, from which the north quarter corner of Section 14, Township 18 South, Range 28 East, N. M. P. M., Eddy County, New Mexico bears north  $48^{\circ}25'$  west a distance of 1134.7 feet; thence, south  $42^{\circ}10'$  east, crossing the Bogle Farms, Inc. property a distance of 259 feet to Eng. Sta. 2+59; thence, south  $00^{\circ}50'$  east a distance of 219 feet to Eng. Sta. 4+78; thence, south  $00^{\circ}21'$  west a distance of 1468 feet to Eng. Sta. 19+46, a point on the south boundary line of the north half of the said Section 14, from which the east quarter corner of the said Section 14 bears north  $89^{\circ}10'$  east a distance of 1589.6 feet.

117.94 Rods

The said tract of land contains 1.34 acres, more or less, all within the said section 14, and is allocated by forties as follows:

NW $\frac{1}{4}$  NE $\frac{1}{4}$  0.43 acres  
SW $\frac{1}{4}$  NE $\frac{1}{4}$  0.91 acres



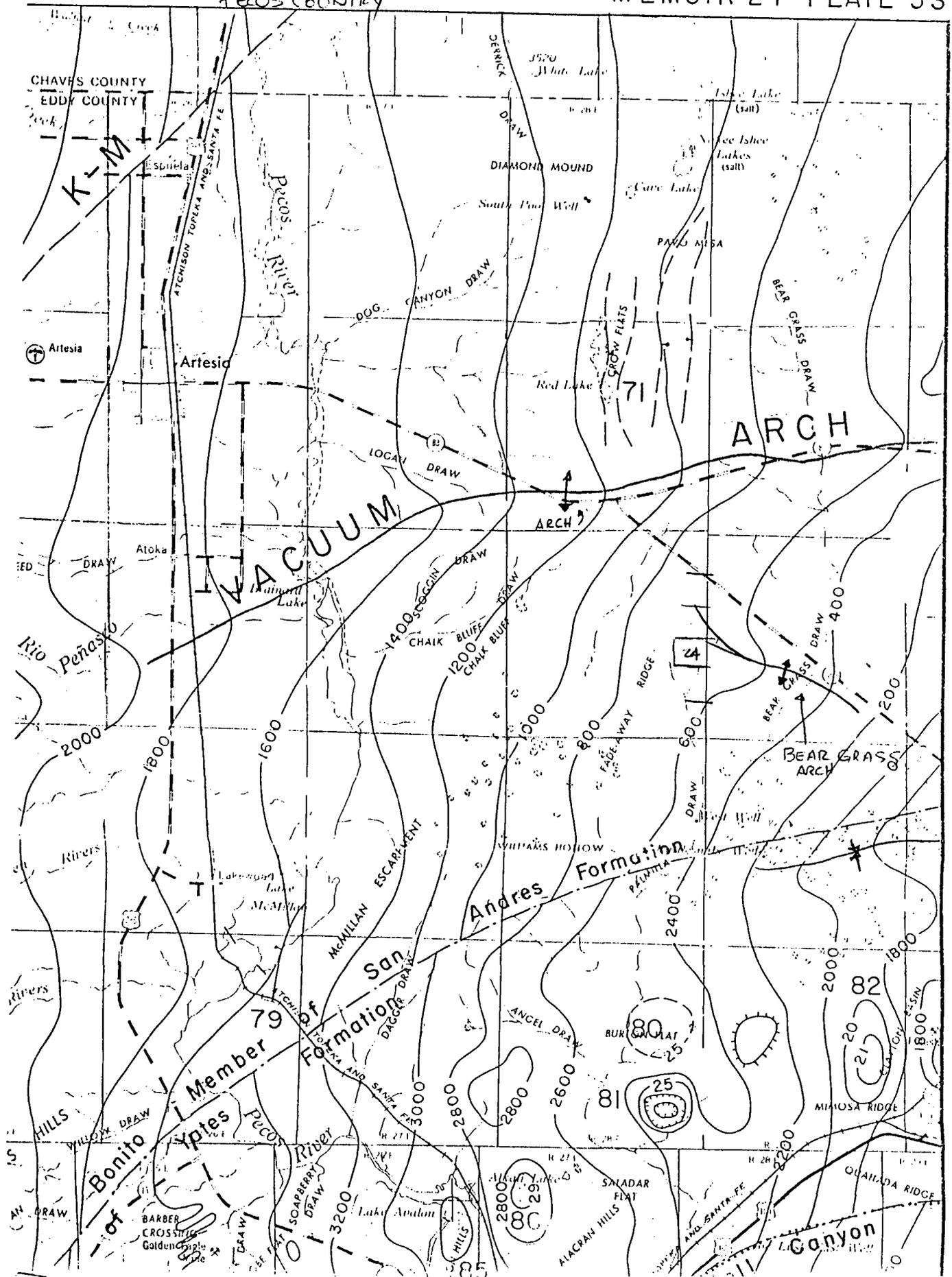
I HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*John W. West*  
JOHN W. WEST, N.M. P.E. & L.S. NO. 676  
TEXAS R.P.S. NO. 1138  
RONALD J. EIDSON, N.M. L.S. NO. 3239  
TEXAS R.P.S. NO. 1883

PERMIAN BRINE SALES & SERVICE, INC.	
Proposed water pipeline crossing the Bogle Farms, Inc. property in Section 14, Township 18 South, Range 28 East, N. M. P. M., Eddy County, New Mexico.	
JOHN W. WEST ENGINEERING COMPANY CONSULTING ENGINEERS HOBBS, NEW MEXICO	
Scale: 1" = 1000'	Drawn by: chb
Date: Sept. 7, 1978	Sheet 1 of 1 Shee

# TECTONIC (STRUCTURE) MAP PECOS COUNTRY

MEMOIR 24 PLATE 5S



13 00'

45'

30'

