

BW - 2

**GENERAL
CORRESPONDENCE**

YEAR(S):

1996 → 1980

EDDIE SEAY CONSULTING

ENVIRONMENTAL,
GEOLOGICAL & REGULATORY
SPECIALISTS

PEAK
CONSULTING SERVICES



601 W. ILLINOIS
HOBBS, NEW MEXICO 88240
(505) 392-2236
FAX (505) 392-6949

November 4, 1996

Mr. Mark Ashley
NMOCD Environmental Bureau
2040 S. Pacheco
Santa Fe, NM 87505

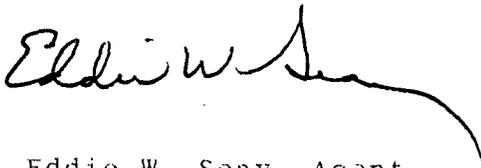
RE: P & S Brine, Eunice, NM

Dear Mr. Ashley:

The pit that you and I discussed at P & S Brine Station was used for emergency overflow of the brine tank and also for the fresh water pump which had plunger leaking. No one had any knowledge of any brine going to the pit, but freshwater did. Soil samples were taken at the pit area at approximately 18" depth and analyzed for TPH and CL (find results within). After fiberglass tanks were installed, pit was covered. I hope this analysis will help in answering any questions you may have.

If I can be of further help or if you need additional information, please call.

Sincerely,



Eddie W. Seay, Agent



MEMORANDUM OF MEETING OR CONVERSATION

OIL
CONSERVATION
DIVISION

<input checked="" type="checkbox"/> Telephone	<input type="checkbox"/> Personal	Time 4:00 AM	Date 10-15-96
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<u>Originating Party</u> MARK ASHLEY	<u>Other Parties</u> EODIE SEAY
---	------------------------------------

Topic
P+S BRINE - EMMICK

Discussion
WAYNE PRICE INFORMED ME OF A PIT AT THE FACILITY.
DURING AN MEET. CONDUCTED ON 9-20-96 THE PIT WAS BENT.
WE HAVEN'T RECEIVED ANY INFORMATION ABOUT THE CLOSURE.

Conclusions or Agreements
EODIE WILL CORE THRU PIT + SAMPLE
FOR CHLORIDES + TPT + SEND RESULTS TO OOD.

Signature
Signed *Mark Ashley*

cc: ROGER ANDERSON
 MARK ASLEY
 JERRY SEXTON

NEW MEXICO OIL CONSERVATION COMMISSION
 FIELD TRIP REPORT

INSPECTION
 CLASSIFICATION
 FACILITY
 HOURS
 QUARTER
 HOUR

RECEIVED
 DEC 08 1995
 Bureau of Environmental Conservation

Wayne Price
 Date 11-30-95 Miles _____ District I
 Time of Departure 7 AM Time of Return 4 PM Car No. G-04721

In the space below indicate the purpose of the trip and the duties performed, listing wells or leases visited and any action taken.

Signature [Signature]

CHAPARRELL BRINE STATION - BW02

BRINE WATER / OIL BEING DISCHARGED INTO UNLINED EARTH PIT.

OIL/WATER EMULSION FROM PUMP IS BEING DISCHARGED TO GROUND.

VALVES LEAKING ON TANKS, DRIP POTS OVERFLOWING ON TO GROUND.

TOOK PICTURES (ATTACHED)

Mileage	Per Diem	Hours
UIC _____	UIC _____	UIC _____
RFA _____	RFA _____	RFA _____
Other _____	Other _____	Other _____

TYPE INSPECTION PERFORMED	INSPECTION CLASSIFICATION	NATURE OF SPECIFIC WELL OR FACILITY INSPECTED
H = Housekeeping	U = Underground Injection Control - Any inspection of or related to injection project, facility, or well or resulting from injection into any well. (SND, 2ndry injection and production wells, water flows or pressure tests, surface injection equipment, plugging, etc.)	D = Drilling
P = Plugging	R = Inspections relating to Reclamation Fund Activity	P = Production
C = Plugging Cleanup	O = Other - Inspections not related to injection or the Reclamation Fund	I = Injection
T = Well Test		C = Combined prod. inj. operations
R = Repair/Workover		S = SND
F = Waterflow		U = Underground Storage
M = Mishap or Spill		G = General Operation
W = Water Contamination		F = Facility or location
O = Other		M = Meeting
		O = Other

E = Indicates some form of enforcement action taken in the field (show immediately below the letter U, R or O)

RECEIVED
DEC 08 1995

Environmental Bureau
Oil Conservation Division

STATE OF NEW MEXICO
NMOCD District I

OR CONS
OIL CONSERVATION DIVISION
RECEIVED
DEC 05 1995 8 AM 8 52

INTER-OFFICE MEMO

To file: Chaparral Brine St.
BW-02

Date: Nov. 30, 1995
Time: 3:00 pm

Telephone call: ___ Meeting: ___ Other: X On site visit

Person called or attending:
Wayne Price-NMOCD

REFERENCE: Chaparral Brine St. BW-02

Subject: Site Inspection

Comments:

- 1. Brine water & oil being discharged into unlined earthen pit.
- 2. Oil/water emulsion from pump is being discharged to ground.
- 3. Tank loading valves leaking, drip pots over-flowing onto ground.

