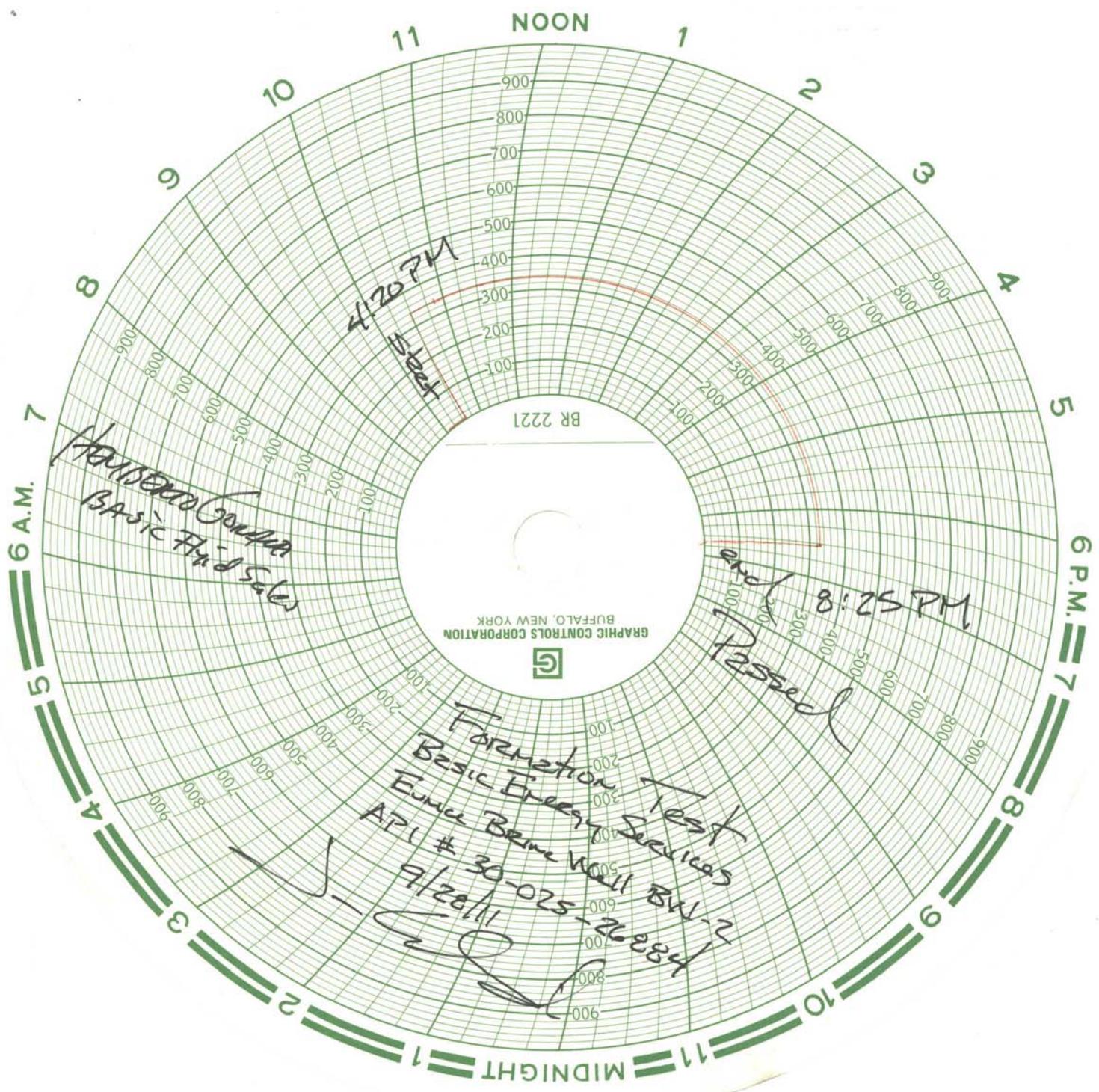


BW - 2

**MECHANICAL
INTEGRITY TEST
(MITs)**

DATE: _____



BR 2221

GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK



Formation Test
Basic Energy Services
Eunice Berni Well BW-2
API # 30-025-26884
9/28/11

8:25 PM
Passed

Hansen Connor
Basic Fluid Sales

4:20 PM

American Valve & Meter, Inc.

1113 W. BROADWAY

P.O. BOX 166

HOBBS, NM 88240

TO: Basic

DATE: 09-22-11

This is to certify that:

I, Red Collins, Technician for American Valve & Meter,

Inc., has checked the calibration of the following instrument.

8" Pressure recorder Serial No: 110988560072

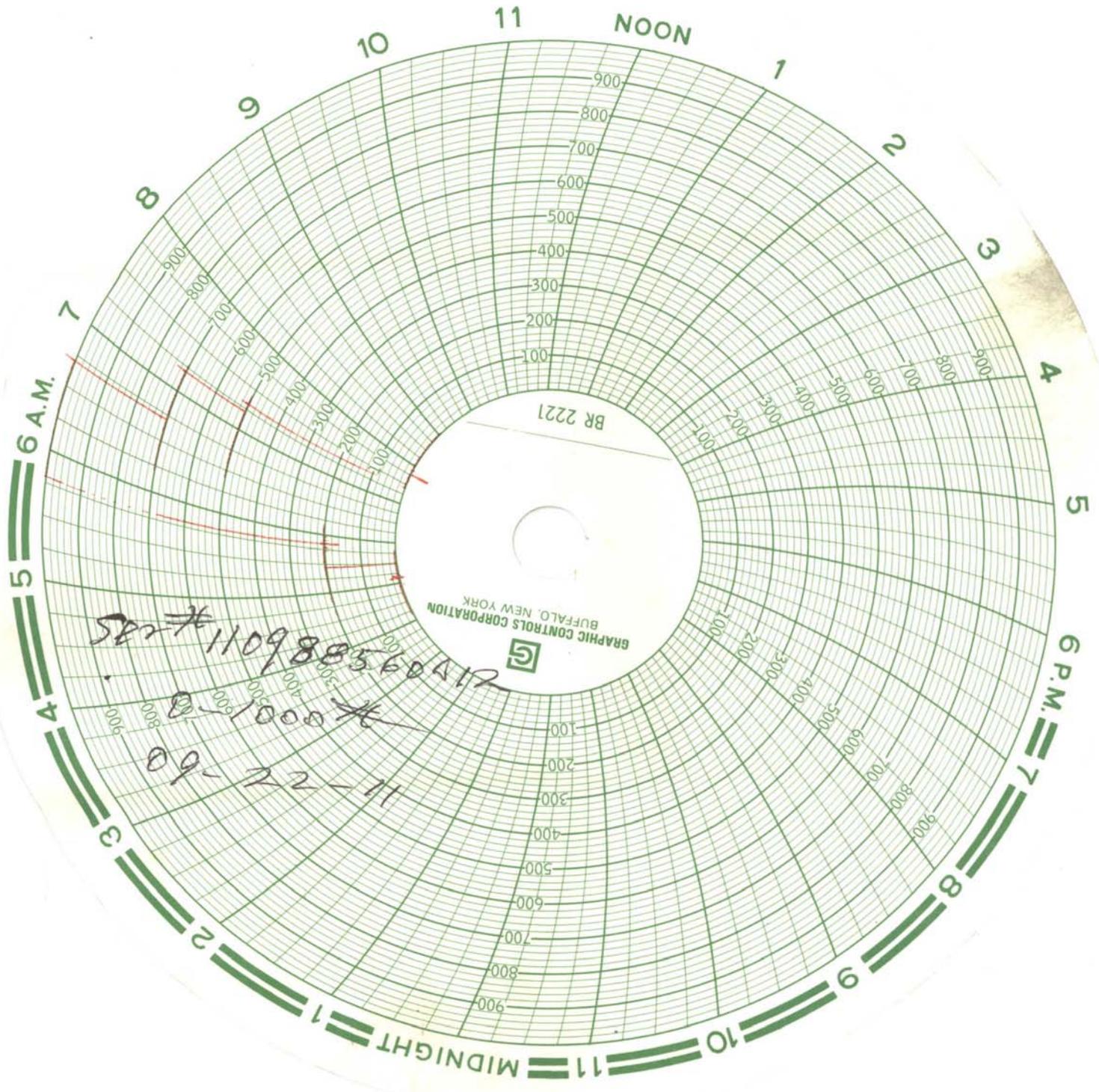
at these points.

Pressure 0-1000 * Temperature _____

<u>Test</u>	<u>Found</u>	<u>Left</u>	<u>Test</u>	<u>Found</u>	<u>Left</u>
<u>0</u>	—	<u>0</u>	—	—	—
<u>500</u>	—	<u>500</u>	—	—	—
<u>700</u>	—	<u>700</u>	—	—	—
<u>1000</u>	—	<u>1000</u>	—	—	—
<u>200</u>	—	<u>200</u>	—	—	—
<u>0</u>	—	<u>0</u>	—	—	—

Remarks: _____

Signature Red Collins



BR 2221

GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK



SP-11098856012
0-1000*
09-22-11

Submit 1 Copy To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 October 13, 2009

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-26884
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Eunice No # 001 BW - 002
8. Well Number # 1
9. OGRID Number
10. Pool name or Wildcat Salado
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other Brine

2. Name of Operator
BASiC Energy Services L.P.

3. Address of Operator 801 Cherry Street Ft Worth, TX 76102

4. Well Location
 Unit Letter O : 630 feet from the South line and 2427 feet from the East line
 Section 34 Township 21 S Range 37 E NMPM County Lea

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:
 PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPL
 DOWNHOLE COMMINGLE

SUBSEQUENT REPORT OF:
 REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB

OTHER:

OTHER: Salado Formation Test

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Basic Energy Services L.P. has successfully completed the five year MIT requirement.

Please accept our chart with this C-103 of the event that took place on 8/9/16 Starting time at 8:00 am and Finishing at 12:10 pm 8/9/16.

Mark Whitaker was witness to the event.

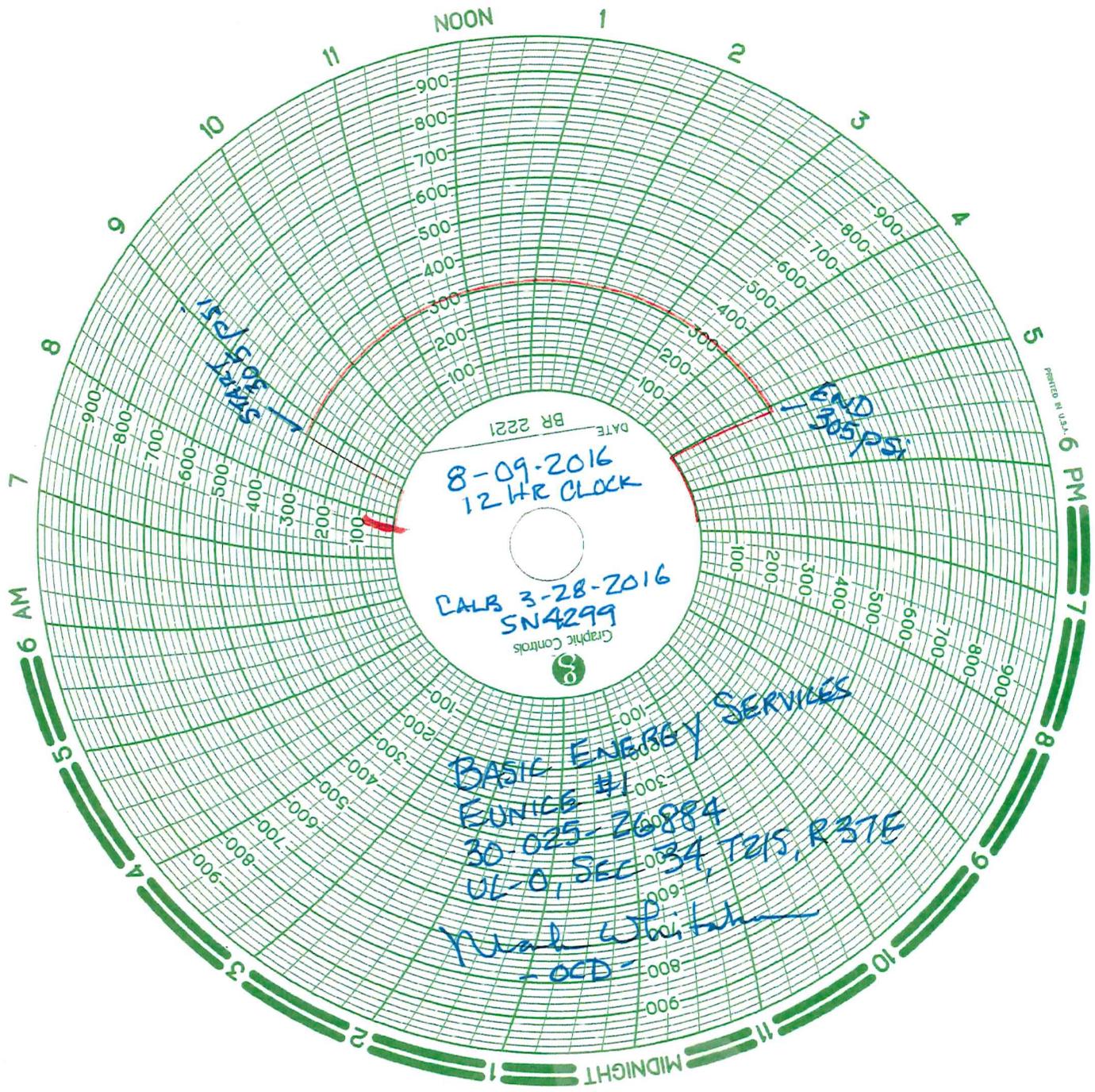
Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE David Alvarado TITLE SENM Fluid Sales MGR. DATE 8/9/14
 Type or print name DAVID ALVARADO E-mail address: david.alvarado @basicenergyservices.com PHONE: 575.746 2072
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
 Conditions of Approval (if any): _____



PRINTED IN U.S.A. 6 PM

American Valve & Meter, Inc.