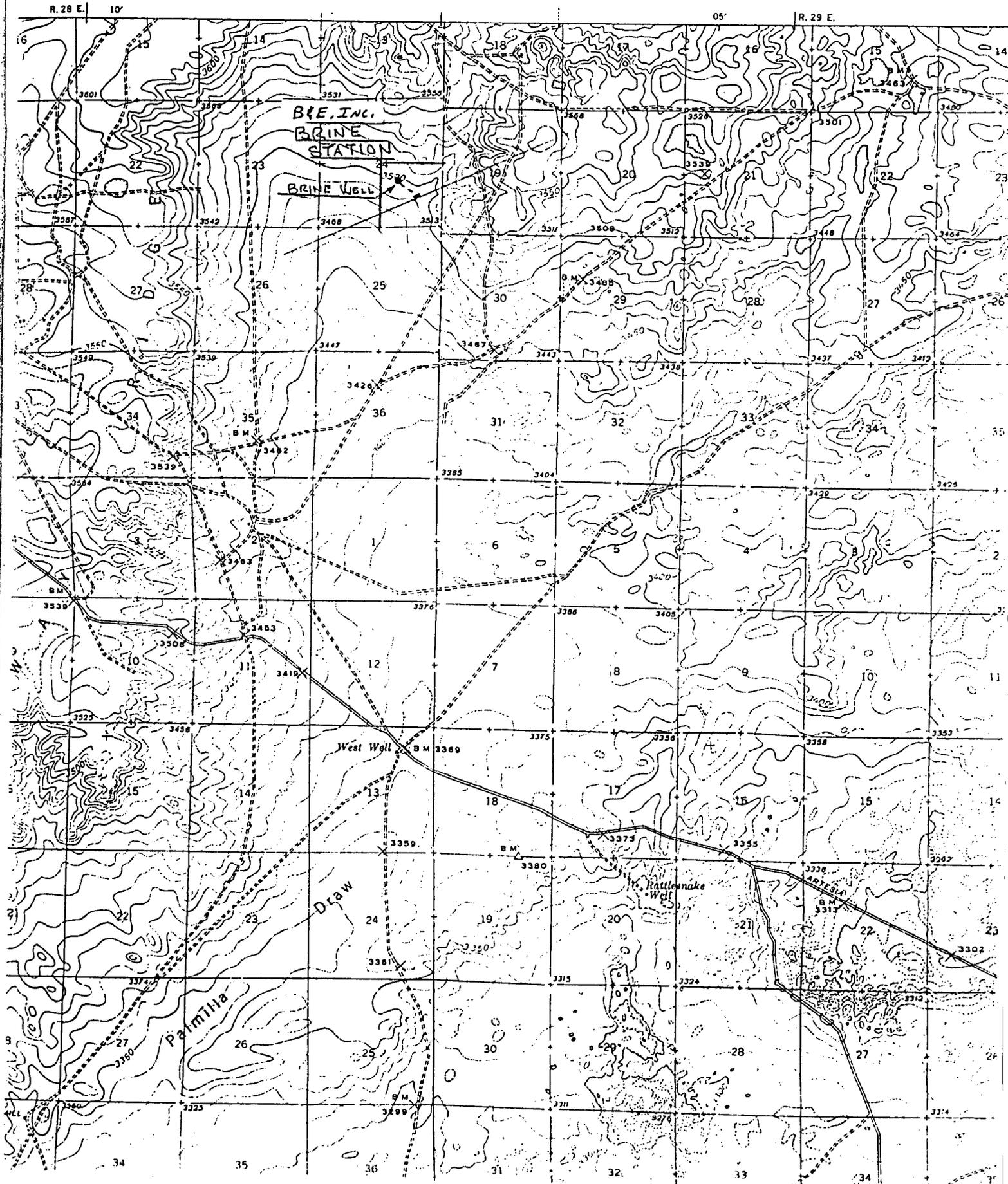
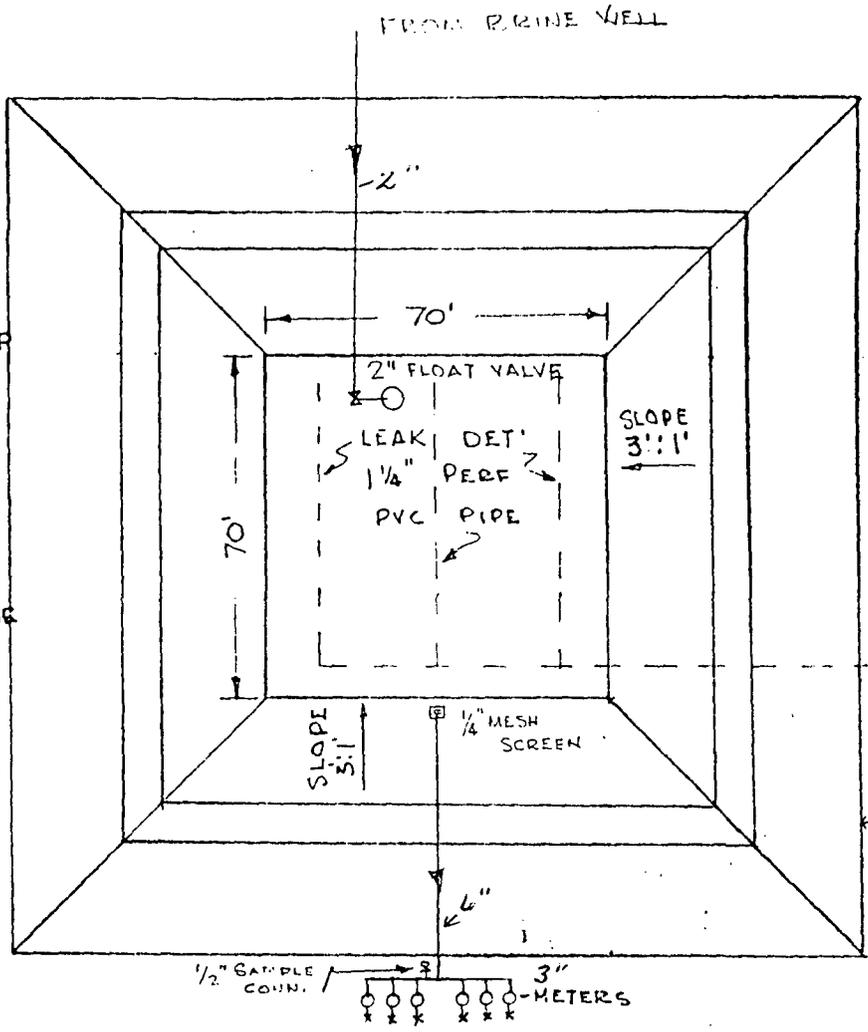


Exhibit V. Fresh Water will be pumped to the Brine Well, (quantities to be determined by demand.)

The Fresh Water will be circulated down Brine Well into Salt Cavity. The Brine produced from said Well, will be conveyed by flow line to the storage reservoir, whose capacity is approximately 10,000 bbls.