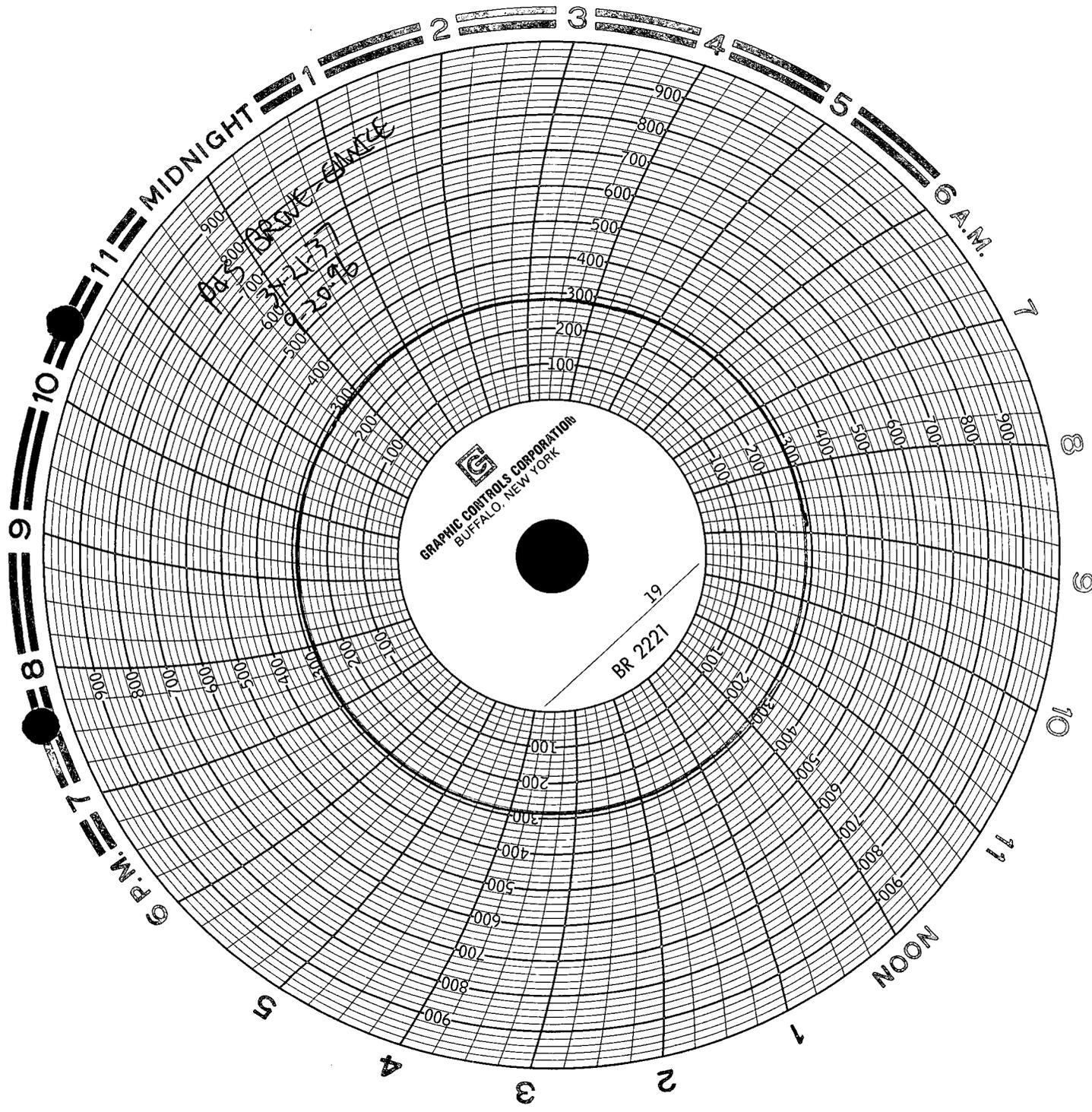
Took the following pictures:

- BW-02 #1. Chaparral station sign does not reflect the legal location. Also shows salt contamination around tank.
- #2. Shows earthen unlined pit with water and oil. Located just west of the pump house.
- #3. Shows three discharge (overflow) lines going to pit.
- #4. Shows brine tank overflow line going to pit area.
- #5. & #6. Drip pots
- #7. Pit showing oil layer on top of water. Picture looking south.
- #8. Buried line (uncovered by Price) discharges lube oil/water emulsion below surface of ground.

Wayne Price 
NMOCD Environmental Engineer-District I

cc: Jerry Sexton-District I Supervisor
Roger Anderson-Environmental Bureau Chief

attachments-pictures.





NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

October 3, 1996

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

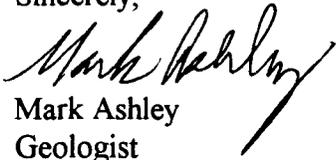
RE: Mechanical Integrity Testing of Brine Supply Wells

Dear Mr. Paul Prather:

Enclosed is a copy of the mechanical integrity test conducted on your brine well. Please retain this copy for your records.

On behalf of the New Mexico Oil Conservation Division, I would like to thank you for your time and cooperation during the testing. If you have any questions, please contact me at (505) 827-7155.

Sincerely,


Mark Ashley
Geologist

Attachment

OIL CONSERVATION DIVISION
RECEIVED

'89 DEC 21 AM 9 44

P & S BRINE SALES
P. O. Drawer 1769
Eunice, New Mexico 88231
(505) 394-2545

December 19, 1989

Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Dear Sir:

Your office is in receipt of our one well plugging bond #B02067 issued by Underwriters Indemnity Company which covers our brine station located in Sec. 34, Twp. 21S, Range 37E, Lea County, New Mexico.

We now request that you release the original one well plugging bond with Hartford A & I, Policy #SU4420776, carried with Daniels Insurance of Hobbs. We also ask that you contact the EID and release the trust fund which we set up with First Interstate Bank in Hobbs.

Your prompt attention to this matter will be appreciated.

Yours very truly,

P & S BRINE SALES

Paul D. Prather

Paul D. Prather
President

FDP:js

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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

December 6, 1989

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Paul Prather
P&S BRINE SALES INC.
P. O. Box 1768
Eunice, New Mexico 88231

RE: Delegation of Responsibilities Brine Manufacturing Operations

Dear Mr. Prather:

On June 13, 1989, the Water Quality Control Commission (WQCC) transferred the responsibility for the administration and enforcement of Commission regulations at brine manufacturing operations, including all brine production wells, holding ponds and tanks, from the Environmental Improvement Division (EID) to the Oil Conservation Division (OCD). The OCD has jurisdiction over all manufactured brine once it is transported, used or disposed of off brine plant premises for use in or directly related to oil and gas operations regulated by OCD. OCD regulates brine injection through its Class II Underground Injection Control (UIC) Program if the brine is used in the drilling for or production of oil and gas. EID shall regulate brine injection through its UIC Program if the brine is used for other purposes.

Brine production facilities that were transferred to OCD's jurisdiction must operate pursuant to an approved and current discharge plan. The discharge plan renewal process will be continued by OCD Environmental Bureau Staff. Approximately eight (8) months before the expiration date of an approved discharge plan, the discharger will be notified of the pending expiration of the plan. The discharge plan review process can, depending on circumstances, take several months. If the holder of an approved discharge plan submits a renewal application at least 180 days before discharge plan expiration, and the discharger is in compliance with his approved plan on the date of expiration, then the existing plan will not expire until the renewal application has been approved or disapproved.

Mr. Paul Prather
December 6, 1989
Page -2-

Guidelines to aid you in determining what will be required for the renewal of your discharge plan are being prepared. When the guidelines are finalized, they will be supplied to each operator of a brine production facility.

The OCD requires that any person, firm corporation or association that is in ownership of an oil, gas, or service well in the State of New Mexico shall furnish the Division with a surety bond in an amount prescribed in the OCD regulations. The current bond for well less than 5000 feet deep in Chaves, Eddy, Lea and Roosevelt Counties is \$5000. I am enclosing the OCD bond forms for your use. All surety bonds previously submitted to the OCD did not include brine wells. Those surety bonds submitted to the EID must be changed to the OCD. Once the proper bond forms are received and approved, all other sureties and bonds can be cancelled.

If you have any questions, please do not hesitate to contact me at (505) 827-5884.

Sincerely,



Roger C. Anderson
Environmental Engineer

RCA/sl

Enclosures

CC: Artesia District Office
Hobbs District Office

R-3211-D
JUL 17 1989
GROUND WATER BUREAU

P & S BRINE SALES
P. O. Drawer 1769
Eunice, New Mexico 88231

394-2545

DATE 7/13/89
REPORT FOR QUARTER ENDING 6/30/89

BARRELS OF FRESH WATER INJECTED 35,531

BARRELS OF BRINE WATER SOLD 35,531

I, Paul Prather, certify under penalty of law that the above statement is true and correct to the best of my knowledge.