1113 W. BROADWAY

P.O. BOX 166 HOBBS,
NM 88240

T0: Basic Energy

DATE: 03/28/16

This is to certify that:

I, **Tony Flores**, Technician for American Valve & Meter Inc. has checked the calibration of the following instrument.

8" Pressure recorder

Ser# 4299

at these points.

Pressure #			* Pressure #		
Test	Found	Left	Test	Found	Left
- 0	-	- 0	-	-	-
- 500	- S	- 500	-	-	-
- 700	- A	- 700	-	-	-
- 1000	- M	- 1000	-	-	-
- 200	- E	- 200	-	-	-
- 0	-	- 0	-	-	-

Remarks: _____

Signature: _____



Basic Energy Services LP
 Eunice Brine # 001 Bw-002
 630' FSL, 2427' FEL, Unit (O), Sec 34, T21S, R37E
 API # 30-025-26884

CURRENT
 1/22/2014

2 7/8"

Surface Hole
 Bit Size N/A

Inter. Hole
 Bit Size N/A

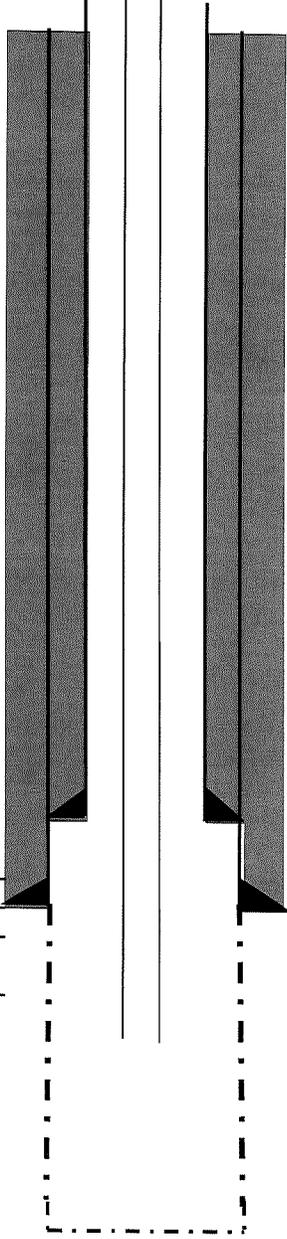
Cement Data:

Lead - _____

Tail - _____

Note - _____

Bit size 8 3/4"



TD @ 1818'

Tree Conection 2 7/8 J-55 PC TBG.

Production 2 7/8" J-55 PC TBG

Setting Depth 1544'

Surface Casing: NONE

Setting Depth @ N/A

Interm. Casing: NONE

Setting Depth: NONE

Liner Casing 5.5 15.5# FJ
102sx "C" 20sx excess cir surf.

Setting Depth 1375'

Production Csg.: 7" 24# / 20#
700SX CIR. SURF

Setting Depth @ 1450'

PBTD: NO PBTD

OPEN HOLE yes

DEPTH OH 1800'

NOON

1

2

3

4

5

6 P.M.

7

8

9

10

11

MIDNIGHT

6 A.M.

5

4

3

2

1

GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK



BR 2221

start 4:20 PM

end 8:25 PM
Passed

Howard Gordon
Basic Fluid Sales

Formation Test Services
Basic Engineering
Euna Brine Well BW-2
API # 30-025-26884
9/28/11

American Valve & Meter, Inc.

1113 W. BROADWAY

P.O. BOX 166

HOBBS, NM 88240

TO: Basic

DATE: 09-22-11

This is to certify that:

I, Bud Collins, Technician for American Valve & Meter,

Inc., has checked the calibration of the following instrument.

8" pressure recorder Serial No: 110988560012

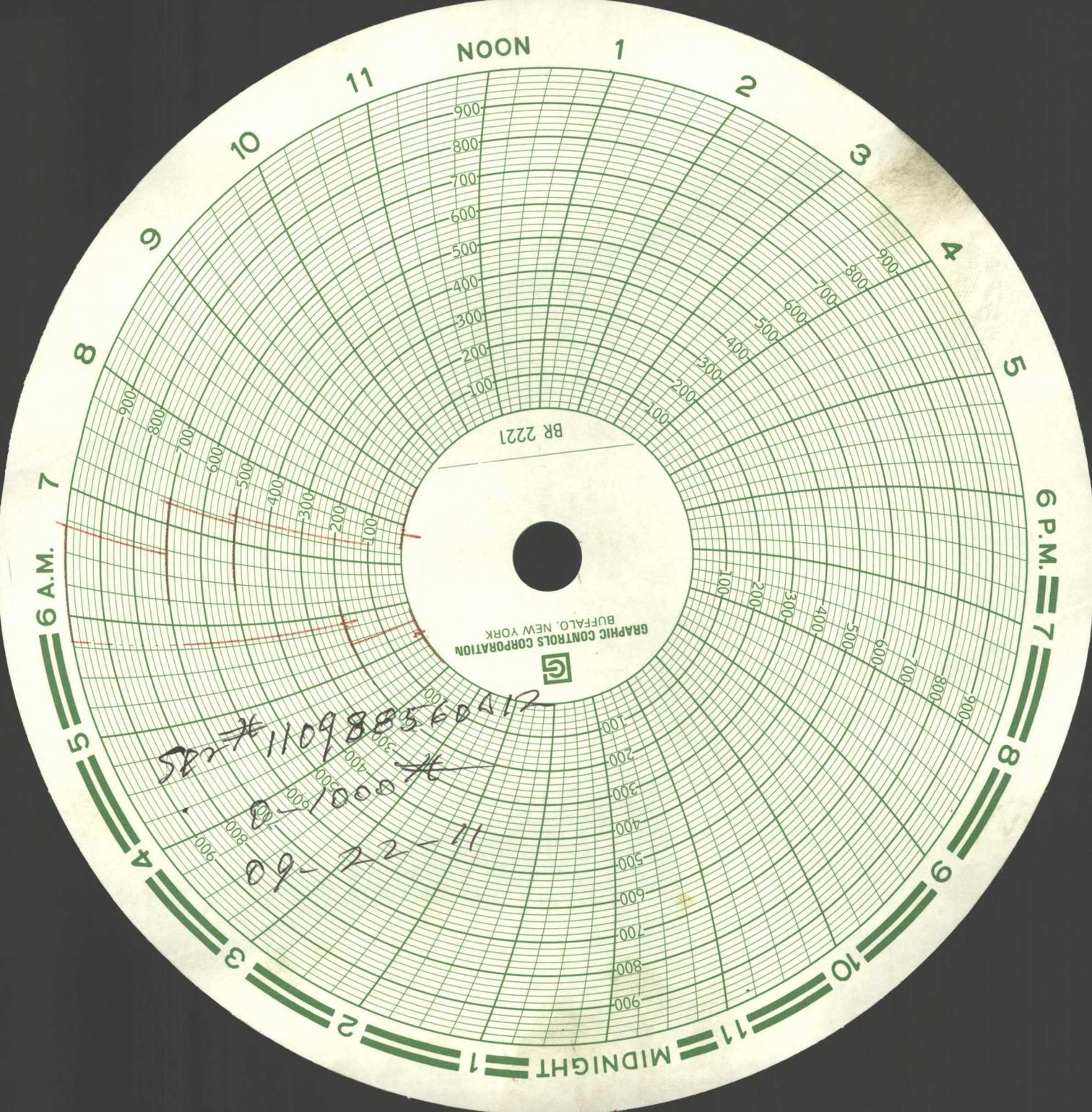
at these points.

Pressure 0-1000 ~~psi~~ Temperature _____

<u>Test</u>	<u>Found</u>	<u>Left</u>	<u>Test</u>	<u>Found</u>	<u>Left</u>
<u>0</u>	—	<u>0</u>	—	—	—
<u>500</u>	—	<u>500</u>	—	—	—
<u>200</u>	—	<u>200</u>	—	—	—
<u>1000</u>	—	<u>1000</u>	—	—	—
<u>200</u>	—	<u>200</u>	—	—	—
<u>0</u>	—	<u>0</u>	—	—	—

Remarks: _____

Signature Bud Collins



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK



BR 2221

#110988560412
#000158
11-22-60

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Wednesday, January 12, 2011 6:20 AM
To: 'Alvarado, David'; Griswold, Jim, EMNRD; Gonzales, Elidio L, EMNRD; Whitaker, Mark A, EMNRD
Cc: Alaniz, Gloria; Sockwell, Lyn
Subject: RE: Eunice # 1 MIT

Glo:

Ok, OCD is good with this year's MITs. Thank you.

Good luck David with that Deer! ☺

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

From: Alvarado, David [<mailto:David.Alvarado@basicenergyservices.com>]
Sent: Tuesday, January 11, 2011 5:28 PM
To: Chavez, Carl J, EMNRD; Griswold, Jim, EMNRD; Gonzales, Elidio L, EMNRD
Cc: Alaniz, Gloria; Sockwell, Lyn
Subject: RE: Eunice # 1 MIT

Here are both Charts once again,

The formation test took place on 1/3/11 and was good. Mark Whitaker was on location on this day. But when I tested the casing to 680 psi I found it to be leaking off and went looking for the loss of psi and found it 22 ft from surface
We excavated the Casing and replaced the csg yesterday and tested it today. I was in contact with Mark Whitaker today.

Gloria will be mailing this information to you in the morning.

Please correspond with Glo while I am off hunting with a stick.

Dave

From: Chavez, Carl J, EMNRD [<mailto:CarlJ.Chavez@state.nm.us>]
Sent: Tuesday, January 11, 2011 5:45 PM
To: Alvarado, David; Griswold, Jim, EMNRD; Gonzales, Elidio L, EMNRD
Subject: RE: Eunice # 1 MIT

David:

Hi. Please make a copy of the chart with well name, API#, type of MIT, date of MIT, and witness signature(s) for you records and mail to me to file online and in RBDMS well file.

OCD recalls that the prior formation MIT failed; therefore, the casing MIT is good, but Basic now needs to perform a formation MIT to make sure the cavern is good based on the previous formation MIT failure. Please contact the Hobbs District Office to schedule a date and time so they may witness the Formation MIT if possible.

Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

From: Alvarado, David [<mailto:David.Alvarado@basicenergyservices.com>]
Sent: Tuesday, January 11, 2011 2:33 PM
To: Chavez, Carl J, EMNRD; Griswold, Jim, EMNRD; Gonzales, Elidio L, EMNRD
Subject: Eunice # 1 MIT

We have completed the MIT on Casing at 440 PSI for 30 Min.
I will scan both charts and send to you all.

Question?
Do I take Original charts to Hobbs Office OCD? or Mail to Santa Fe?

I will leave instructions with Rig Supervisor to have RBP pulled out of hole and set and land Tbg. at a depth of 1540 ft as per Dennis Powers's recommendation.

I will take off for three days on my deer bow hunt but will be back Monday the 17th

Guys,
How soon will I get a yes or no on being able to place this well back in production? Reason being ...if I get a green light, I can send one of the lateral pumps to get fixed and have it ready ASAP.