PIT - 7.5' DEEP  
 CAPACITY  
 10,000 BBL.  
 PIT LINED  
 WITH 30 MIL  
 POLYETHYLENE  
 FILM  
 Nylon  
 REINFORCED

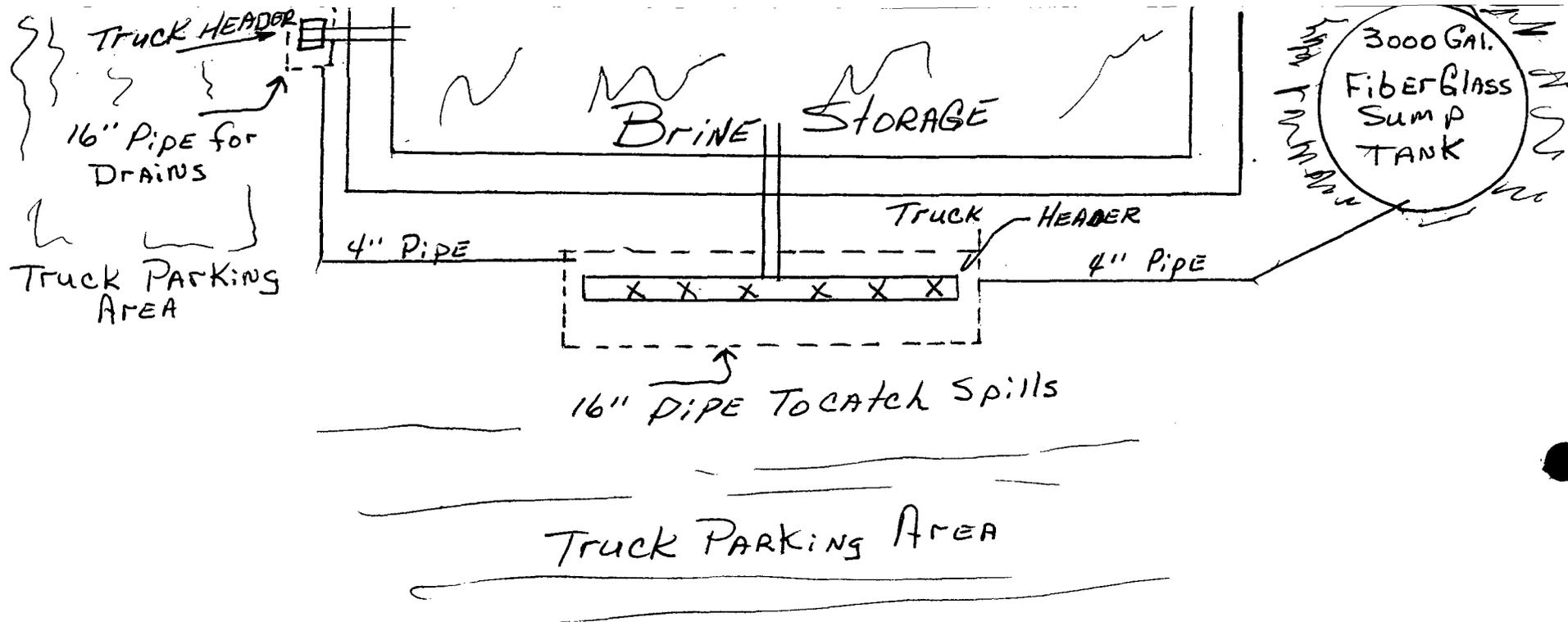


TRUCK LOADING

HIGHWAY

Each customer has their own meter. When a transport arrives the driver will make the necessary connections and unlock the valve, then load with his own truck pump. The Brine Water is pumped from the bottom of the reservoir up and over the dam and through the 3" water meter, which determines the volume purchased.

B & E, Inc.  
 Brine Sales Well St. 24 #1  
 1988' FSL - 1930' FEL  
 S.24 T.18S R.28E  
 Eddy Co., New Mexico