Paul Prather
Paul Prather
Partner

To: Environmental Improvement Division
Ground Water Section
P. O. Box 968
Santa Fe, New Mexico 87504-0968

Attention: John Parker

P & S BRINE SALES
P. O. Drawer 1769
Eunice, New Mexico 88231

394-2545

R E C E I V E D

APR 7 1989

DATE 4/6/89

REPORT FOR QUARTER ENDING 03/31/89

GROUND WATER BUREAU

BARRELS OF FRESH WATER INJECTED 51,728

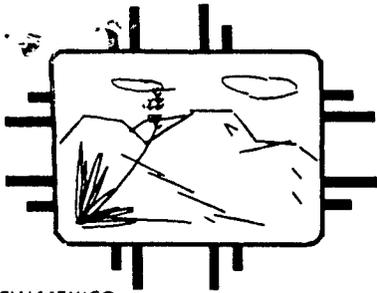
BARRELS OF BRINE WATER SOLD 51,728

I, Paul Prather, certify under penalty of law that the above statement is true and correct to the best of my knowledge.

Paul Prather
Paul Prather
Partner

To: Environmental Improvement Division
Ground Water Section
P. O. Box 968
Santa Fe, New Mexico 87504-0968

Attention: John Parker



NEW MEXICO
HEALTH AND ENVIRONMENT
DEPARTMENT

ENVIRONMENTAL IMPROVEMENT DIVISION
Harold Runnels Bldg.-1190 St. Francis Drive
Santa Fe, New Mexico 87503

Richard Mitzelfelt
Director

GARREY CARRUTHERS
Governor
CARLA L. MUTH
Secretary
MICHAEL J. BURKHART
Deputy Secretary

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 6, 1989

Mr. Paul Prather
P&S Brine Sales
P.O. Box 1769
Eunice, New Mexico 88231

RE: DP-319 Renewal Approval; P&S Brine Sales

Dear Mr. Prather:

The renewal of the discharge plan (DP-319) for P&S Brine Sales brine station located in Eunice in Lea County, New Mexico is hereby approved. The approved discharge plan renewal consists of the materials dated April 13 and 16, 1988, March 7, 1988, August 18, 1988 and December 14, 1988 plus the information and materials submitted as part of the original discharge plan approved December 18, 1982.

The discharge plan renewal application was submitted pursuant to Section 3-106 of the New Mexico Water Quality Control Commission Regulations. It is approved pursuant to Section 3-109. Please note Subsections 3-109.F., which provide for possible future amendment of the plan. Please be advised that the approval of this plan does not relieve you of liability should your operation result in actual pollution of surface or ground waters which may be actionable under other laws and/or regulations.

Monitoring and reporting shall be as specified in the discharge plan and supplements thereto. These requirements are summarized on the attached sheet(s). Any inadvertent omissions from this summary of a discharge plan monitoring or reporting requirement shall not relieve you of responsibility for compliance with that requirement.

Mr. Paul Prather

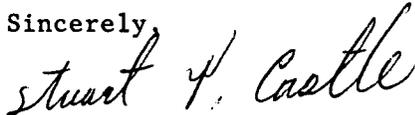
Page 2

January 6, 1989

Pursuant to Subsection 3-109.G.4., this plan renewal is for a period of 5 years. This approval will expire January 6, 1994, and you should submit an application for a new approval in ample time before that date.

On behalf of the staff of the Ground Water Section, I wish to thank you (and your staff) for your cooperation during this discharge plan review.

Sincerely,



Stuart P. Castle
Bureau Chief
Ground Water Bureau

SC/JP/mw

cc: Garrison McCaslin, EID District IV Manager, Roswell
Roelf Ruffner, EID Hobbs Field Office

GROUND WATER SECTION
Environmental Improvement Division
Health and Environment Department
Santa Fe, N.M. 87503
Phone: (505) 827-2900

Summary of Discharge Plan

January 5, 1989

DP number: 319 Facility name: P & S BRINE SALES, INC.

Alternate name:

Type of facility: MINING - SALT - INSITU
Means of discharge: INJECTION WELL - STEEL TANKS

County: LEA EID District 4 T21S, R37E, Sec. 34.000
Location: .25 MI.N OF GAS PLT S EUNICE Nearest city: EUNICE

Responsible person:

PAUL PRATHER

Contact or consultant person:

Title: OWNER/OPERATOR

Address: P.O. BOX 1768

City, zip: EUNICE NM 88231

Phone: 505-394-2545

The Ground Water Section staff reviewer is JOHN PARKER.
Application was received 04/13/87 and Public Notice published 05/18/87.
The plan was approved 12/18/82 and expires 12/18/87.
(Application for renewal should be submitted in ample time before expiration.)

Monitoring Requirements summary

No. of monitoring reports required annually: 4

Monitoring reports are due no later than October 15, July 15, April 15, and January 15 of each year.

Sampling required	Annual freq.	# of sites	Comments, description
Water levels:	0	0	
Disch. vols:	4	1	VOLUME OF FRESH WATER INJECTED
Major ions:	0	0	
Heavy metals:	0	0	
N Species:	0	0	
Organics:	0	0	
Other:	4	1	VOLUME OF BRINE SOLD

— If this space is checked, monitoring requirements are summarized or explained in more detail on the attached sheet.

Any inadvertent omission from this summary does not relieve the discharger of responsibility for compliance with that requirement.

Send monitoring reports to the address at top, "Attention: JOHN PARKER, re: DP-319".

E I D B U C K S L I P

CHECK ONE:

LETTER TO Paul Prather
FOR Stuart P. Castle SIGNATURE

MEMO TO _____

PRESS RELEASE

OTHER

SUBJECT: DP-319 Approval; P&S Brine Sales

DRAFTED BY: John Parker 1/6/88
(DATE)

CONCURRENCES:

NAME:		INITIAL	DATE REC'D	DATE APPROVED
<u>Ernest Rebuck</u>	Prog. Mgr.	<u>ER</u>	<u>1/5</u>	<u>1/5/88</u>
<u>Stuart P. Castle</u>	Bur. Chief	<u>SC</u>		<u>1/6</u>
_____	Deputy Dir.	_____	_____	_____
<u>Jon Thompson</u>	Deputy Dir.	_____	_____	_____
<u>Richard Mitzelfelt</u>	Director	_____	_____	_____
_____	Legal Review	_____	_____	_____
_____	Branch Admin.	_____	_____	_____

cc District Manager

FINAL DECISION NEEDED BY _____ BECAUSE _____
(Date)

COMMENTS BY DRAFTER OR REVIEWER(S):

P & S BRINE SALES
P. O. Drawer 1769
Eunice, New Mexico 88231

394-2545

R E C E I V E D
JAN 09 1989
GROUND WATER BUREAU

DATE 1/4/89

REPORT FOR QUARTER ENDING 12/31/88

BARRELS OF FRESH WATER INJECTED 26,033 1/2

BARRELS OF BRINE WATER SOLD 26,033 1/2

I, Paul Prather, certify under penalty of law that the above statement is true and correct to the best of my knowledge.