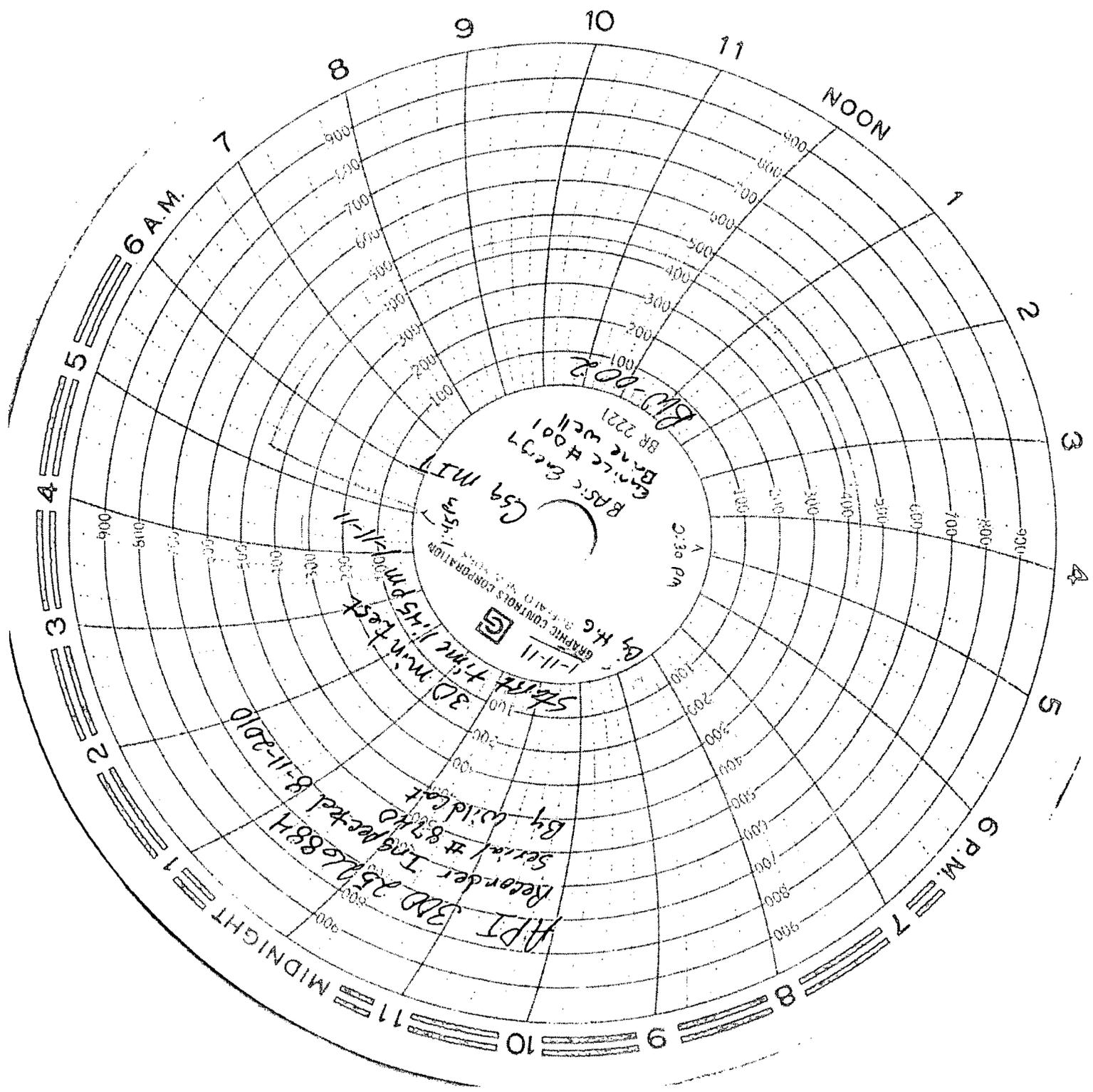
David Alvarado
Office 575.746.2072
Cell 575.513.1238
Fax 575.746.2435

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APJ 300 25768871
Recorder Inspected 8-11-2010
By: J. D. [unclear]
Serial # 8370
30 min test

GRAPHIC CONTROLS CORPORATION
G59 M17
Basic Gas 7
Brine well
BR 2221
B193002

2:30 PM

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Tuesday, January 11, 2011 4:45 PM
To: 'Alvarado, David'; Griswold, Jim, EMNRD; Gonzales, Elidio L, EMNRD
Subject: RE: Eunice # 1 MIT

David:

Hi. Please make a copy of the chart with well name, API#, type of MIT, date of MIT, and witness signature(s) for you records and mail to me to file online and in RBDMS well file.

OCD recalls that the prior formation MIT failed; therefore, the casing MIT is good, but Basic now needs to perform a formation MIT to make sure the cavern is good based on the previous formation MIT failure. Please contact the Hobbs District Office to schedule a date and time so they may witness the Formation MIT if possible.

Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

From: Alvarado, David [<mailto:David.Alvarado@basicenergyservices.com>]
Sent: Tuesday, January 11, 2011 2:33 PM
To: Chavez, Carl J, EMNRD; Griswold, Jim, EMNRD; Gonzales, Elidio L, EMNRD
Subject: Eunice # 1 MIT

We have completed the MIT on Casing at 440 PSI for 30 Min.
I will scan both charts and send to you all.

Question?
Do I take Original charts to Hobbs Office OCD? or Mail to Santa Fe?

I will leave instructions with Rig Supervisor to have RBP pulled out of hole and set and land Tbg. at a depth of 1540 ft as per Dennis Powers's recommendation.

I will take off for three days on my deer bow hunt but will be back Monday the 17th

Guys,
How soon will I get a yes or no on being able to place this well back in production? Reason being ...if I get a green light, I can send one of the lateral pumps to get fixed and have it ready ASAP.

David Alvarado
Office 575.746.2072
Cell 575.513.1238
Fax 575.746.2435

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Griswold, Jim, EMNRD

From: Donny Collins [dcollins@gandycorporation.com]
Sent: Thursday, December 23, 2010 11:53 AM
To: Griswold, Jim, EMNRD
Subject: Brine Well test Results
Attachments: EidsonBrine bw004.pdf; QualityBrine bw002.pdf

Here are the results witnessed by Maxey Brown from Hobbs OCD Office

Gandy Corporation

Quality Brine(tatum Brine) BW-002, API # 30-25-28162
Eidson Brine(Wasserhund Brine) BW-004, API # 30-025-26883

Donny Collins
dcollins@gandycorporation.com

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Friday, April 23, 2010 6:56 AM
To: 'Alvarado, David'; 'lyn.sockwell@basicenergyservices.com'; 'James Millett'; Clay Wilson; 'Patterson, Bob'; 'gandy2@leaco.net'; 'Gary Schubert'; 'Dan Gibson'
Cc: VonGonten, Glenn, EMNRD; Griswold, Jim, EMNRD
Subject: New Mexico UIC Class III Brine Well MIT Scheduling with Completion by September 30, 2010

Gentlemen:

Re:

Basic Energy Services: BW-002 & BW-025
Gandy Corporation: BW-004 & BW-022
Key Energy Services, LLC: BW-028
Mesquite: BW-027 (MITs on 2-Well System Completed this Season) & BW-030
Salty Dog: BW-008
HRC: BW-031

Good morning. It is that time of year again to remind operators that their MITs for this season must be completed by 9/30/2010. The list of operator names w/ associated brine wells are provided above and as in the past, the OCD attempts to schedule MITs logistically on the same day and in a route with start times that is most efficient in the field.

Operators are aware of the annual formation MIT (4-hr @ 300 psig or less depending on historical pressure and TD of well) and every 5-yrs. or after well workover. EPA MIT (30 min. @ 500 psig). Operators need to review well MIT records to inform OCD-EB of the type of MIT it will run this year and inform OCD-EB of any issues or concerns associated with this season's MIT.

You may access your well information on OCD Online either by API# and/or Permit Number at <http://ocdimage.emnrd.state.nm.us/imaging/AEOrderCriteria.aspx> and <http://www.emnrd.state.nm.us/OCD/OCDPermitting/Data/Wells.aspx>. For information on New Mexico's UIC Program and training information, please go to: <http://www.emnrd.state.nm.us/ocd/Publications.htm>.

Please contact Jim Griswold at (505) 476-343465 on or before May 7, 2010 to schedule your preferred MIT date and time. Jim will work to finalize the witness schedule with each of you. Thank you in advance for your cooperation.

Copy: Brine Well Files BWs- 2, 4, 8, 22, 25, 27, 28, 30 & 31

Carl J. Chavez, CHMM
UIC Program Quality Assurance & Quality Control Officer
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Thursday, July 02, 2009 11:48 AM
To: 'Prather, Steve'
Subject: FW: Chart Request from 6/9/09 MIT Request (BW-2 and BW-25)
Attachments: image001.gif

Steve:

Hi. Please disregard the BW-28 highlighted in yellow request below. I need your charts and calibration sheets from your last MITs for BWs 2 and 25.

Thanks.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

From: Chavez, Carl J, EMNRD
Sent: Thursday, July 02, 2009 11:09 AM
To: 'Prather, Steve'
Subject: FW: Chart Request from 6/9/09 MIT Request (BW-25)

Steve:

Hi. The OCD also needs the chart and calibration sheet from the EPA 5-Yr. 30 min. MIT conducted on 6/9/2009.

Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

From: Chavez, Carl J, EMNRD
Sent: Thursday, July 02, 2009 9:47 AM
To: 'Prather, Steve'
Subject: Chart Request from 5/21/09 MIT Request (BW-28)

Steve:

Good morning. Could you please send me the chart from the recent 5/21/09 MIT for our records?

Hope you have a Happy 4th! Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3490
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

Active Brine Well Facilities

- **BW-2** Basic Energy/P&S Eunice #1 (API 30-025-26884)
 Began production in July 1980.
 Depth to top-of-salt 1320 ft bgs. Casing shoe @ 1440 ft bgs. Tubing depth 1718 ft bgs.
 Last sonar log completed February 2009. Interval imaged 1440 to 1666 ft bgs. Log indicates only 21,000 bbls of cavern volume despite historic production of 6.8 Mbbls. Cavern should be ~1Mbbls.
 Permit renewal date: 1/6/2014
- **BW-4** Gandy Corporation/Eidson State #1 (API 30-025-26883)
 Began production in August 1980.
 Depth to top-of-salt 1865 ft bgs. Casing shoe @ 1895 ft bgs. Tubing depth 2461 ft bgs.
 Last sonar log completed October 2008. Interval imaged 1909 to 1944 ft bgs. Log indicates only 11 bbls of cavern volume despite historic production of 5.28 Mbbls. Cavern should be ~800,000 bbls.
 Permit renewal date: 6/11/2011
- **BW-8** PAB Services/Brine Supply #1 (API 30-025-26307)
 Began production in May 1979.
 Depth to top-of-salt 2000 ft bgs. Casing shoe @ 1871 ft bgs. Tubing depth 2552 ft bgs.
 Last sonar log completed February 2009. Interval imaged 1871 to 1903 ft bgs. Log indicates only 720 bbls of cavern volume despite historic production of perhaps 12 Mbbls. Cavern should be 1.8 Mbbls.
 Permit renewal application currently under review.
- **BW-22** Gandy Corporation/Watson #1 (API 30-025-28162)
 Began production in April 1983.
 Depth to top-of-salt 2290 ft bgs. Casing shoe @ 2249 ft bgs. Tubing depth 2870 ft bgs.
 Last sonar log completed August 2008. Interval imaged 2200 to 2220 ft bgs. Log indicates only 11,289 bbls of cavern volume despite historic production of perhaps 18 Mbbls. Cavern should be 2.7 Mbbls.
 Permit renewal date: 3/11/2012
- **BW-25** Basic Energy/Salado #2 (API 30-025-32394)
 Began production in September 1993.
 Depth to top-of-salt 1220 ft bgs. Casing shoe @ 1220 ft bgs. Tubing depth 1385 ft bgs.
 No sonar log run. Historic production of perhaps 1.7 Mbbls, indicating cavern volume of 25,500 bbls.
 Permit renewal application currently under review.
- **BW-27** Mesquite SWD/Dunaway #1 and #2 (APIs 30-015-28083 and 28084)
 Began production in January 1995.
 Depth to top-of-salt 1060 ft bgs. Casing shoe @ 1064 ft bgs. Tubing depth 1024 ft bgs.
 Last sonar log attempted December 2008 but failed to get any data due to configuration of casing and tubing.
 Permit renewal date: 9/21/2009
- **BW-28** Key Energy/State Brine Well #1 (API 30-025-33547)
 Began production in October 1996.
 Depth to top-of-salt 1390 ft bgs. Casing shoe @ 1390 ft bgs. Tubing depth 2074 ft bgs.
 Sonar log completed 5/20/09. Report not yet provided. Estimated production of perhaps 4 Mbbls. indicating cavern volume of 600,000 bbls.
 Permit renewal date: 7/18/2011
- **BW-30** Liquid Resource/Hobbs State #10 (API 30-025-35915)
 Began production in July 2002.
 Depth to top-of-salt 1645 ft bgs. Casing shoe @ 1633 ft bgs. Tubing depth 1930 ft bgs.
 OCD did not require them to run sonar due to shortness of operational life. Estimated brine production of 1.4 Mbbls, indicating cavern may be 207,000 bbls.
 Permit renewal date: 5/29/2012
- **BW-31** HRC/HRC Schubert 7 #1 (API 30-025-36781)
 Began production in October 2006.
 Depth to top-of-salt 1800 ft bgs. Casing shoe @ 1865 ft bgs. Tubing depth 2300 ft bgs.
 No sonar log run. Estimated production of only 560,000 bbls and thus cavern only 84,000 bbls.
 Permit renewal date: 6/22/2011

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 June 19, 2008

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-02526884
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Enice Brine Well #1
8. Well Number 1
9. OGRID Number
10. Pool name or Wildcat

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other **Brine**

2. Name of Operator **Basic Energy Services**

3. Address of Operator **P.O. Draw 1869 Enice NM 88231**

4. Well Location
 Unit Letter **0** feet from the **630 Fx** line and **2427 FE** feet from the _____ line
 Section **34** Township **21S** Range **37E** NMPM County **Lea**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: 5 year MIT & Sonar <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Pull old tubing out of hole. Run packer on work string to casing shoe. Test casing w/chart recorder to 500# for 30 minutes. Pull packer back out of hole. Install bit on 3 1/2 tubing and drill down to bottom of cavity. Perform Sonar test on well. Put well back in production. Change old 2 7/8" tubing out with 3 1/2" new tubing set @ approx. 1700'

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE **Steve Prather** TITLE **District Manager** DATE **11/9/09**
 Type or print name **Steve Prather** E-mail address: **Basic Energy Services** PHONE **(575) 394-3235**
 For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
 Conditions of Approval (if any): _____

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Monday, November 10, 2008 1:50 PM
To: 'Prather, Steve'
Cc: Price, Wayne, EMNRD; Hill, Larry, EMNRD
Subject: FW: BW-2 (Eunice No. 1) & BW-25 (Salado Brine Well No. 2) Upcoming MIT & Sonar Testing

Steve:

Hi. BWs-2 and 25 will required the EPA 5-Yr. 30 minute test (pull tubing, set packer near casing shoe (<20 ft. from casing shoe) and pressure up from 300 to 500 psig +/- 10% to pass.