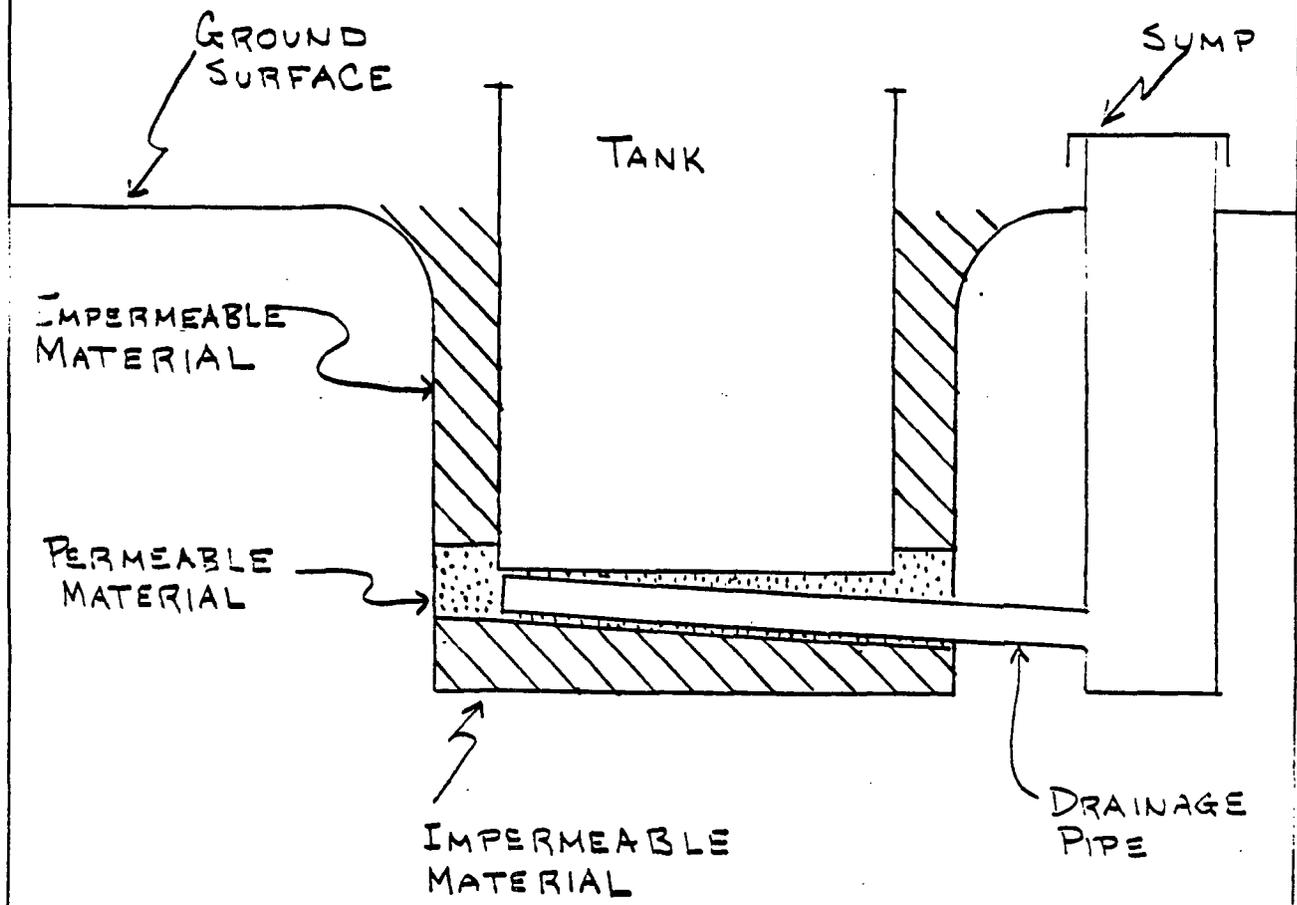


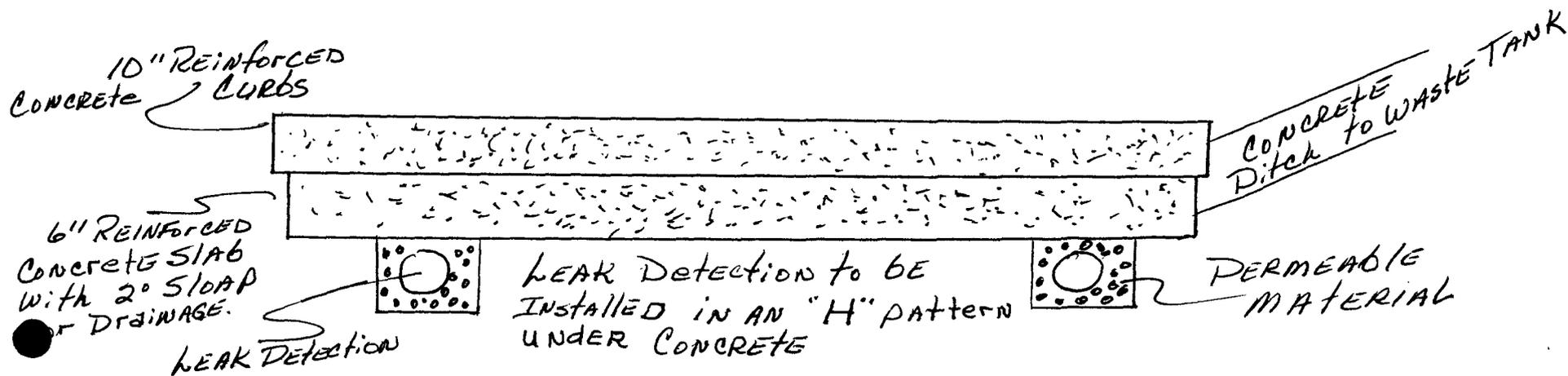
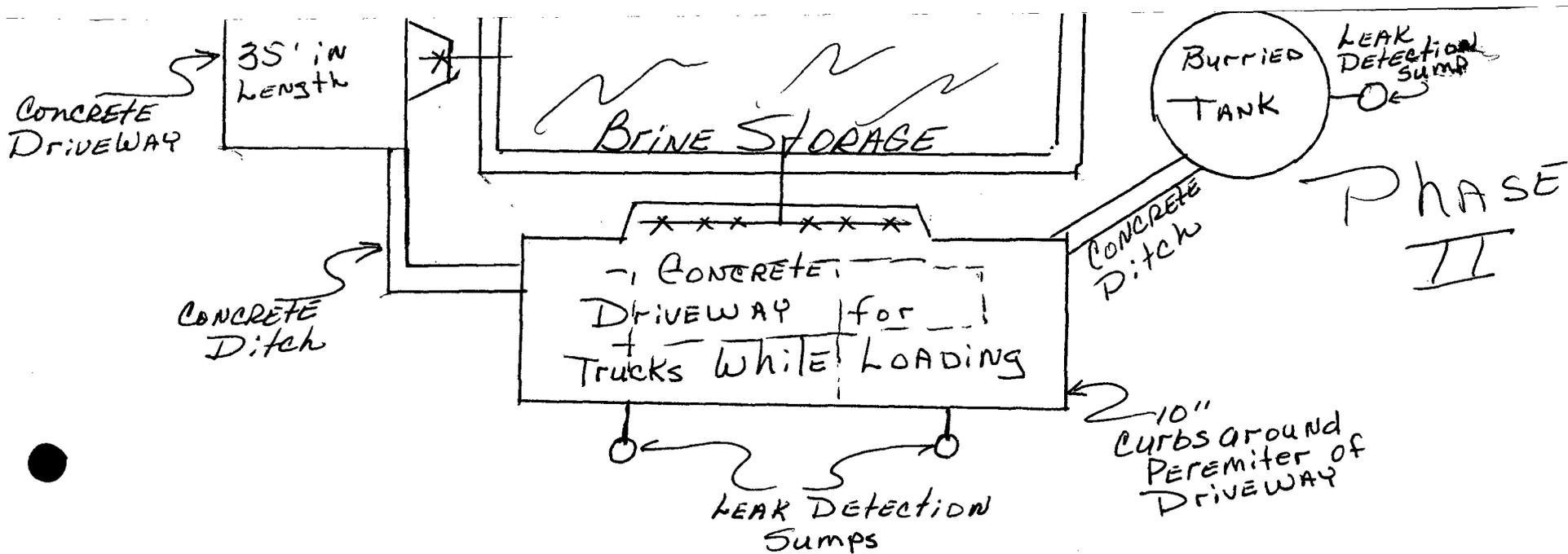
PHASE I

This phase to be completed 6 months from date of approval. Will install 16" (waste traps) pipe under existing truck loading headers. Both waste traps will be connected together with 4" steel pipe to convey Brine Waste and leaks to a 3000 gallon fiber glass tank. This tank will be buried with the proper leak detection methods to catch waste until it can be transported to the proper disposal.

Note Figure 1: Tank Installation

FIGURE 1. TANK INSTALLATION





Jim's Water Service Discharge and Waste Containment Plan for Brine Sales Site.

St. 24 #1 1988' FSL-1930' FEL  
 S. 24-T. 185-R. 28E  
 Eddy Co., New Mexico

## 2. Transfer of Commitment

Notwithstanding the transfer of jurisdiction of brine wells to OCD, all prior commitments to EID concerning reporting and notification remain in effect. This includes the quarterly report listing of volume of fluids injected and produced, the quarterly report of inspection of your leak detection system, and the annual analyses of injected and produced waters. Note that all unauthorized discharges (ie. major leaks and spills), need to be reported to the OCD within 48 hours of the event (WOCC Rule 5-208).

Jim's Water Service will fulfill the commitment to the OCD in the future concerning quarterly reporting.

#### 4. Brine Loading Area

Past inspections of your brine facility by both the OCD and EID staff indicates brine spilled onto the ground surface in the brine loading area, specifically around the loading valves. This area must have containment to keep spilled brine off the ground surface. Submit a proposal to contain spills at your brine loading area. Provide an explanation and diagrams detailing how spilled brine is to be contained; include paving and curbing where appropriate and indicate where the spilled brine drains to. Note that all new underground tanks (ie, sumps) are required to have positive leak detection.