Paul Prather

Paul Prather
Partner

To: Environmental Improvement Division
Ground Water Section
P. O. Box 968
Santa Fe, New Mexico 87504-0968

Attention: John Parker



First Interstate Bank
of Lea County
Trust Division
P.O. Box 400
Hobbs, New Mexico 88240
505 397-4511

December 12, 1988

Mr. John Parker
New Mexico Environmental Improvement Division
P.O. Box 968
Santa Fe, N.M. 87504

RE: P & S Brine Sales

Dear Mr. Parker:

Enclosed for your records please find a copy of the Trust Agreement dated December 8, 1988 by and between P & S Brine Sales, a partnership and First Interstate Bank of Lea County. P & S Brine Sales has deposited to the trust the amount of \$6,000.00 as required by the Environmental Improvement Division for this trust.

The EID will be provided annual statements for this account as provided in Section 10.

If you have any questions regarding this matter, please do not hesitate to call on me. Thank you.

Sincerely,

A handwritten signature in cursive script that reads 'Kerri Frizzell'.

Kerri Frizzell
AVP & Trust Officer

kf

encl.

RECEIVED
DEC 14 1988
GROUND WATER BUREAU

TRUST AGREEMENT

Trust Agreement, the "Agreement," entered into as of December 8, 1988, by and between P & S Brine Sales, a partnership, the "Grantor," and First Interstate Bank of Lea County, "a state bank," the "Trustee."

Whereas, the New Mexico Environmental Improvement Division, "EID," an agency of the State of New Mexico, has established certain regulations applicable to the Grantor, requiring that an owner or operator of an injection well shall provide assurance that funds will be available if needed for proper closing, plugging and abandonment of the injection well,

Whereas, the Grantor has elected to establish a trust to provide all or part of such financial assurance for the facility(ies) identified herein,

Whereas, the Grantor, acting through its duly authorized officers, has selected the Trustee to be the trustee under this agreement, and the Trustee is willing to act as trustee,

Now, therefore, the Grantor and the Trustee agree as follows:

Section 1. Definitions. As used in this agreement:

(a) The term "Grantor" means the owner or operator who enters into this agreement and any successors or assigns of the Grantor;

(b) The term "Trustee" means the Trustee who enters into this Agreement and any successor Trustee;

(c) The terms "facility" or "activity" mean any underground injection well or any other facility or activity that is subject to regulation under the Underground Injection Control Program of the New Mexico Environmental Improvement Division, "EID," an agency of the State of New Mexico.

Section 2. Identification of Facilities and Cost Estimates. This Agreement pertains to the facilities and cost estimates identified on Attachment A.

Section 3. Establishment of Fund. The Grantor and the Trustee hereby establish a trust fund, the "Fund," for the benefit of EID. The Grantor and the Trustee intend that no third party have access to the Fund except as herein provided. The Fund is established initially as consisting of the property, which is acceptable to the Trustee, described in Attachment B. Such property and any other property subsequently transferred to the Trustee is referred to as the Fund, together with all earnings and profits thereon, less any payments or distributions made by the Trustee pursuant to this Agreement. The Fund shall be held by the Trustee, IN TRUST, as hereinafter provided. The Trustee shall not be responsible nor shall it undertake any responsibilities for the amount or adequacy of, nor any duty to collect from the Grantor, any payments necessary to discharge any liabilities of the Grantor established by EID.

Section 4. Payment for Plugging and Abandonment. The Trustee shall make payments from the Fund as the EID Director shall direct, in writing, to provide for the payment of the costs of proper closing, plugging and abandonment of the

injection wells, covered by this Agreement. The Trustee shall reimburse the Grantor or other persons as specified by the EID Director from the Fund for such expenditures in such amounts as the EID Director shall direct in writing. In addition, the Trustee shall refund to the Grantor such amounts as the EID Director specifies in writing. Upon refund, such funds shall no longer constitute part of the Fund as defined herein.

Section 5. Payments Comprising the Fund. Payments made to the Trustee for the Fund shall consist of cash or securities acceptable to the Trustee.

Section 6. Trustee Management. The Trustee shall invest and reinvest the principal and income of the Fund and keep the Fund invested as a single fund, without distinction between principal and income, in accordance with general investment policies and guidelines which the Grantor may communicate in writing to the Trustee from time to time, subject, however, to the provisions of this Section. In investing, reinvesting, exchanging, selling, and managing the Fund, the Trustee shall discharge his duties with respect to the trust fund solely in the interest of the beneficiary and with care, skill, prudence, and diligence under the circumstances then prevailing which persons of prudence, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims; except that

(a) Securities or other obligations of the Grantor, or any other owner or operator of the facilities, or any of their affiliates as defined in the Investment Company Act of 1940, as amended, 15 U.S.C. 80a-2(a), shall not be acquired or held, unless they are securities or other obligations of the Federal or a State Government;

(b) The Trustee is authorized to invest the Fund in time or demand deposits of the Trustee, to the extent insured by an agency of the Federal or State Government; and

(c) The Trustee is authorized to hold cash awaiting investment or distribution uninvested for a reasonable time and without liability for the payment of interest thereon.

Section 7. Commingling and Investment. The Trustee is expressly authorized in its discretion:

(a) To transfer from time to time any or all of the assets of the Fund to any common, commingled, or collective trust fund created by the Trustee in which the Fund is eligible to participate, subject to all of the provisions thereof, to be commingled with the assets of other trusts participating therein; and

(b) To purchase shares in any investment company registered under the Investment Company Act of 1940, 15 U.S.C. 80a-1 et seq., including one which may be created, managed, underwritten, or to which investment advice is rendered or the shares of which are sold by the Trustee. The Trustee may vote such shares in its discretion.

Section 8. Express Powers of Trustee. Without in any way limiting the powers and discretions conferred upon the Trustee by the other provisions of this Agreement or by law, the Trustee is expressly authorized and empowered:

(a) To sell, exchange, convey, transfer, or otherwise dispose of any property held by it, by public or private sale. No person dealing with the Trustee

shall be bound to see to the application of the purchase money or to inquire into the validity or expediency of any such sale or other disposition;

(b) To make, execute, acknowledge, and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;

(c) To register any securities held in the Fund in its own name or in the name of a nominee and to hold any security in bearer form or in book entry, or to combine certificates representing such securities with certificates of the same issue held by the Trustee in other fiduciary capacities, or to deposit or arrange for the deposit of such securities in a qualified central depository even though, when so deposited, such securities may be merged and held in bulk in the name of the nominee of such depository with other securities deposited therein by another person, or to deposit or arrange for the deposit of any securities issued by the United States Government, or any agency or instrumentality thereof, with a Federal Reserve bank, but the books and records of the Trustee shall at all times show that all such securities are part of the Fund;

(d) To deposit any cash in the Fund in interest-bearing accounts maintained or savings certificates issued by the Trustee, in its separate corporate capacity, or in any other banking institution affiliated with the Trustee, to the extent insured by an agency of the Federal or State government; and

(e) To compromise or otherwise adjust all claims in favor of or against the Fund.