As indicated below, a sonar test is required at BWs-2 and 25, which will facilitate the EPA 5-Yr. MIT before reinstalling the tubing.

Please contact me with your preferred date and time for the MITs and sonar. Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3491
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

From: Chavez, Carl J, EMNRD
Sent: Tuesday, October 21, 2008 2:38 PM
To: 'Prather, Steve'
Cc: Sanchez, Daniel J., EMNRD; Price, Wayne, EMNRD
Subject: BW-2 (Eunice No. 1) & BW-25 (Salado Brine Well No. 2) Upcoming MIT & Sonar Testing

Steve:

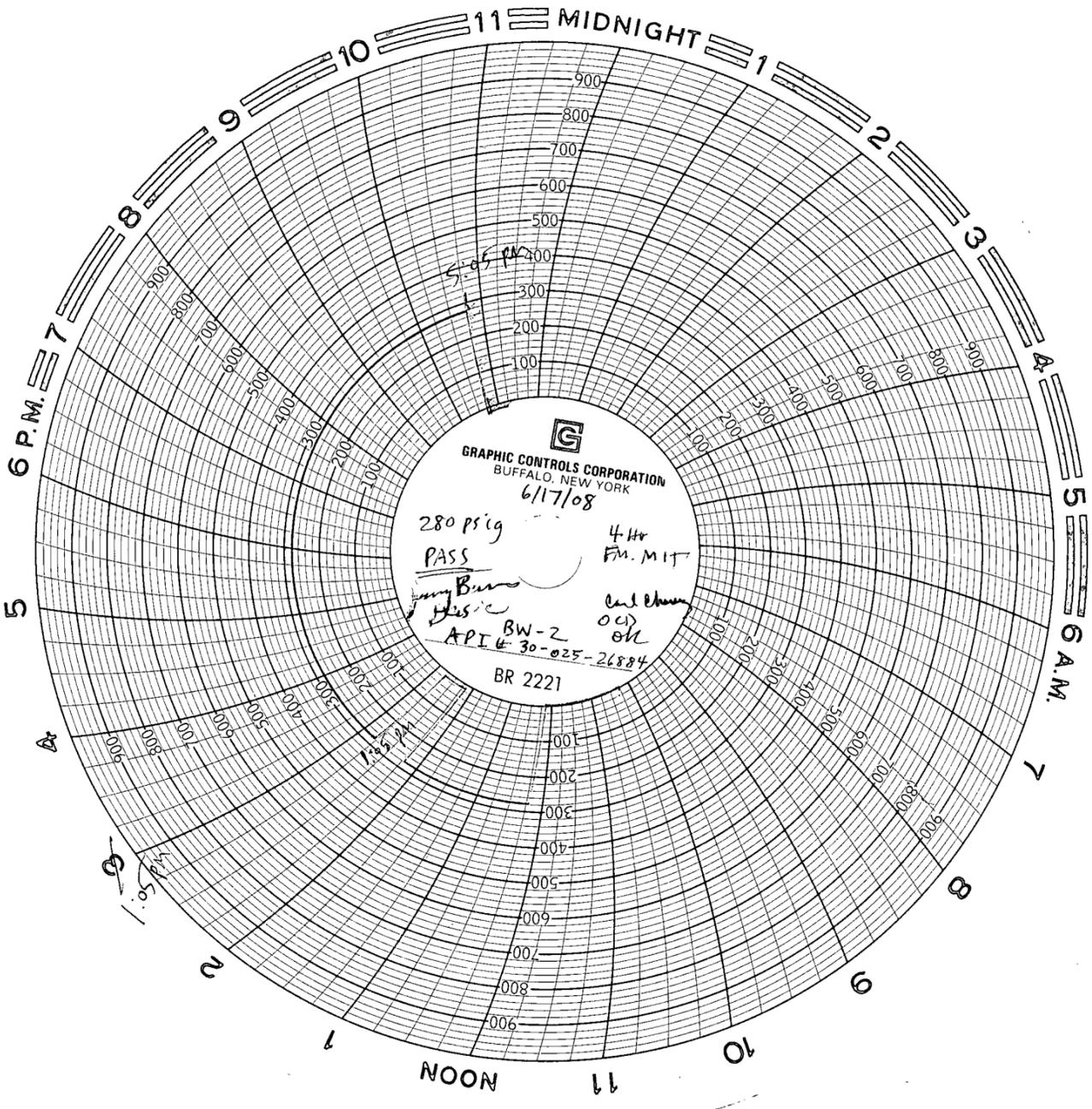
Re: OCD August 1, 2008 Letter w/ Brine Well Information Request (BWIR)

Good afternoon. The Oil Conservation Division (OCD) has reviewed Basic Energy Services, LLC responses to the BWIRs for the above subject OCD permitted brine wells. Based on the operational life and volume of brine produced from the above brine wells, sonar testing is required along with your MIT on or before July 31, 2009. According to OCD records, no sonar testing has been conducted on the above subject brine wells to date.

Please contact me within 8 working days to arrange the type, date and time for the MITs and corresponding date for sonar testing. Thank you.

Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
1220 South St. Francis Dr., Santa Fe, New Mexico 87505
Office: (505) 476-3491
Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

11/10/2008



G
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

6/17/08
280 psig
PASS
4 Hr
FM. MIT
BR 2221
API # 30-025-26884

6 P.M.

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4

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NOON

11

10

9

8

7

6 A.M.

5

4

3

2

1

MIDNIGHT

11

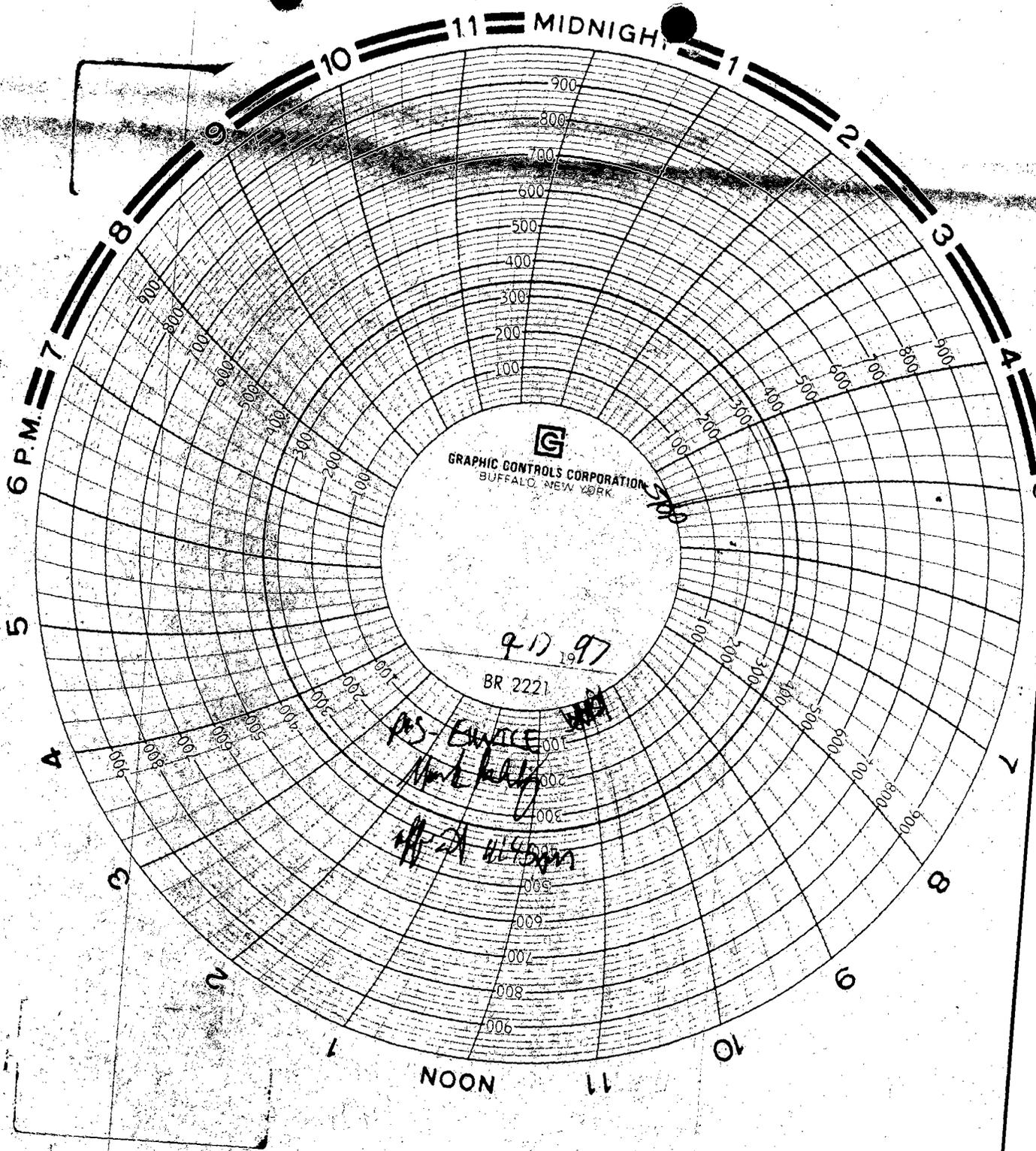
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9

8

7

6 P.M.



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

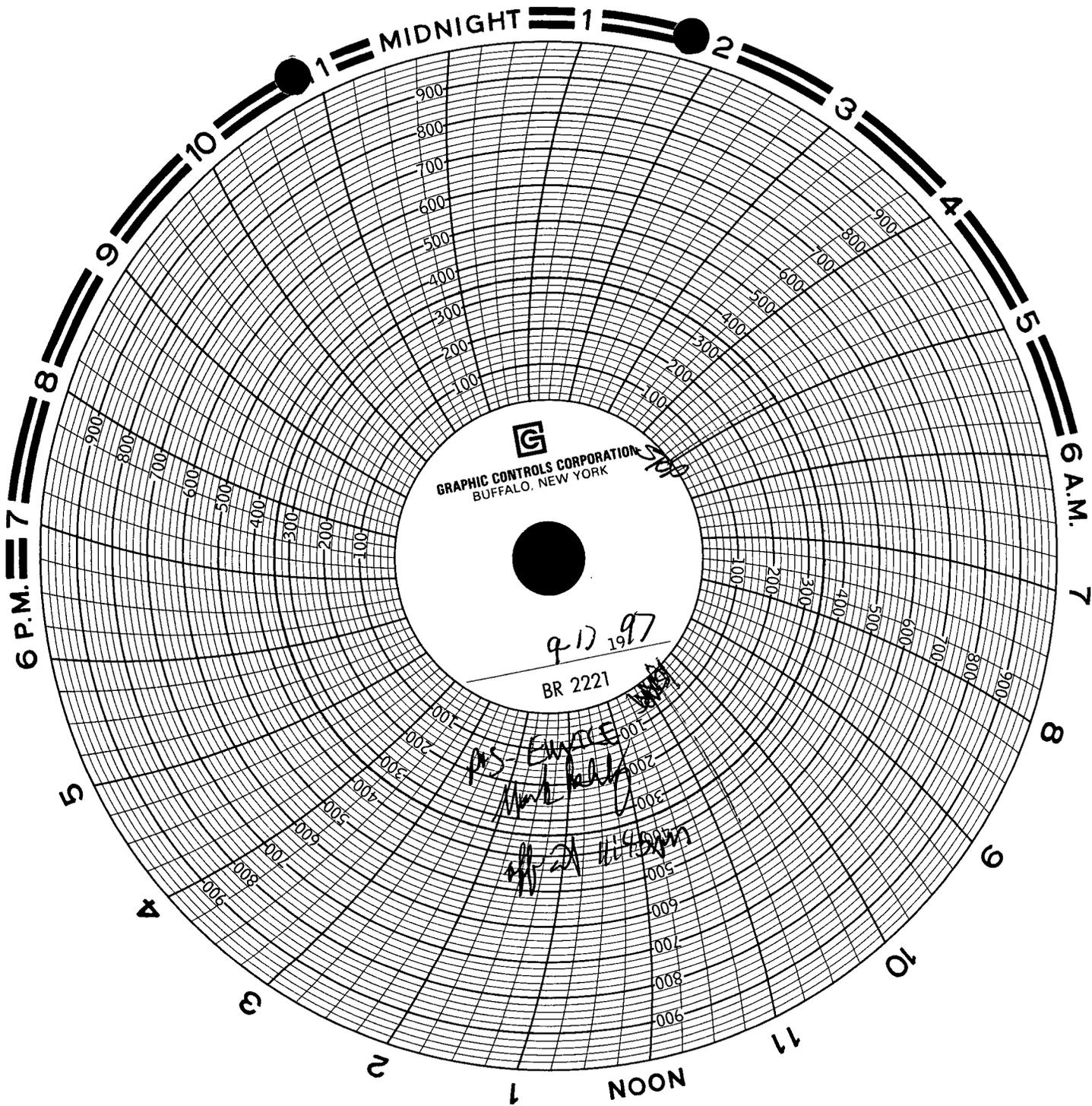
9-17 1997

BR 2221

PES - SWITCE

Mont Kelly

OFF-24 11/15/97





NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

September 11, 1999

CERTIFIED MAIL
RETURN RECEIPT NO. Z 357 870 154

Mr. Paul Prather
P&S Brine Sales
P.O. Box 7169
Eunice, New Mexico 88231

Re: Mechanical Integrity Testing of Brine Supply Wells

Dear Mr. Paul Prather:

The Underground Injection Control Program of the Federal Safe Drinking Water Act requires that operators demonstrate mechanical integrity of all injection wells by ensuring there are no leaks in the tubing, casing, or packer, and injected/produced fluids are confined within the piping and injection zones.