In the Previous Exhibits Jim's has submitted  
a Leak detection and waste containment.

5. Maximum Injection Pressure

Pursuant to WQCC Regulation Section 5-206, the maximum injection pressure at the wellhead shall not initiate new fractures or propagate existing fractures in the continuing zone. Your discharge plan application for renewal states that line pressure increases to about 125-130 psi when the freshwater pump is used. What is the maximum injection pressure at the wellhead when the pump is in use? Is the maximum pressure limited by the capacity of the pump or by a safety shut-off device? Submit a proposed maximum injection pressure, a measured and/or calculated fracture pressure for the zone being injected into, and a plan to ensure the fracture pressure value will not be exceeded.

*The maximum injection pressure at the wellhead is 150 lbs.*

*The maximum pressure is limited by the capacity of the pump.*

*The measured or calculated fracture pressure is 350 PSI.*

*The fracture pressure valve will not be exceed because the pump capacity is only 150 lbs.*

6. Collapse and Subsidence Potential

Because of the relatively thin amounts of overburden rock at your location (400 feet), the OCD is concerned over the potential for collapse and/or subsidence of the strata overlying the salt cavity that B&E has created. Submit evidence that future brine extraction operations will not significantly increase the potential for collapse and/or subsidence. Include details on collapse and subsidence prevention and monitoring. Submit an estimate of the total brine produced to date so that the OCD can calculate the approximate size of the cavity.

*From the records that are available the total amount of brine that has been produced is approximately 3,159,862 barrels. That figure has been derived from the meter readings each month.*

*Mr. Al Hickerson who originally drilled the brine well does believe that keeping the cavern full of fresh water and under pressure does give support. Although that is no positive guarantee.*

*The area in which the brine well is located is not populated and has no heavy above ground structures.*

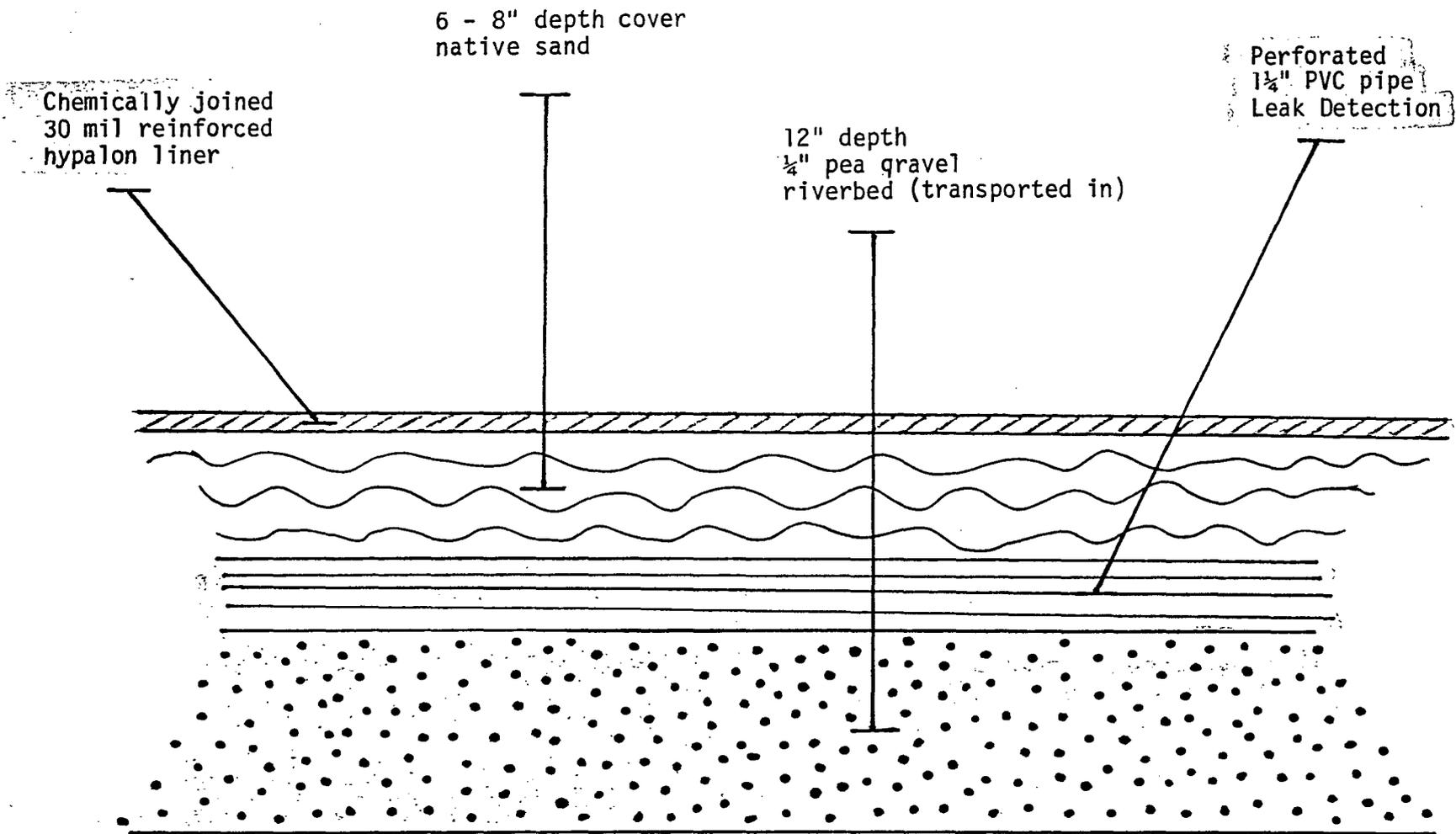
*Visual inspection of surrounding area is done but again is no positive guarantee.*