Section 9. Taxes and Expenses. All taxes of any kind that may be assessed or levied against or in respect of the Fund and all brokerage commissions incurred by the Fund shall be paid from the Fund. All other expenses incurred by the Trustee in connection with the administration of this Trust, including fees for legal services rendered to the Trustee, the compensation of the trustee to the extent not paid directly by the Grantor, and all other proper charges and disbursements of the Trustee shall be paid from the Fund.

Section 10. Annual Valuation. The Trustee shall annually, at least 30 days prior to the anniversary date of establishment of the Fund, furnish to the Grantor and to the EID Director a statement confirming the value of the Trust. Any securities in the Fund shall be valued at market value as of no more than 60 days prior to the anniversary date of establishment of the Fund. The failure of the Grantor to object in writing to the Trustee within 90 days after the statement has been furnished to the Grantor and the EID Director shall constitute a conclusively binding assent by the Grantor, barring the Grantor from asserting any claim or liability against the Trustee with respect to matters disclosed in the statement.

Section 11. Advise of Counsel. The Trustee may from time to time consult with counsel, who may be counsel to the Grantor, with respect to any question arising as to the construction of this Agreement or any action to be taken hereunder. The Trustee shall be fully protected to the extent permitted by law, in acting upon the advise of counsel.

Section 12. Trustee Compensation. The Trustee shall be entitled to reasonable compensation for its services as agreed upon in writing from time to time with the Grantor.

Section 13. Successor Trustee. The Trustee may resign or the Grantor may replace the Trustee, but such resignation or replacement shall not be effective until the Grantor has appointed a successor trustee and this successor accepts the appointment. The successor trustee shall have the same powers and duties as those conferred upon the Trustee hereunder. Upon the successor trustee's acceptance of the appointment, the Trustee shall assign, transfer, and pay over to the successor trustee the funds and properties then constituting the Fund. If for any reason the Grantor cannot or does not act in the event of the resignation of the Trustee, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor trustee or for instructions. The successor trustee shall specify the date on which it assumes administration of the trust in a writing sent to the Grantor, the EID Director, and the present Trustee by certified mail 10 days before such change becomes effective. Any expenses incurred by the Trustee as a result of any of the acts contemplated by this Section shall be paid as provided in Section 9.

Section 14. Instruction to the Trustee. All orders, requests, and instructions by the Grantor to the Trustee shall be in writing, signed by such persons as are designated in attachment A or such other designees as the Grantor may designate by amendment to Attachment A. The Trustee shall be fully protected in acting without inquiry in accordance with the Grantor's orders, requests, and instructions. All orders, requests, and instructions by the EID Director to the Trustee shall be in writing, signed by the EID Director, or his designee, and the Trustee shall act and shall be fully protected in acting in accordance with such orders, requests, and instruction. The Trustee shall have the right to assume, in the absence of written notice to the contrary, that no event constituting a change or a termination of the authority of any person to act on behalf of the Grantor or EID hereunder has occurred. The Trustee shall have no duty to act in the absence of such orders, requests, and instructions from the Grantor and/or EID, except as provided for herein.

Section 15. Notice of Nonpayment. The Trustee shall notify the Grantor and the EID Director, by certified mail within 10 days following the expiration of the 30-day period after the anniversary of the establishment of the Trust, if no payment is received from the Grantor during that period. After the pay-in period is completed, the Trustee shall not be required to send a notice of non-payment.

Section 16. Amendment of Agreement. This Agreement may be amended by an instrument in writing executed by the Grantor, the Trustee, and the EID Director, or by the Trustee and the EID Director if the Grantor ceases to exist.

Section 17. Irrevocability and Termination. Subject to the right of the parties to amend this Agreement as provided in Section 16, this Trust shall be irrevocable and shall continue until terminated at the written agreement of the Grantor, the Trustee and the EID Director, or by the Trustee and the EID Director, if the Grantor ceases to exist. Upon termination of the trust, all remaining trust property, less final trust administration expenses, shall be delivered to the Grantor.

Section 18. Immunity and Indemnification. The Trustee shall not incur personal liability of any nature in connection with any act or omission, made in good faith, in the administration of this Trust, or in carrying out any directions by the Grantor or the EID Director issued in accordance with this Agreement. The Trustee shall be indemnified and saved harmless by the Grantor

or from the Trust Fund, or both, from and against any personal liability to which the Trustee may be subjected by reason of any act or conduct in its official capacity, including all expenses reasonably incurred in its defense in the event the Grantor fails to provide such defense.

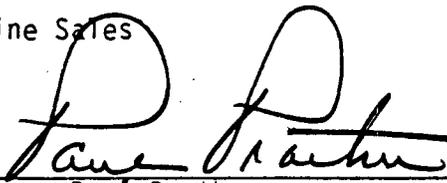
Section 19. Choice of Law. This Agreement shall be administered, construed, and enforced according to the laws of the State of New Mexico.

Section 20. Interpretation. As used in this Agreement, words in the singular include the plural and words in the plural include the singular. The descriptive headings for each Section of this Agreement shall not affect the interpretation or the legal efficacy of this Agreement.

In Witness Whereof the parties have caused this Agreement to be executed by their respective officers duly authorized and their corporate seals to be hereunto affixed and attested as of the date first above written.

P & S Brine Sales

By


Paul Prather
General Partner

First Interstate Bank of Lea County

By


Kerri Frizzell, AVP & Trust Officer

CERTIFICATE OF ACKNOWLEDGMENT

State of
New Mexico

County of
Lea

On this December 8, 1988, before me personally came Paul Prather, to me known, who being by me duly sworn, did depose and say that he resides at Eunice, New Mexico, that he is General Partner of P & S Brine Sales, Partnership described in and which executed the above instrument; that he knows the seal of said partnership; and that he signed his name thereto by like order.

By:

Glenda A. Perry
Notary Public

My Commission Expires:

8-2-89

ATTACHMENT B

FACILITY

P & S Brine Sales
P. O. Box 1768
Eunice, NM 88231

Current Cost Estimate for plugging and abandonment \$6,000.00

Designated persons:

Steve Prather

Paul Prather, General Partner

ATTACHMENT B

Amount Deposited to Account: \$6,000.00



TRUST DEPARTMENT

TRUST ADMINISTRATOR
KLF

72-3127-00-7

225 MSC

FIRST INTERSTATE BANK OF LEA COUNTY
AS TRUSTEE UNDER AGREEMENT FOR P & S
BRINE SALES, A PARTNERSHIP
DATED 12/08/88

ASSET & TRANSACTION STATEMENT
10/08/88 THRU 06/30/89

NEW MEXICO ENVIRONMENTAL IMPROVEMENT
DIVISION
ATTN: MR. JOHN PARKER
P.O. BOX 968
SANTA FE, NM 87504

RECEIVED

JUL 18 1989

OIL CONSERVATION DIV.
SANTA FE

TRUST DEPARTMENT

STATEMENT OF ASSETS

06/30/89

PAGE 1

ACCOUNT NO. 72-3127-00-7 P & S BRINE SALES - E.I.D.