The Oil Conservation Division (OCD) requires operators of brine supply wells to perform the following mechanical integrity test:

1. At least once every five years isolate the cavern formation from the casing/tubing annuals and pressure test the casing at 300 psig for 30 minutes. New brine wells and wells being worked over will have to be tested in this manner before operations begin.
2. Annually perform an open hole cavern formation pressure test by pressuring up the formation one and one-half times the normal operating pressure (not to exceed formation fracture pressure) or 300 psig whichever is greater for four hours. Brine supply wells operating with packers will have to pressure both the cavern formation and casing/tubing annuals.

Please find enclosed an OCD Brine Well Test Schedule and Test Procedure for this Fall October 25, 1999 through November 2, 1999. Please have your well ready for testing on the date and time you are schedule. Operators will be responsible for providing equipment and shall bear all costs incurred. All test must be witnessed by the New Mexico Oil Conservation Division.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,

Wayne Price-Pet. Engr. Spec.
Environmental Bureau

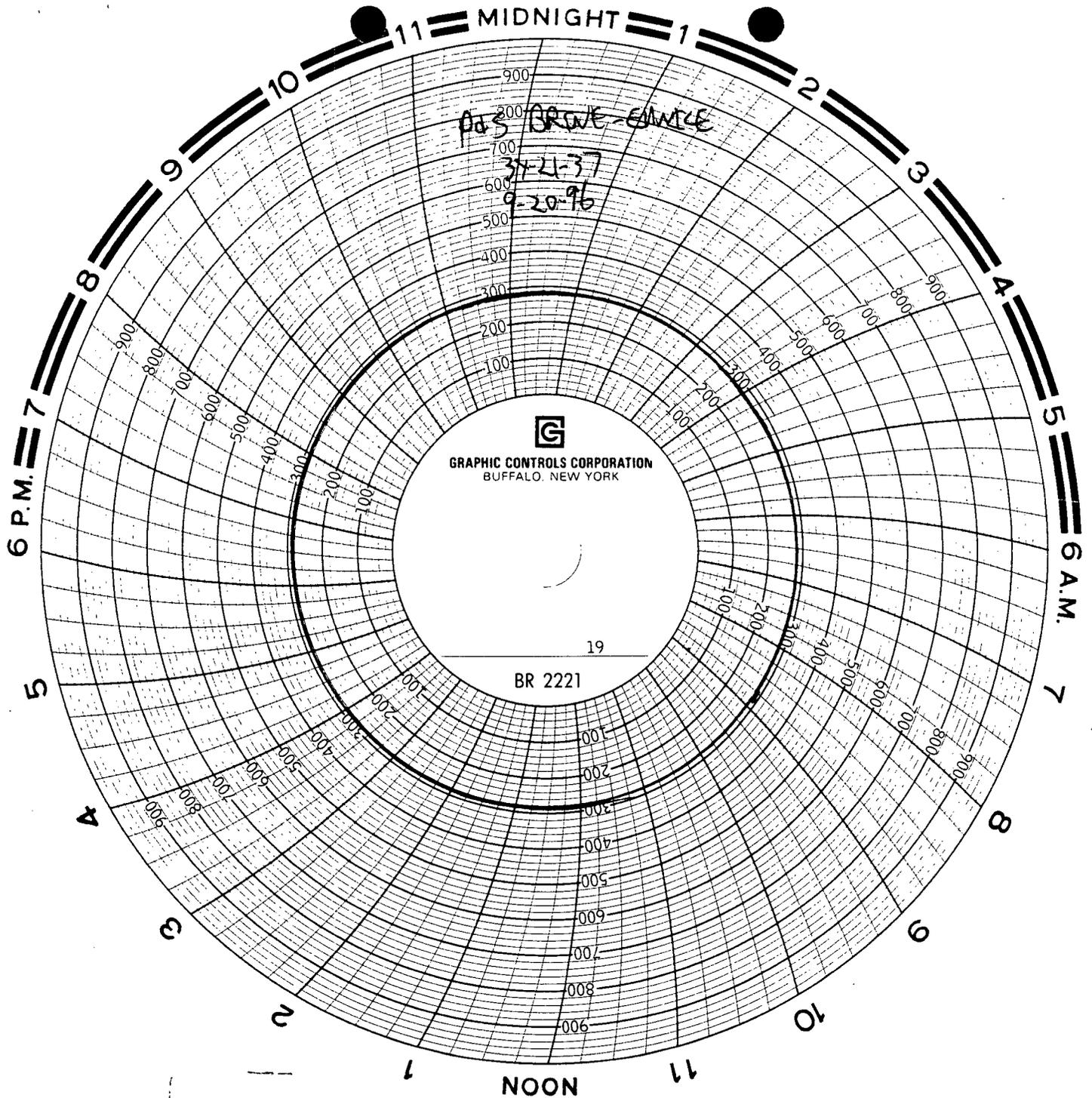
cc: OCD District Offices
attachments- OCD Brine Well Test Schedule & Brine Well Testing Procedure Guidance Document



Brine Well Testing Procedure Guidance Document

- 1) The cavern and all piping must be filled, pressured up and stabilized for a period of at least 24 hours prior to testing. If this test requires a packer then casing/tubing annulus must be loaded with inert fluid 24 hours prior to testing.
- 2) Have manpower and equipment available for pressure test. Well head shall be prepared for test and all valves and gauges should be in good working order.
- 3) Pressure devices i.e pumps, truck pumps, etc. must be isolated from the well head before and during test.
- 4) A continuous recording pressure chart with an 8 hour clock shall be installed on the casing/tubing annulus. The pressure range shall not be greater than 1,000 psig. The operator must provide proof that the recording device has been calibrated within the past 6 months. **Note: Wells with packer installed: If this test requires both the casing/tubing annulus and cavern to be tested then two recording devices must be supplied or one recording device with two pins.**
- 5) A minimum of one pressure gage shall be installed in the system.
- 6) OCD must witness the beginning of test (putting chart on) and ending of test (removing chart). At the end of test operator shall bleed-off pressure by 10% to demonstrate recorder response.
- 7) The following information shall be place on the chart:
 1. Date, time test started, time stop.
 2. Company name, Discharge Plan #, well name and number, legal location UL, section, township, range and county.
 3. Type of Test; Open hole, Casing Test, or Both.
 4. Printed name and signature of company representative and OCD representative.

Note: NMOCD recognizes that different operations, well constructions and field conditions may cause variations in the above procedures. If operator wishes to make or anticipate changes please notify the OCD for approval.