3. Brine Storage Pond

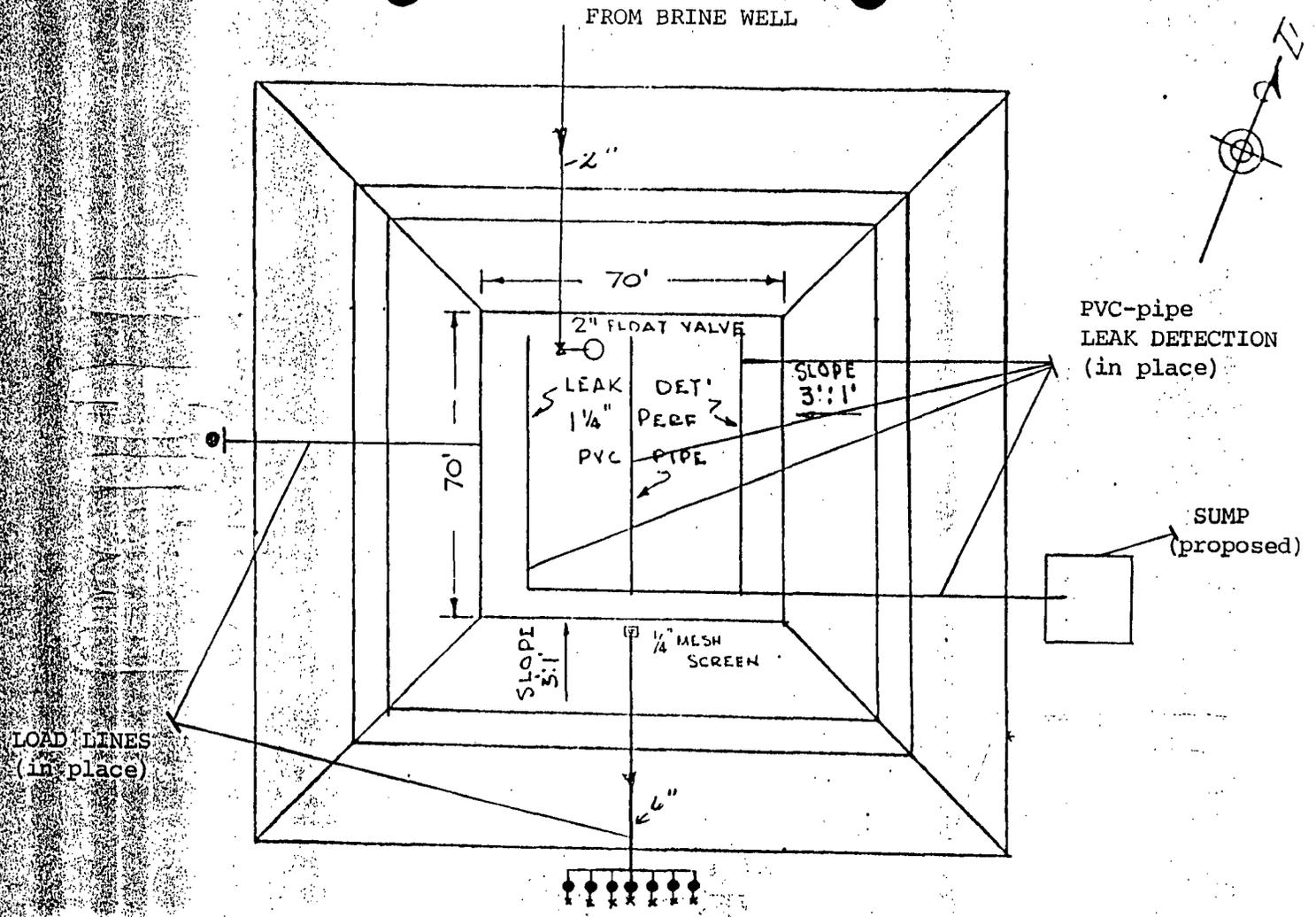
The OCD is concerned whether the leak detection system for your single-lined pond is adequate and we require additional information on the construction of the brine storage pond. What type of substrate underlies your leak detection laterals (1 1/4" perforated PVC pipe)? Is it the native substrate or a material transported to the site? What is the composition and permeability of this substrate? Was there any type of porous material (ie. sand) used to fill in the area between the leak detection laterals and the pond liner?

If your pond requires any major repairs in the future then the OCD requires that either the pond be double-lined with leak detection, or B&E provide evidence that the groundwater at your facility (225 feet deep) has a concentration greater than 10,000 mg/l Total Dissolved Solids.

Please see attached drawings and documents, They should answer the above questions that you have asked.



Native Ground



STATE 24 #1 -

SEC. 24 T-18S R-28E

HIGHWAY

Each customer has their own meter. When a transport arrives the driver will make the necessary connections and unlock the valve, then load with his own truck pump. The Brine Water is pumped from the bottom of the reservoir up and over the dam and through the 3" water meter, which determines the volume purchased.

Brine Sales Well St. 24 #  
 1988' FSL - 1930' FEL  
 S.24 T.18S R.28E  
 Eddy Co., New Mexico

Exhibit VIII. Under this Exhibit I submit the existing Contingency Plans submitted to and approved by the OCD, along with their reply to Kathy M. Brown, Environmental Geologist that I assume by now has been approved. In Ms. Brown's letter noting Item #4 which is highlighted. We would like to submit the following plans to the OCD for approval. Due to the recent purchase of this facility I ask that we be granted approval to accomplish your concern in two (2) phases.

#### PHASE I

Within the first 6 months, be completed from date Jim's is notified of approval of this plan and transfers of Leases, Salt Mining Lease.

#### PHASE II

Will begin within 12 calendar months of completion and acceptance by OCD of Phase I. Attached is Jim's Proposed phases.

Exhibit V11. This exhibit is compiled from B & E's Files & Applications that have been previously submitted and approved by the OCD. Also submitted is B & E's most recent Mechanical Integrity Testing dated 9-2-91. All other testings will be performed by Jim's Water Service at the Direction and Supervision of the OCD.

2" Pipe & Connections

MAX. PRESSURE 120\*

AVG. PRESSURE 90\*

FRESH WATER

3503' ELEV.

SURFACE

2" Pipe

To Storage Pit

Caliche Surface

20'

GRAVEL

99'

GRAVEL

99'

CEMENT

CEMENT

RED BEDS & GRAVEL

RED BEDS & GRAVEL

8 5/8" 24# Casing

225'

245' SAND & GYP. WATER

RED BED

2 7/8" N80 Tubing

RED BED

397'

397'

CEMENT

CEMENT

416' Bottom of 8 5/8" casing

SALT

SALT

660' Bottom 2 7/8" Tubing

BRINE WATER

Anhy. stringers

685'

680'

Anhy. stringers

740'