FACE AMOUNT/
 NO. SHARES

DESCRIPTION

CARRY VALUE

MARKET VALUE

* CASH AND EQUIVALENTS *

6,245.58

FEDERATED TRUST FOR US TREASURY
 OBLIGATIONS FUND # 59

\$6,245.58

\$6,245.58

INCOME CASH

\$245.58

\$245.58

PRINCIPAL CASH

\$245.58-

\$245.58-

* TOTAL CASH AND EQUIVALENTS *

\$6,245.58 **

\$6,245.58 **

** TOTAL ASSETS **

\$6,245.58 **

\$6,245.58 **



TRUST DEPARTMENT

PAGE NUMBER 1

STATEMENT OF ACCOUNT

DATE 06/30/89

ACCOUNT NO.
72-3127-00-7

ACCOUNT NAME P & S BRINE SALES - E.I.D.

ADM. OFFICER KLF

DATE	DESCRIPTION	INCOME CASH	PRINCIPAL CASH	ASSET CARRYING VALUE
10/07/88	BEGINNING BALANCES	.00	.00	.00
12/15/88	DEPOSIT TO TRUST		6,000.00	
01/03/89	INT TO 12/31/88 FEDERATED TRUST FOR US TREASURY OBLIGATIONS FUND # 59	21.82		
02/02/89	INT TO 01/31/89 FEDERATED TRUST FOR US TREASURY OBLIGATIONS FUND # 59	42.85		
02/23/89	NORMAN W HALE TAX PREPARATION: 1988 FED. & N.M. FID. INC. TAX RETURNS P&S BRINE SALE	105.38-		
03/03/89	RECD FROM P & S BRINE SALES 1938 FED & NM FIDUCIARY TAX RETURNS	105.35		
04/04/89	INT TO 02/28/89 FEDERATED TRUST FOR US TREASURY OBLIGATIONS FUND # 59	40.00		
04/10/89	INT TO 03/31/89 FEDERATED TRUST FOR US TREASURY OBLIGATIONS FUND # 59	46.71		
	REC FROM P&S BRINE SALES TRUST FEE 1-1-89 TO 3-31-89	131.70		

TRUST DEPARTMENT

PAGE NUMBER 2

STATEMENT OF ACCOUNT

DATE 06/30/89

ACCOUNT NO.
 72-3127-00-7

ACCOUNT NAME P & S BRINE SALES - E.I.D.

ADM. OFFICER KLF

INCOME
 CASH

PRINCIPAL
 CASH

ASSET CARRYING
 VALUE

DATE	DESCRIPTION	INCOME CASH	PRINCIPAL CASH	ASSET CARRYING VALUE
04/10/89	FIRST INTERSTATE BANK OF LEA COUNTY FEE FOR PERIOD ENDED 04/30/89 TRUST FEE 1-1-89 TO 3-31-89	131.70-		
05/02/89	INT TO 04/30/89 FEDERATED TRUST FOR US TREASURY OBLIGATIONS FUND # 59	45.95		
06/05/89	INT TO 05/31/89 FEDERATED TRUST FOR US TREASURY OBLIGATIONS FUND # 59	48.28		
06/16/89	CHECK RECD FROM P & S BRINE SALES FOR TRUSTEE FEE 4/1/89 THRU 6/30/89	134.41		
06/30/89	FIRST INTERSTATE BANK OF LEA COUNTY FEE FOR TRUSTEE FEE 04/01/89 THRU 06/30/89	184.41-		
	SALES (1) 10/08/88 TO 06/30/89 FEDERATED TRUST FOR US TREASURY		-03	-03-
	PURCHASES (7) 10/08/88 TO 06/30/89 FEDERATED TRUST FOR US TREASURY		6,245.61-	6,245.61

** ENDING BALANCES *

245.58

245.58-

6,245.58

TRUST DEPARTMENT

PAGE NUMBER 3

STATEMENT OF ACCOUNT

DATE 06/30/89

ACCOUNT NO.
 72-3127-00-7

ACCOUNT NAME P & S BRINE SALES - E.I.D.

ADM. OFFICER KLF

DATE DESCRIPTION

INCOME
 CASH

PRINCIPAL
 CASH

ASSET CARRYING
 VALUE

STATEMENT SUMMARY

BEGINNING BALANCES	.00	.00	.00
TOTAL RECEIPTS	667.07	6,000.03	6,245.61
TOTAL DISBURSEMENTS	421.49-	6,245.61-	.03-
ENDING BALANCE	245.58	245.58-	6,245.58

P & S BRINE SALES
P. O. Box 1768
Eunice, N.M. 88231
(505) 394-2545

RECEIVED

JUN 15 1989

OIL CONSERVATION DIV.
SANTA FE

June 14, 1989

Mr. Dave Boyer
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Dear Mr. Boyer:

We presently have a trust fund set up with First Interstate Bank, P. O. Box 400, Trust Division, Hobbs, New Mexico 88240, which we set up to satisfy the requirements of the EID when they were put in control of the brine wells.

I spoke with Jerry Sexton in your Hobbs office this morning and he advised that I should contact you and ask that you take the steps necessary to have this trust fund released since we already have a plugging bond for the Oil Conservation Division.

I had talked earlier with John Parker with the EID and he advised that the OCD would have to contact him in order to get this trust fund released.

Should it be necessary for us to do something else, please let us know and we will take whatever steps you advise.

Yours very truly,

P & S BRINE SALES

Paul Prather

Paul Prather
Owner

cc: Mr. Jerry Sexton
Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240

*New Bond
in place
12-28-89
EID started re-plugging
repair work 12/28/89*

Revised - -

STATE OF NEW MEXICO

\$50,000.00 BLANKET PLUGGING BOND

BOND NO. _____
(For Use of Surety Company)

File with Oil Conservation Division, P.O.Box 2088, Santa Fe 87501

KNOW ALL MEN BY THESE PRESENTS:

That _____, (An individual) (a partnership) (a corporation organized in the State of _____, with its principal office in the city of _____, State of _____, and authorized to do business in the State of New Mexico), as PRINCIPAL, and _____, a corporation organized and existing under the laws of the State of _____, and authorized to do business in the State of New Mexico, as SURETY, are held firmly bound unto the State of New Mexico, for the use and benefit of the Oil Conservation Division of New Mexico pursuant to Section 65-3-11, New Mexico Statutes Annotated, 1953 Compilation, as amended, in the sum of Fifty Thousand Dollars (\$50,000.00) lawful money of the United States, for the payment of which, well and truly to be made, said PRINCIPAL and SURETY hereby bind themselves, their successors and assigns, jointly and severally, firmly by these presents.