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

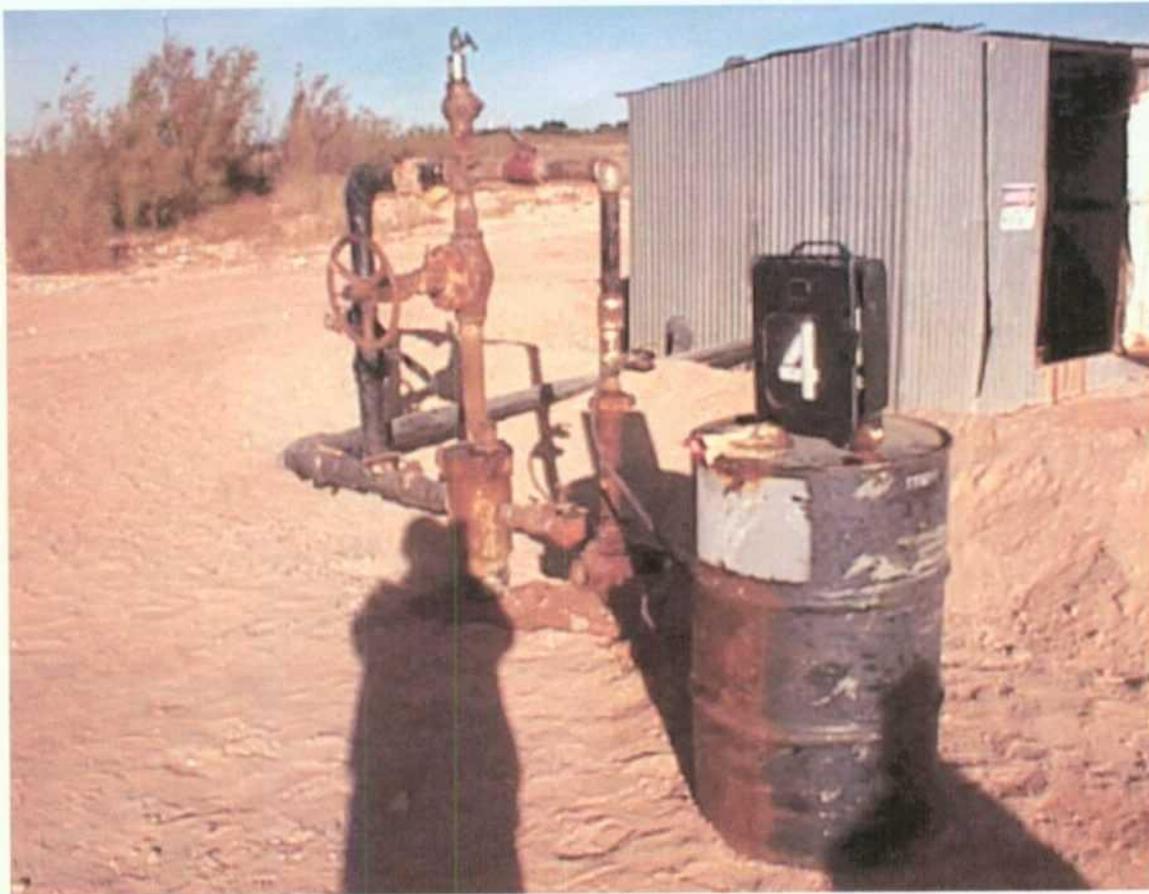
19

BR 2221



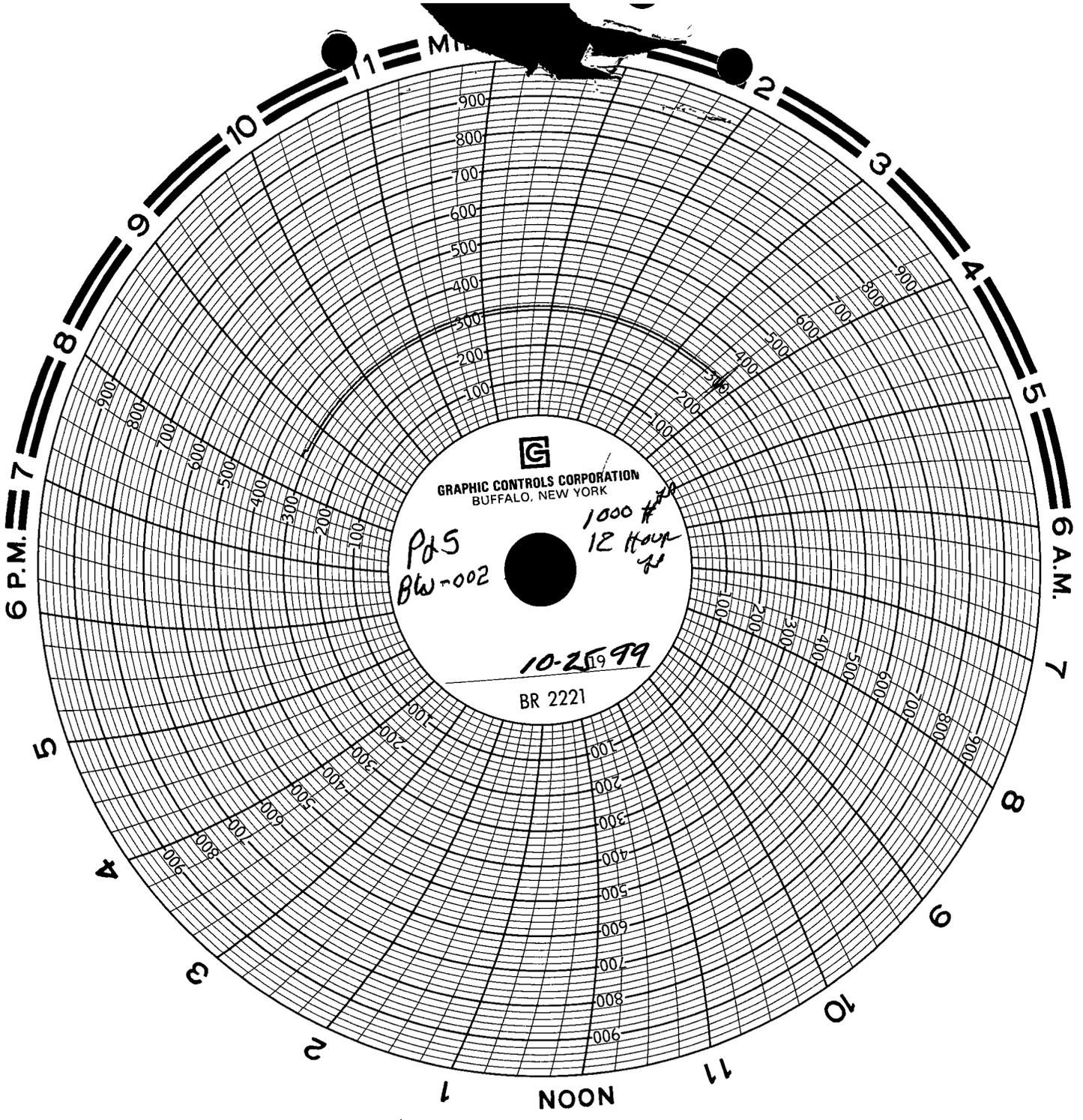
Date: October 25, 1999
By: Wayne Price-OCD

P&S Eunice Brine St. BW-002
Cavern Pressure Test
Looking NNE



Date: October 25, 1999
By: Wayne Price-OCD

P&S Eunice Brine St. BW-002
Cavern Pressure Test
Looking NW



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

Pd 5
BW-002

1000 #
12 Hour
2

10-25 99

BR 2221

10-25-99

PTS BRINE EUNICE #1

Dischard # BW-002

Sec. 34 Township-21 Range 37

Time - 8:00 - 12:00 AM

open hole & CASING TEST

Paul Prather

Paul Prather

OCD Waples

10/25/99 12:07 PM

Southwestern Instrument Company

Clock - Meter and Gauge Repair Service

PHONE (505) 394 - 2377

EUNICE, NEW MEXICO 88231

P. O. BOX 1352

10-22-69

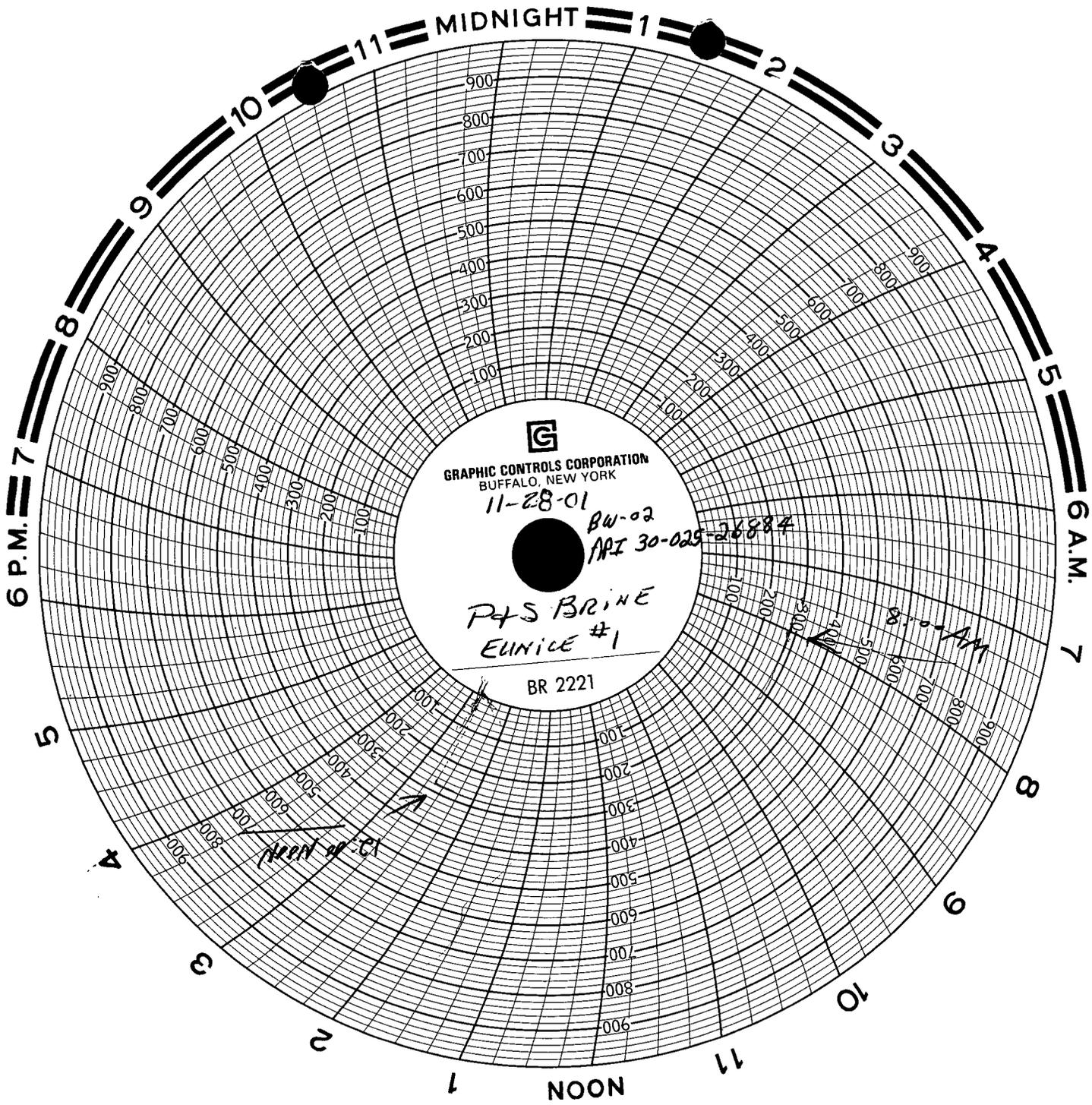
(WHOM IT MAY CONCERN):

We hereby certify repairing and calibrating Bristol recorder Q-1000,
pressure recorder for General Service Co. on the above date.

William S. Cottrell
William S. Cottrell

- A. PLS BRINE EUNICE #1
- B. CAVERN BW 002
- C. WATER Sec. 34-21 & 37E.
- D. NO PACKER API# 3002526884
- E. 11-15-02 Time 9:AM 11 PM
- F. Paul Prather
Tove Prather

~~cc: [Signature]~~



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

11-28-01

BW-02

API 30-025-26884

P4S BRINE
EUNICE #1

BR 2221

Need of CI

8:00 AM

11-28-01

P+S BRINE
GUMMED 1

CONV LETTER "O"
Sec 34 TWP 21 S R 37 E
LEA COUNTY

(CASING + FORMATION
TEST WITH WATER)

CO. MAN Paul P. Pickett

STATE MAN

W. K. Kier



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

PLS BW-02
CHAPARREL BW-25

October 20, 2001

CERTIFIED MAIL
RETURN RECEIPT NO. 5357 7508

Attention: Brine Well Operators

Re: Mechanical Integrity Testing of Brine Supply Wells

The Underground Injection Control Program of the Federal Safe Drinking Water Act requires that operators demonstrate mechanical integrity of all injection wells by ensuring there are no leaks in the tubing, casing, or packer, and injected/produced fluids are confined within the piping and injection zones.

The Oil Conservation Division (OCD) requires operators of brine supply wells to perform the following mechanical integrity test:

1. At least once every five years isolate the cavern formation from the casing/tubing annuals and hydrostatic fluid pressure test the casing at 300 psig for 30 minutes. New brine wells and wells being worked over will have to be tested in this manner before operations begin.
2. Annually perform an open hole cavern formation pressure test by pressuring up the formation with fluids to one and one-half times the normal operating pressure or 300 psig whichever is greater for four hours. However, no operator may exceed surface injection or test pressures that may cause formation fracturing or system failures. Systems requiring test pressures less than 300 psig or methods that use testing media other than fluids, i.e. gas, must be approved by OCD prior to testing. Brine supply wells operating with isolation packers will have to pressure test both the cavern formation and casing/tubing annuals.

Please find enclosed an "OCD Brine Well Test Schedule November 2001" and "Brine Well Test Procedure Guidance Document" for this November 26 through November 30, 2001. Please have your well ready for testing on the date and time you are scheduled. Please refer to the Well Test Schedule attached for the Type of Test you are scheduled to perform. You must receive prior OCD approval to alter the scheduled time or type of test.

What's New!! Please note that operators are required to have their pressure recording devices calibrated to 500 psig and 8-hour clock. See Guidance Document attached.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

PJS BW-02
CHAPARREL BW-25

October 20, 2001

CERTIFIED MAIL
RETURN RECEIPT NO. 5357 7508

Attention: Brine Well Operators

Re: Mechanical Integrity Testing of Brine Supply Wells

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What's New!! Please note that operators are required to have their pressure recording devices calibrated to 500 psig and 8-hour clock. See Guidance Document attached.

Brine Well Operators
Oct 20, 2001
Page 2

What's New!! All operators will provide to the OCD the maximum test pressure that will not cause formation fracturing or system failures.

Operators will be responsible for providing equipment and shall bear all costs incurred. All tests must be witnessed by the New Mexico Oil Conservation Division. Operators failing to abide by the procedures, type of test, and time schedules listed herein may be required to shut-in their systems until OCD has an opportunity to approve and witness testing.

If you require any further information or assistance please do not hesitate to write or call me at 505-476-3487 or E-mail WPRICE@state.nm.us.

Sincerely Yours,



Wayne Price- Senior Envr. Engr..
Environmental Bureau

cc: OCD District Offices

Attachments- 1. OCD Brine Well Test Schedule November 2001
2. Brine Well Testing Procedure Guidance Document