35 ST PIPING

Anhydrite

Anhydrite

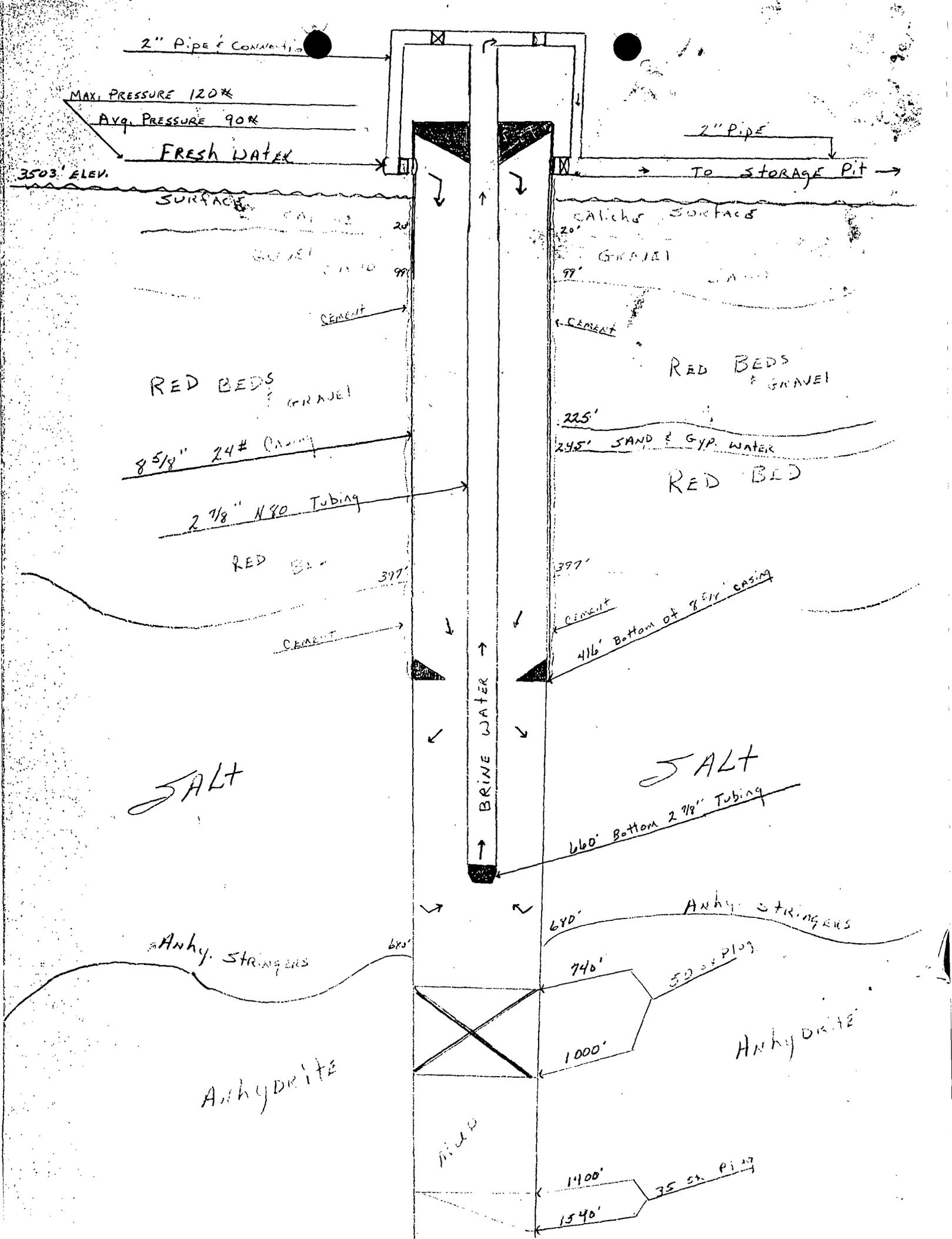
1000'

MUD

1400'

35 ST PIPING

1540'



P.B.S. & S.

JUNE 30, 1978

BOX 1591

ODESSA, TEXAS 79760

SALT & 1

0 to 46 -----	TOP SOIL WITH GRAVEL
46 to 58 -----	SAND & GRAVEL
58 to 62 -----	LIME
62 to 65 -----	RED BED
65 to 76 -----	RED SAND
76 to 107 -----	GRAVEL
107 to 163 -----	BROWN CLAY W/GRAVEL & SAND
163 to 170 -----	RED BED
170 to 178 -----	LIME VERY HARD
178 to 225 -----	RED BED
225 to 237 -----	ANHYDRITE & RED BED
237 to 252 -----	LIME & ANHYDRITE W/SOME GYP.
252 to 268 -----	RED BED
268 to 285 -----	LIME W/GYP. STRINGERS
285 to 305 -----	GYP. W/SOME RED BED
305 to 320 -----	GYP. & ANHYDRITE
320 to 328 -----	RED BED
328 to 360 -----	ANHYDRITE W/LIME & SAND
360 to 410 -----	RED ROCK & ANHYDRITE
410 to 430 -----	ANHYDRITE W/SOME LIME
430 to 437 -----	GRAY LIME ( HARD ) & ANHYDRITE
437 to 445 -----	ANHYDRITE
445 to 456 -----	ANHYDRITE & GRAY LIME
456 to 555 -----	SALT
555 to 567 -----	SALT & SOME LIME
567 to 575 -----	SALT & <u>BLUE SHALE</u> VERY LITTLE
575 to 582 -----	SALT
582 to 663 -----	ANHYDRITE

Simms & Reese  
200 Booker Bldg.

If drilled or other special tests or deviation surveys were made, submit report on separate sheet and attach hereto

TOOLS USED

Rotary tools were used from .....feet to.....feet, and from.....feet to.....feet.  
Cable tools were used from 0 feet to 2324 feet, and from.....feet to.....feet.

PRODUCTION

Put to Producing December 23 1962

OIL WELL: The production during the first 24 hours was 40 barrels of liquid of which 60 % was oil; .....% was emulsion; 40 % water; and.....% was sediment. A.P.I.

Gravity.....

GAS WELL: The production during the first 24 hours was.....M.C.F. plus.....barrels of liquid Hydrocarbon. Shut in Pressure.....lbs.

Length of Time Shut in.....

PLEASE INDICATE BELOW FORMATION TOPS (IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE):

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy..... 155	T. Devonian.....	T. Ojo Alamo.....	
T. Salt..... 340	T. Silurian.....	T. Kirtland-Fruitland.....	
B. Salt..... 707	T. Montoya.....	T. Farmington.....	
T. Yates.....	T. Simpson.....	T. Pictured Cliffs.....	
T. 7 Rivers.....	T. McKee.....	T. Menefee.....	
T. Queen..... 1832	T. Ellenburger.....	T. Point Lookout.....	
T. Grayburg..... 2190	T. Gr. Wash.....	T. Mancos.....	
T. San Andres.....	T. Granite.....	T. Dakota.....	
T. Glorieta.....	T. ....	T. Morrison.....	
T. Drinkard.....	T. ....	T. Penn.....	
T. Tubbs.....	T. ....	T. ....	
T. Abo.....	T. ....	T. ....	
T. Penn.....	T. ....	T. ....	
T. Miss.....	T. ....	T. ....	