Brine Well Testing Procedure Guidance Document

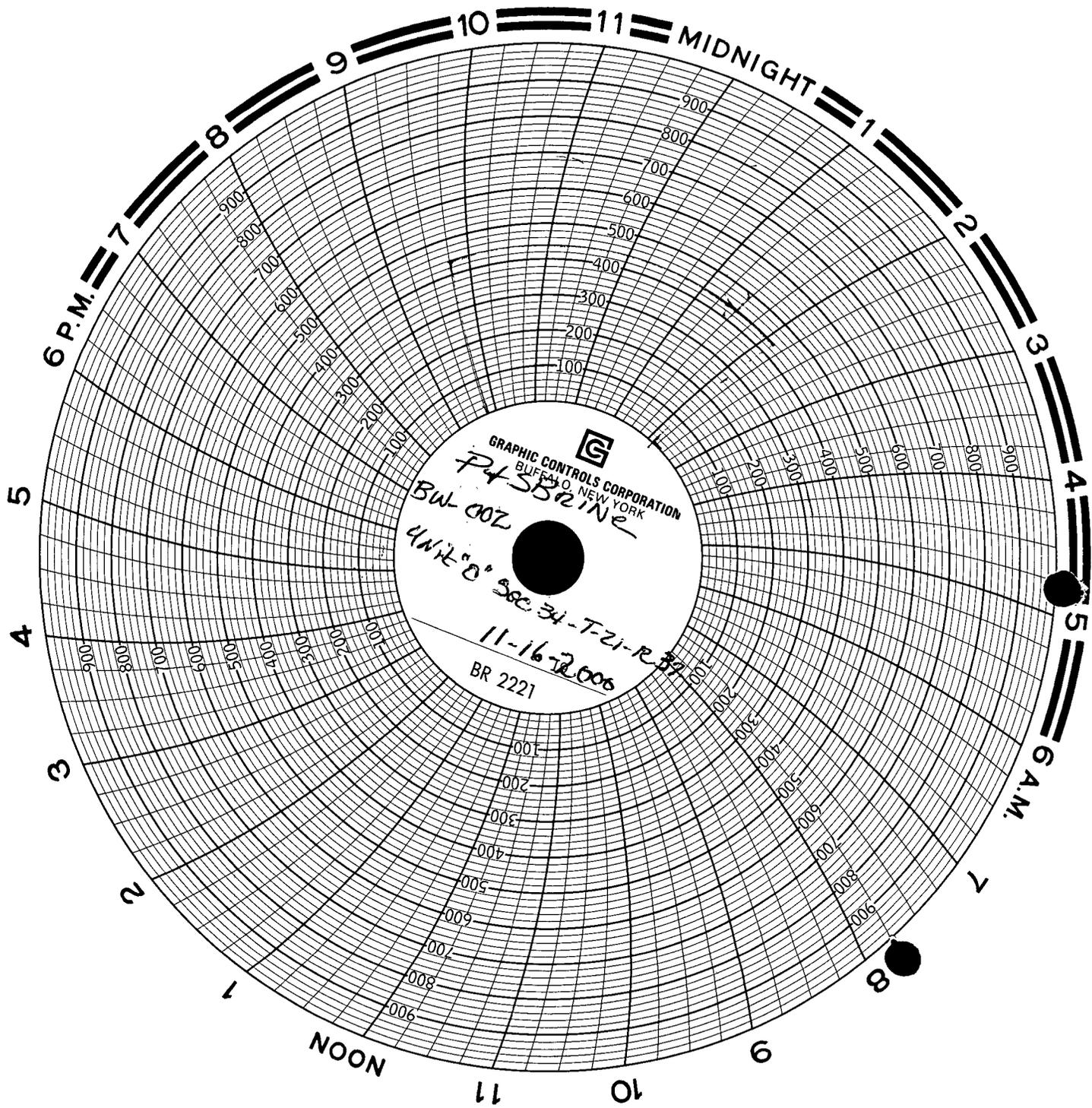
- 1) The cavern and all piping must be filled, pressured up and stabilized for a period of at least 24 hours prior to testing. If this test requires a packer then casing/tubing annulus must be loaded with inert fluid 24 hours prior to testing.
- 2) Have manpower and equipment available for pressure test. Wellhead shall be prepared for test and all valves and gauges should be in good working order.
- 3) Pumps, tanks, external lines etc. must be isolated from the wellhead during test.
- 4) A continuous recording pressure device with an 8-hour clock (min) shall be installed on the casing/tubing annulus. The pressure range shall not be greater than 500 psig. The operator must provide proof that the pressure-recording device has been calibrated within the past 6 months. **Note: Wells with packer installed: If this test requires both the casing/tubing annulus and cavern to be tested then two recording devices must be supplied or one recording device with two pins.**
- 5) A minimum of one pressure gauge shall be installed on the casing/tubing annulus.
- 6) OCD must witness the beginning of test (putting chart on) and ending of test (removing chart). At the end of test operator may be required to bleed-off well pressure to demonstrate recorder and gauge response.
- 7) The Operator will supply the following information on the pressure chart:
 - A. Company Name, Well Name, API #, Legal Location.
 - B. Test Procedure (1) Casing + Formation (2) Casing Test Only (3) Both (4) Other
 - C. Testing Media: Water, Gas, Oil, Etc.
 - D. Date, time started and ending.
 - E. Name (printed) and signature of company representative and OCD Inspector
- 8) **TEST ACCEPTANCE:** The OCD will use the following criteria in determining if a well has passed the Mechanical Integrity Test:
 - A. **Passes** if Zero Bleed-Off during the test.
 - B. **Passes** if Final Test Pressure is within $\pm 1\%$ of Starting Pressure, if approved by the OCD inspector.
 - C. **Fails** if any Final Test Pressure is greater than $\pm 1\%$ of Starting Pressure. Operators must investigate for leaks and demonstrate that mechanical integrity of the well(s) by ensuring there are no leaks in the tubing, casing, or packer, and injected/produced fluids are confined within the piping and injection zones. Wells shall not resume operations until approved by OCD.

Note: OCD recognizes that different operations, well designs, formation characteristics and field conditions may cause variations in the above procedures. If operator wishes to make or anticipate changes please notify the OCD for approval. All operators are responsible to notify OCD of any procedure that may cause harm to the well system or formation. Please be advised that OCD approval does not relieve any operator of liability should operations result in pollution of surface water, groundwater, or the environment.

OCD BRINE WELL TESTING SCHEDULE 2001

OCD Contact Wayne Price cell 505-660-1067

Company	DP#	Facility Name	Date of Test	Start	Stpp	Type of Test(s) Required	Contact Person	Telephone	FAX #/cell
Stearns Inc.	BW-013	Crossroads Area Crossroads	28-Nov-01	12 noon	4:00 PM	2 Pressure test cavern	L.A. Stearns	1-505-675-2366	1-505-675-2398
Marbob Brine Well Jims Water Ser.	BW-028 BW-005	Loco Hills Area M. Dodd "A" BW#1 SE of Artesia	27-Nov 27-Nov	9:00 AM 10:00 AM	1:00 PM 2:00 PM	2 Pressure test cavern * Pressure test cavern or casing * 1,2 or 3	Doyle Davis Sammy Stoneman	748-5975 cell 1-505-748-1352	1-505-746-2523 1-505-746-3227
Key Energy Scurlock-Permian	BW-018 BW-012	Hobbs Area Truckers #2 (Hobbs) Hobbs Station	28-Nov-01 28-Nov-01	8:00 AM 9:00 AM	12 noon 1:00 PM	2 Pressure test cavern 2 Pressure test cavern	Royce Crowell Richard Lentz	(505) 383-8171 505-392-8212	505-910-4185 392-6898
Zia Transportation Marathon Brine St	BW-018 BW-015	Sally Dog-Ark Jct Marathon Road	28-Nov-01 28-Nov-01	10:00 AM 11:30 AM	2:00 PM 3:30 PM	2 Pressure test cavern 1 Pressure Test Casing	Piler Bergstein CW Trainer	806-741-1080	
P&S Brine Key Simms-McCasland Yale E. Key (Old Goldstar)	BW-002 BW-009A BW-028	Eunice Area Eunice Brine Station Eunice Brine Station Eunice Brine Station	28-Nov-01 28-Nov-01 28-Nov-01	8:00 AM 9:00 AM 10:00 AM	12 noon 1:00 PM 2:00 PM	2 Pressure test cavern 2 Pressure test cavern 2 Pressure test cavern	Dink Prather Royce Crowell Royce Crowell	505-394-2545 (505) 383-9171 1-505-394-2504	394-2428 505-910-4185 1-505-394-2560
I & W Key Energy-Carlsbad Scurlock/Permian	BW-06 BW-019 BW-027 & 27A	Carlsbad Area Carlsbad -Euglinle Rowland Truckers Carlsbad Brine St.	30-Nov-01 30-Nov-01 30-Nov-01	8:00 AM 9:00 AM 10:00 AM	12 noon 1:00 PM 2:00 PM	2 Pressure test cavern 2 Pressure test cavern 2 Pressure test cavern	George Parchman John Hutcheson Richard Lentz	505-885-8883 1-505-885-2053 505-392-8212	885-8477 cell 390-1833 392-6898
Gandy Gandy Ray Westall	BW-04 BW-22 BW-21	Wells Already Tested In 2001 Wasserhund-Edison Tatum Brine St. Loco Hills Brine St.							
Chaparral SWD	BW-25	Wells Being Repaired- Salcedo Brine #2- Jal							
Notes:									
Type of Pressure Test:	1 Casing Test					Isolate cavern formation from the casing/tubing annulus and hydrostatic fluid pressure test the casing at 300 psig for 30 minutes.			
	2 Open Hole Cavern Pressure Test					Open hole cavern formation pressure test by pressuring up the formation with fluid to one and one-half times the normal operating pressure of 300 psig whichever is greater for four hours. Operators shall not exceed surface pressures that may cause formation fracturing or system failures. OCD prior to test shall approve test pressures below 300 psig and methods that use media other than fluids. Brine supply wells operating with packers will have to pressure both the cavern formation and casing/tubing annulus.			
	3 Others					Nitrogen-Brine Interface Test, Nitrogen Test, Etc.			



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

P4-5B2INE

BW-00Z

4W4-0' SEC. 34-T-21-R-37

11-16-72.000

BR 2221

11-16-2000

P+S Brine Eunice #1

Discharge BW-002

Time 9 AM 1:15 PM

open hole casing Test

Rene Prather

OCD [Signature]

Date 11-16-00

RECEIVED
NOV 22 2000
Environmental Bureau
Oil Conservation Division

Price, Wayne

From: Sharp, Karen
Sent: Thursday, November 16, 2000 3:01 PM
To: Price, Wayne
Cc: Williams, Chris
Subject: P&S Brine Sales

As a follow-up to my phone call to you this afternoon, please be advised of the following: E.L. Gonzales witnessed a 4-hour wellbore test today, Nov 16 00, on the Eunice #1, O-34-21S-37E, for P & S Brine Sales. Test began @ 9:00 a.m. @ 440#. Had good build up. Ending time was 1:15 p.m. @ 440#. Had good bleed off. No pkr ; is open-ended. He noted that the well is properly marked and location looks good. Mr. Dink Prather has the original chart for the well. He indicated he would send the original chart to Santa Fe and copies to Hobbs office and one for his files. If you need to contact Mr. Prather, his cell phone is 390-1437. Please note: This well is not located in RBDMS; therefore, data has not been entered into any record.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

October 20, 2000

CERTIFIED MAIL
RETURN RECEIPT NO.

5051 4454

BW-002
BW-025

P+S
CSI

Attention: Brine Well Operators

Re: Mechanical Integrity Testing of Brine Supply Wells

The Underground Injection Control Program of the Federal Safe Drinking Water Act requires that operators demonstrate mechanical integrity of all injection wells by ensuring there are no leaks in the tubing, casing, or packer, and injected/produced fluids are confined within the piping and injection zones.

The Oil Conservation Division (OCD) requires operators of brine supply wells to perform the following mechanical integrity tests:

1. At least once every five years isolate the cavern formation from the casing/tubing annuals and hydrostatic fluid pressure test the casing at 300 psig for 30 minutes. New brine wells and wells being worked over will have to be tested in this manner before operations begin.
2. Annually perform an open hole cavern formation pressure test by pressuring up the formation with fluid to one and one-half times the normal operating pressure or 300 psig whichever is greater for four hours. Operators shall not exceed surface pressures that may cause formation fracturing or system failures. OCD prior to test shall approve test pressures below 300 psig and methods that use media other than fluids. Brine supply wells operating with packers will have to pressure both the cavern formation and casing/tubing annuals.

Please find enclosed an "OCD Brine Well Test Schedule December 2000" and "Brine Well Test Procedure Guidance Document" for this December 8th through 18th 2000. Please have your well ready for testing on the date and time you are scheduled. Please refer to the Well Test Schedule attached for the type of test you are scheduled to perform. You must receive prior OCD approval to alter the scheduled time or type of test.

Brine Well Operators

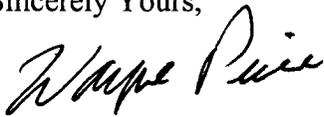
10/20/00

Page 2

Operators will be responsible for providing equipment and shall bear all costs incurred. All tests must be witnessed by the New Mexico Oil Conservation Division. Operators failing to abide by the procedures, type of test, and time schedules listed herein may be required to shut-in their systems until OCD has an opportunity to approve and witness testing.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155).

Sincerely Yours,



Wayne Price-Pet. Engr. Spec.
Environmental Bureau

cc: OCD District Offices

- Attachments-
1. OCD Brine Well Test Schedule December 2000.
 2. Brine Well Testing Procedure Guidance Document.

OCD BRINE WELL TEST SCHEDULE December of 2000

Company	DP#	Facility Name	Date of Test	Start	Stop	Type of Test(s) Required	Contact Person	Telephone	FAX #
Marbob Brine Well	BW-029	M. Dodd "A" BW#1	December 08, 2000	1:00 PM	5:00 PM	2 Pressure test cavern	Doyle Davis Raye Miller	748-5975 cell 1-505-746-2523 748-3303	
P&S Brine	BW-002	Eunice Eunice Water ST.	December 11, 2000	8 am	12 noon	2 Pressure test cavern	Paul Prather	1-505-394-2545	1-505-394-2426
Simms-McCasland	BW-009A	Eunice Brine Station	December 11, 2000	9:30 am	1:30 pm	2 Pressure test cavern	Bob Patterson	1-505-394-2581	1-505-394-2584
Salty Dog, Inc.	BW-008	Arkansas-Jct	December 11, 2000	11 am	3 pm	2 Pressure test cavern	Mr. Plier Bergstein Walter Britco	1-806-741-1080	
Stearns Inc.	BW-013	Crossroads	December 12, 2000	8:00 AM	12 noon	2 Pressure test cavern	L.A. Stearns	1-505-675-2356	1-505-675-2339
Gandy Corp.	BW-022	Tatum Water St.	December 12, 2000	9:00 AM	1:00 PM	2 Pressure test cavern	Lary Gandy	1-505-398-4960	cell 369-5721
Key Energy	BW-018	Truckers #2 (Hobbs)	December 12, 2000	10:30 AM	2:30 PM	2 Pressure test cavern	Pete Turner	1-505-397-4994	1-505-393-9023
I&W Trucking	BW-006 &6A	Carlsbad Yard	December 13, 2000	8:00 AM	12 noon	2 Pressure test cavern	George Parchman	1-505-885-6663	1-505-885-8477
Loco Hills Brine	BW-021	Loco Hills	December 13, 2000	1:30 PM	5:30 PM	2 Pressure test cavern	D. Maloney or R. Harris	1-505-677-2370	1-505-677-2361
Goldstar	BW-028	Eunice Brine Station	December 14, 2000	9:30 am	1:30 pm	2 Pressure test cavern	Royce Crowell	1-505-394-2504	1-505-394-2560
Quality Oil (Salado Brine Sales)	BW-025	Salado Brine St. #2	December 14, 2000	11am	3 pm	2 Pressure test cavern	see P&S		
Key Energy-Carlsbad	BW-019	Rowland Truckers	December 15, 2000	8:00 AM	12 noon	2 Pressure test cavern	John Hutcheson	1-713-672-8092	1-505-887-3011
Scurlock/Permian	BW-027 &27A	Carlsbad Brine St.	December 15, 2000	9:00 AM	1:00 PM	2 Pressure test cavern	Jim Ephraim	1-713-672-8092	1-713-672-7609
Jims Water Ser.	BW-005	SE of Artesia	December 15, 2000	10:30 AM	2:30 PM	2 Pressure test cavern	Sammy Stoneman	1-505-748-1352	1-505-746-3227
Scurlock-Permian	BW-012	Hobbs Station	December 18, 2000	8:00 AM	12 noon	2 Pressure test cavern	Richard Lentz	1-505-392-8212	1-505-392-6988
Gandy- WasserHaun	BW-004	Buckeye St.	December 18, 2000	9:00 AM	1:00 PM	2 Pressure test cavern	Larry Gandy	1-505-398-4960	cell 369-5721

Notes:

Type of Pressure Test: 1 Casing Test Isolate cavern formation from the casing/tubing annuals and hydrostatic fluid pressure test the casing at 300 psig for 30 minutes.

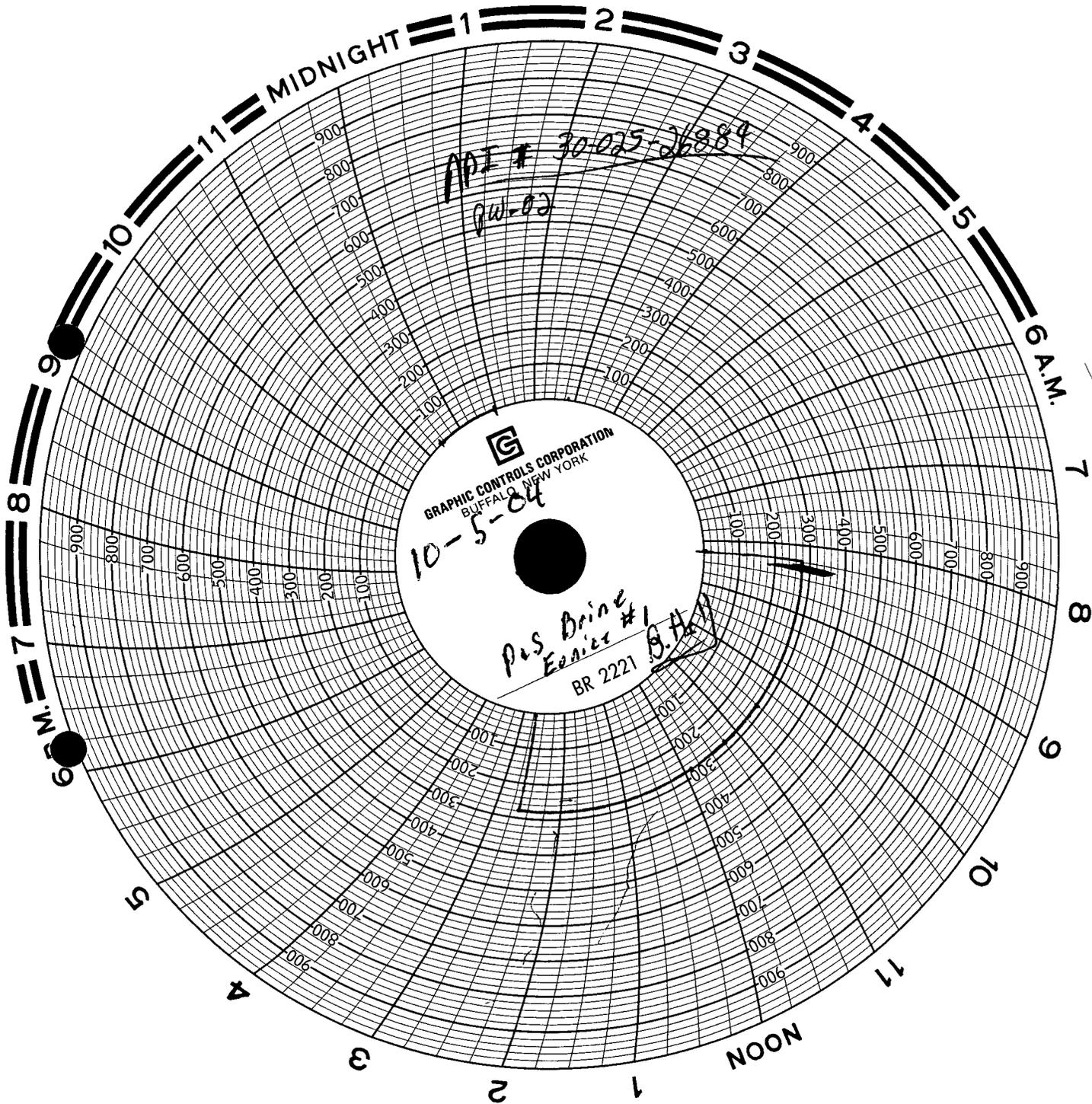
2 Open Hole Cavern Pressure Test Open hole cavern formation pressure test by pressuring up the formation with fluid to one and one-half times the normal operating pressure or 300 psig whichever is greater for four hours. Operators shall not exceed surface pressures that may cause formation fracturing or system failures. OCD prior to test shall approve test pressures below 300 psig and methods that use media other than fluids. Brine supply wells operating with packers will have to pressure both the cavern formation and casing/tubing annuals.

3 Others Nitrogen-Brine Interface Test, Nitrogen Test, Etc.

Brine Well Testing Procedure Guidance Document

- 1) The cavern and all piping must be filled, pressured up and stabilized for a period of at least 24 hours prior to testing. If this test requires or utilizes a packer then the casing/tubing annulus must be loaded with inert fluid 24 hours prior to testing.
- 2) Have manpower and equipment available for pressure test. Well head shall be prepared for test and all valves and gauges should be in good working order.
- 3) Pressure devices i.e pumps, truck pumps, etc. must be isolated from the well head during test.
- 4) A continuous recording pressure chart with an 8 hour clock shall be installed on the casing/tubing annulus, as directed by the OCD, with a pressure range of not greater than 500 psig. The operator must provide proof that pressure recording device has a range of 0-500 psig and has been calibrated within the past 6 months. Wells, with isolation packers installed, which requires both the casing/tubing annulus and cavern to be tested will require two recording devices or one recording device with two pins. Operators may utilize other types of pressure recording devices, such as electronic data loggers, etc., if approved by OCD.
- 5) A minimum of one pressure gage shall be installed in the system as directed by OCD.
- 6) OCD must witness the beginning of test (putting chart on) and ending of test (removing chart). At the end of test operator may be required to bleed-off pressure to demonstrate recorder response.
- 7) The Operator will supply the following information on the pressure chart before starting test:
 1. Company name, discharge plan #, well name and number, legal location UL, section, township, range and county.
 2. Type of Test: Open Hole, Casing Test, or Both.
 3. Date, time test started, time stop.
 4. Chart and Recorder information. (can be attached)
 5. Normal operating surface and formation fracture pressure. (can be attached)
 6. **After Test Completed:**
Name (printed) and signature of company representative and OCD inspector.

Note: NMOCD recognizes that different operations, well constructions, well designs and field conditions may cause variations in the above procedures. Operator is responsible to notify OCD of any procedure that may cause harm to the well or formation. If operator wishes to make or anticipate changes you must notify the OCD for approval.



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

10-5-04

P.S. Drink
Eddie #1
BR 2221
G.A.M.

API # 30-025-26884
QW-02

10-5-04

PLS Brine

Eonice #1

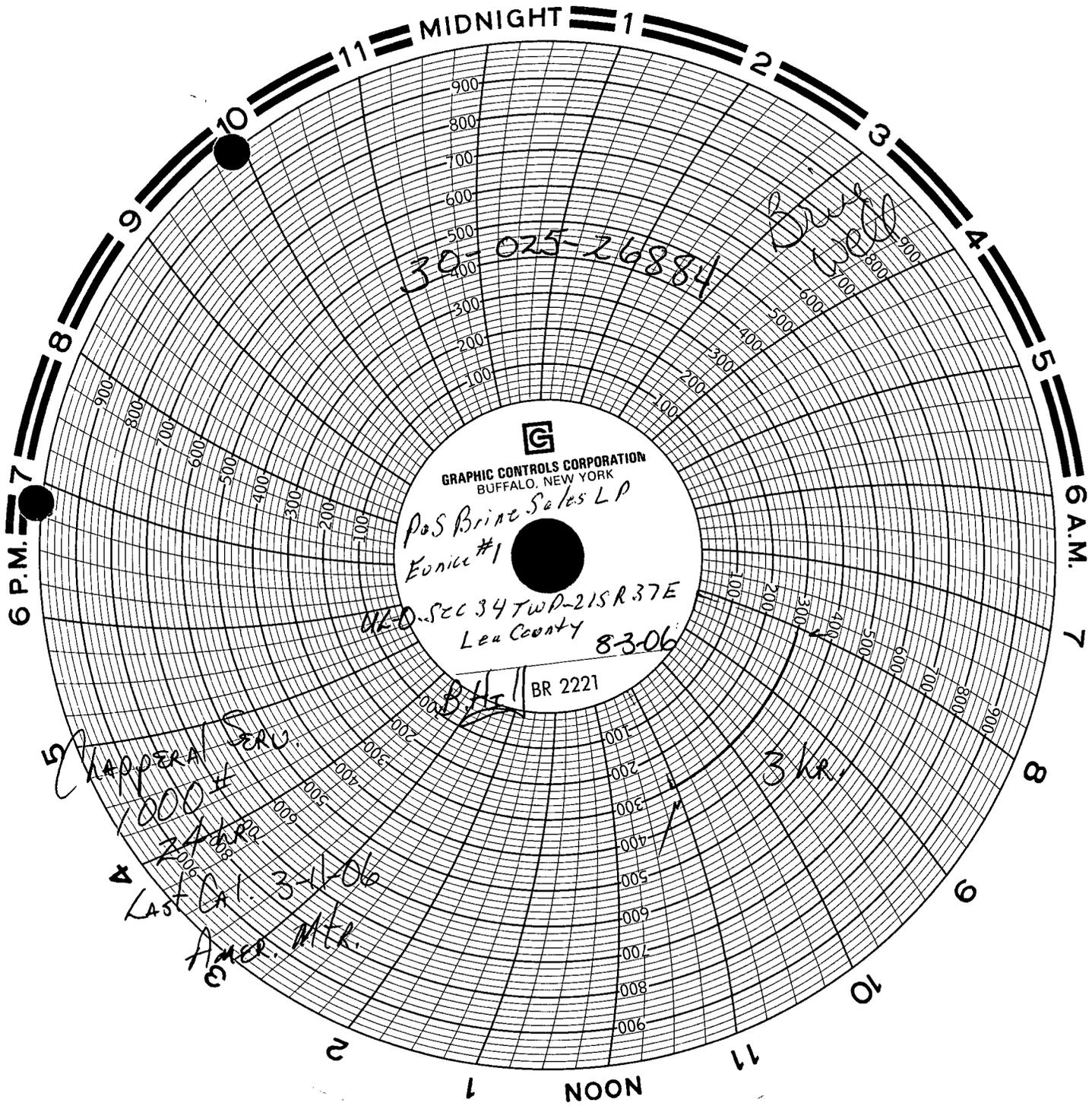
Unit Letter ○

Sec 24 TWP 21S R37E

Lea County

6 1/2 hours @ 280

CO - Georse Locke
State Man B. Hill



30-025-26884

5000



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

Pos Brine Sales LP
Eunice #1

OKD-SEC 34 TWP-21SR37E
Lea County 8-3-06

BR 2221

5
KADPERA SERU
1000#

4
24hrs
Last Cal. 3-1-06
3
Amer. MTR.

3 hr.



STATE OF NEW MEXICO

CIL CONSERVATION DIVISION
RECEIVED

MEMORANDUM

TO: Dave Boyer '90 JAN 17 AM 9 31 DATE: 1/12/90

FROM: John Parker

SUBJECT: P&S Brine Sales Financial Assurance

The attached memo from Gini Nelson raises some issues which require input from OCD. EID would like to comply with P&S's request to terminate the trust agreement and thereby get "Dink" off our backs. Perhaps you could meet with EID staff and Ms. Nelson next week to expedite this process.