FORMATION RECORD

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	15	15	Caliche				
15	30	15	Red Sand				
30	155	125	Red Shale				
155	170	15	Anhy				
170	225	55	Anhy & Shale				
225	250	25	Shale				
250	285	35	Anhy				
285	310	25	Red Shale				
310	340	30	Anhy				
340	707	367	Salt				
707	948	241	Anhy				
948	958	10	Sand Cong.				
958	1820	862	Anhy				
1820	1850	30	Red Sand				
1850	2085	235	Anhy				
2085	2102	17	Sand				
2102	2115	13	Anhy				
2115	2154	39	Grey Lime				
2154	2172	18	Lime				
2172	2195	23	Sandy Lime				
2195	2250	55	Lime				
2250	2261	11	Sand				
2261	2293	32	Lime				
2293	2311	18	Sharp Lime				
2311	2324	13	Lime				

ATTACH SEPARATE SHEET IF ADDITIONAL SPACE IS NEEDED

I hereby swear or affirm that the information given herewith is a complete and correct record of the well and all work done on it so far as can be determined from available records.

January 11, 1963

Company or Operator Simms & Reese Oil Co.

Address 200 Booker Bldg. - Artesia, N.M.

Name

Position Title Partner

1. Mechanical Integrity Testing

Pursuant to revised OCD guidelines for discharge plans at brine facilities, all wells must be pressure tested (open-hole) to 500 psi for 4 hours on an annual basis. A pressure test isolating the casing from the formation using either a bridge plug or a packer must be conducted at least once every 5 years or during well workovers. The last pressure test on file for the State 24 No. 1 Well at your Loco Hills Brine Facility was an open-hole test performed on March 2, 1988. The results from a current pressure test will be required prior to the approval of any brine facility discharge plan application or renewal. If the immediate test is performed using the open-hole method, than a pressure test isolating the casing from the formation is required within the next 1 1/2 years. Note that an OCD representative must be on site to witness all pressure tests and we request 10 days before the test to allow us to make arrangements. Submit a proposal for

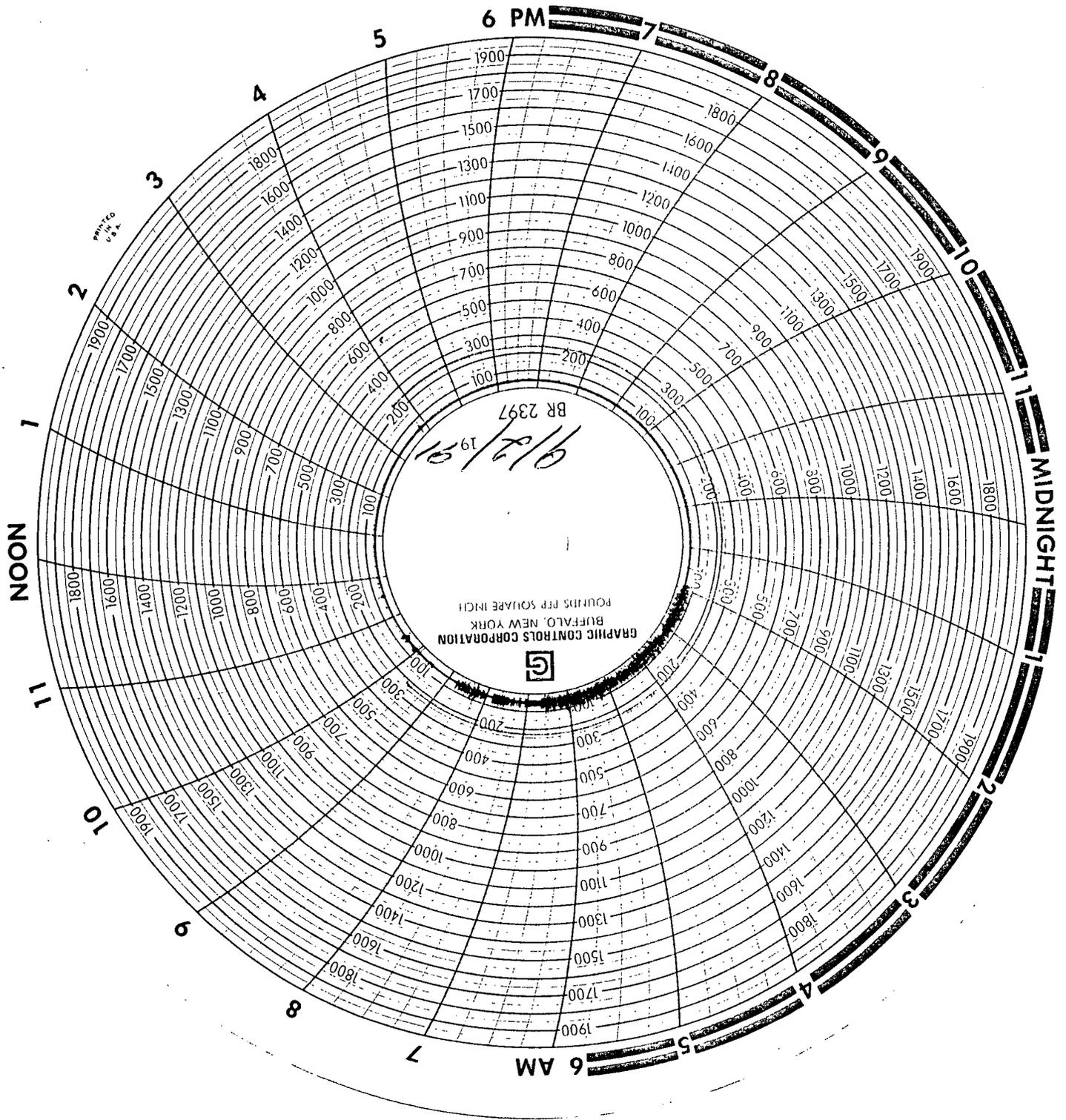
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testing and ensuring the mechanical integrity of the well. Also, submit information on any buried brine pipelines including age and material of the lines.

*Attached find the pressure test that was performed (previously sent)*

*The buried brine pipelines are 3" PVC pipe and are the original pipes from construction of the brine pond.*

*The casing is 7 5/8" from the well itself.*





## Looco Hills Brine Station

Started test on Sept. 1, 1991 at 9:30 a.m.  
Started injection with fresh water  
pumping at  $2\frac{1}{2}$  BBIS P/M at 100 PSI. Continued  
rate & tubing pressure until 8 P/M on same  
date - at which time rate was increased  
to  $3\frac{1}{2}$ -4 BBIS P/M at 100 PSI injection - by which  
time downhole pressure had increased to  
80 PSI. Pumping rate & injection pressure  
continued throughout night. By 10:30 P/M  
downhole pressure had increased to  
150 PSI - By 2:00 PM Sept. 2, 250 PSI.  
Pressure continued to hold with same  
rate & injection pressure at 350 PSI.  
Continued pumping until 3:00 P/M on  
Sept 2nd. Stopped pumping studied  
chart 4 hr - pressure held at  
250 PSI - rugged down.

Total water pumped downhole - 1954 BBIS