The conditions of this obligation are such that:

WHEREAS, The above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO₂) gas leases, or helium gas leases with the State of New Mexico; and
↳ OR brine mineral leases

WHEREAS, The above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO₂) gas leases, or helium gas leases on lands patented by the United States of America to private individuals, and on lands otherwise owned by private individuals; and
↳ OR brine mineral leases *OR brine minerals*

WHEREAS, The above principal, individually, or in association with one or more other parties, has commenced or may commence the drilling of wells to prospect for and produce oil or gas, or carbon dioxide (CO₂) gas or helium gas, or does own or may acquire, own or operate such well, or such wells started by others on land embraced in said State oil and gas leases, or carbon dioxide (CO₂) gas leases, or helium gas leases, and on land patented by the United States of America to private individuals, and on land otherwise owned by private individuals, the identification and location of said well being expressly waived by both principal and surety

PH
9



TRUST DEPARTMENT

72-3127-00-7

225 MSC

TRUST ADMINISTRATOR
KLF

FIRST INTERSTATE BANK OF LEA COUNTY
AS TRUSTEE UNDER AGREEMENT FOR P & S
BRINE SALES, A PARTNERSHIP

ASSET & TRANSACTION STATEMENT
4C/08/88 THRU 12/31/88

NEW MEXICO ENVIRONMENTAL IMPROVEMENT
DIVISION
ATTN: MR. JOHN PARKER
P.O. BOX 968
SANTA FE, NM 87504

RECEIVED
JAN 19 1989
GROUND WATER BUREAU

TRUST DEPARTMENT

STATEMENT OF ASSETS

12/31/88

PAGE 1

FACE AMOUNT / ACCOUNT NO. 72-3127-00-7 P & S BRINE SALES - E.I.D.
 NO. SHARES DESCRIPTION CARRY VALUE MARKET VALUE

* CASH AND EQUIVALENTS *
 6,000 FEDERATED TRUST FOR US TREASURY \$6,000.00 \$6,000.00
 OBLIGATIONS FUND # 59

** TOTAL ASSETS ** \$6,000.00 ** \$6,000.00 **

TRUST DEPARTMENT

PAGE NUMBER 1

STATEMENT OF ACCOUNT

DATE 12/31/88

ACCOUNT NO.
 72-3127-00-7

ACCOUNT NAME P & S BRINE SALES - E.I.D.

ADM. OFFICER KLF

DATE DESCRIPTION

INCOME
 CASH

PRINCIPAL
 CASH

ASSET CARRYING
 VALUE

10/07/88 BEGINNING BALANCES

.00

.00

.00

12/15/88 DEPOSIT TO TRUST

6,000.00

12/31/88 PURCHASES (4) 10/08/88 TO 12/31/88
 FEDERATED TRUST FOR US TREASURY

6,000.00-

6,000.00

** ENDING BALANCES *

.00

.00

6,000.00

STATEMENT SUMMARY

BEGINNING BALANCES

.00

.00

.00

TOTAL RECEIPTS

.00

6,000.00

6,000.00

TOTAL DISBURSEMENTS

.00

6,000.00-

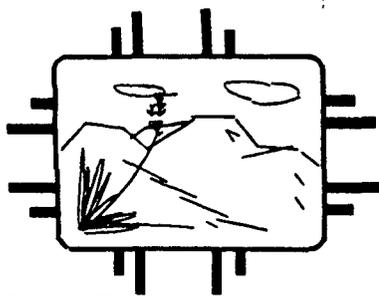
.00

ENDING BALANCE

.00

.00

6,000.00



NEW MEXICO
HEALTH AND ENVIRONMENT
DEPARTMENT

ENVIRONMENTAL IMPROVEMENT DIVISION
Harold Runnels Bldg.-1190 St. Francis Drive
Santa Fe, New Mexico 87503

Richard Mitzelfelt
Director

GARREY CARRUTHERS
Governor
CARLA L. MÜTH
Secretary
MICHAEL J. BURKHART
Deputy Secretary

December 22, 1988

Mr. Paul D. Prather, Owner
P&S Brine Sales
P.O. Box 1769
Eunice, New Mexico 88231

Dear Mr. Prather:

The Underground Injection Control staff of the New Mexico Environmental Improvement Division Ground Water Section would like to thank you for your cooperation during our recent inspection of P&S Brine Sales brine facility. A copy of the inspection forms is attached for your reference. No violations were noted during the inspection.

Thank you for your continued cooperation. Should you have any questions feel free to contact me (827-2902) or John Parker (827-0027).

Sincerely,

Kevin Lambert
Hydrologist
Ground Water Section - UIC Program

KL/JP/mw

cc: Roelf Ruffner, EID Hobbs Field Office

Enclosure

No. of Samples	Ion
/	Na
/	K
/	Ca
/	Mg
/	Cl
/	HCO3
/	CO3
/	SO4
/	TDS
/	NO3+ NO2
/	NH3
/	kiel N
/	As
/	Ba
/	Cd
/	CN
/	Cr
/	F
/	Pb
/	Hg
/	Se
/	Ag
/	U
/	V
/	Ra 226
/	Ra 228
/	Cu
/	Fe
/	Mn
/	Phenols
/	Zn
/	Al
/	B
/	Co
/	Mo
/	Ni
/	pH
/	Conduct.

FIELD TRIP REPORT
GROUND WATER SECTION

County Eddy/Lea

SLD USER CODES

Ground Water: 59300
NO₃, HC, & Toxics: 59600
UIC: 59500

FACILITY VISITED

Name of Facility: 20 Brine Facilities of Climax Chemical
Location: Carlsbad/Hobbs in Southeast NM
Discharge Plan Number: DP- See Below
Type of Operation: Brine Production / Chemical Manufacturing

ENVIRONMENTAL IMPROVEMENT DIVISION FIELD VISIT

EID Inspector(s): Lambert
Date of Inspection or Visit: 12/5-8/88
Discharger's Representative Present During EID Visit:
Name: _____

Title or Position: _____

Purpose of Visit:

- a. Evaluation of Proposed Discharge Plan _____
- b. Compliance Inspection of Discharge with Approved Plan _____
- c. Other (specify) _____

Inspection Activities During Field Visit:

- a. Inspection of Facilities or Construction (specify) _____
- b. Sampling of Effluents (give sampling locations) _____
- c. Sampling of Ground Water (give names or locations of wells)
Sampled M.W. at Marathon
- d. Evaluation of geology, soils, water levels or other physical characteristics of the location (specify) _____

e. Other (specify) _____

Observations and Information Obtained during the Visit:

The 20 Brine Facilities of Climax are listed below by DP#. See Individual File for specifics

ACTION REQUIRED

#	#	#	#	#
	323	354	370	298
318	324	355	371	426
319	325	360	372	
320	326	361	394	
321	351	369	401	
322				

BRINE STATION INSPECTION FORM

1413

DATE 12/7 1988 EID INSPECTOR Lambert
FACILITY P & S Brine Sales LOCATION Eunice
FACILITY REP ON SITE Steve Peather COUNTY Lea

WELL OPERATION

Valved for reversal to control salt buildup

WELL IS INJECTING: THROUGH ANNULUS THROUGH TUBING

SOURCE OF FRESH WATER City Water

TRACE INJECTION/PRODUCTION LINES Surface lines look good

WELL HEAD PRESSURE _____ PSIG PUMP PRESSURE _____ PSIG

LEAKS AROUND WELL OR PUMP None

Looks good small fresh

STORAGE AREA

FOR PONDS:

GENERAL LINER APPEARANCE _____

AMOUNT OF FREEBOARD _____

ANY SIGN OF OVERFLOW OR LEAKS _____

LEAK DETECTION SYSTEM FLUIDS DRY

FOR TANKS: 4 tanks ³ brine south ¹ fresh North

GENERAL APPEARANCE In Good Shape

LABELLED PLAINLY YES NO

BERMED TO PREVENT RUNOFF YES NO

CHECK CONTENTS TO ASSURE PROPER FLUID/LABLE MATCH _____

NUMBER OF TANKS FOR BRINE 3 FRESH WATER 1

LOADING AREA

PROPERLY GRADED AND BERMED TO CONTAIN SPILLAGE YES NO

ANY EVIDENCE OF RECENT SPILLAGE YES NO

DOES FACILITY HAVE A SPILL COLLECTION SYSTEM YES NO

ANY EVIDENCE OF OIL SPILLING/DUMPING YES NO

general area in good shape

MONITORING WELLS

collection system approaching capacity needs to be cleaned out

DEPTH _____ FT STATIC WATER LEVEL _____ FT BELOW CASING

SAMPLED THIS VISIT YES NO TEMP _____ Ec _____

COMMENTS Looks Good No problems

Clean Operation Do not have much business

P & S BRINE SALES
P. O. Drawer 1769
Eunice, New Mexico 88231

394-2545

R E C E I V E D
OCT 12 1988
GROUND WATER BUREAU

DATE 10/7/88

REPORT FOR QUARTER ENDING 9/30/88

BARRELS OF FRESH WATER INJECTED 41,923

BARRELS OF BRINE WATER SOLD 41,923

I, Paul Prather, certify under penalty of law that the above statement is true and correct to the best of my knowledge.

Paul Prather

Paul Prather
Partner

To: Environmental Improvement Division
Ground Water Section
P. O. Box 968
Santa Fe, New Mexico 87504-0968

Attention: John Parker

R E C E I V E D
SEP 26 1988
GROUND WATER BUREAU

P & S BRINE SALES
P. O. Drawer 1769
Eunice, New Mexico 88231

394-2545

September 22, 1988

Environmental Improvement Division
Ground Water Section
P. O. Box 968
Santa Fe, New Mexico 87504-0968

Attention: Mr. John Parker

Dear Mr. Parker:

Attached please find the "Financial Test for Self Insurance" which you requested in your letter of September 1, 1988.

You asked in item #1 that we obtain a plugging bond in the amount of \$5,810.20 instead of the \$5,000.00 bond which we have. We have been in contact with our insurance carrier, Daniels Insurance of Hobbs and they have advised that they are unable to obtain a plugging bond for more than \$5,000.00 which is the maximum allowed.

We want very much to comply with your requests and should you have another avenue that we might pursue, please advise.

Yours very truly,

P & S BRINE SALES



Paul D. Prather

PDP:js
Enc/1

Financial Test for Self Insurance

I, Paul Prather, part owner of P. & S. Brine Sales, hereby submit this letter in support of the use of the financial test of self insurance to demonstrate financial responsibility in the amount of at least \$35,000.00 for undertaking a hydrogeologic investigation for ground water contamination, caused by sudden and/or nonsudden accidental releases, arising from operating the P. & S. Brine Station located in Section 34, Township 21 South, Range 37 East, Lea County, New Mexico.

I, Paul Prather, and Bessie Prather have not received an adverse opinion or a disclaimer of opinion from an independent auditor on our financial statements for the latest completed fiscal year.

[Fill in the following information. Tangible net worth is to be derived from the year-end financial statements of Paul D. and Bessie Prather for the latest completed fiscal year.]

1. Amount of action(s) (hydrogeological investigations) to be covered by the financial test . . . \$35,000.00
2. Tangible net worth..... 2,149,000⁰⁰
3. Is line 2 at least 12 times line 3? YES (yes or no)

SIGNATURES:


Paul Prather

9/22/88
Date


Bessie Prather

9-22-88
Date

<input checked="" type="checkbox"/> Telephone	<input type="checkbox"/> Personal	Time 8:45	Date 9/26/88
Originating Party John W Parker WRS II		Other Parties Steve Prather Son of Owner	
Subject Possible leak from P&S Brine Scales Brine Facility			

Discussion

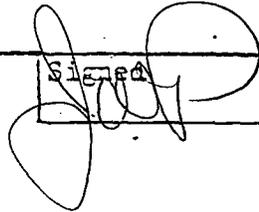
Steve - informed me that he had driven by and noticed the leak of fresh water from his fresh water tank overflow, first thing this morning - and that he was undertaking measures to repair the culprit valve this morning.

Conclusions or Agreements

I thanked him for the info and asked for him to call should there be further difficulties

Distribution

Tate

Signed


MEMORANDUM OF MEETING OR CONVERSATION

Telephone Personal Time 8:51am Date 9/26/88

Originating Party Kevin Lambert Other Parties Koell Ruffner

Subject P & S ~~Brine~~ Brine Sales overflow - ~~to~~ flowing to collection tank and beyond

Discussion complaint Joe Landes 394-~~4~~ 3075

Conclusions or Agreements I called Koell back after speaking with Steve Prather of P & S and told him that it was fresh water that was spilled - he said they would go by and call us back.

Distribution file Signed [Signature]

<input checked="" type="checkbox"/> Telephone	<input type="checkbox"/> Personal	Time 2:00 PM	Date 9/20/88
Originating Party John Parker WRS II		Other Parties Joyce (Dink Prather's Secretary)	
Subject DP-319 Renewal			

Discussion

I asked if they had received my Sept. 1 letter. She said yes, but before she prepared a response, she was waiting to hear from her insurance co. They had indicated up front that there would probably be considerable difficulty getting a band for this purpose.

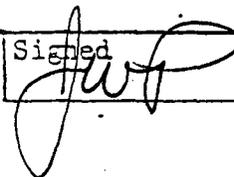
Conclusions or Agreements

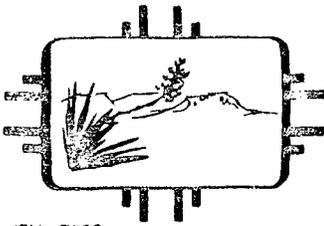
I asked Joyce to call me once she's heard from the insurance co., or have the ins. co call me directly.

Distribution

File

Signed





NEW MEXICO
HEALTH AND ENVIRONMENT
DEPARTMENT

Post Office Box 968
Santa Fe, New Mexico 87504-0968

ENVIRONMENTAL IMPROVEMENT DIVISION

Michael J. Burkhart
Director

GARREY CARRUTHERS
Governor

LARRY GORDON
Secretary

CARLA L. MUTH
Deputy Secretary

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

September 1, 1988

Paul D. Prather
P. & S. Brine Sales
P.O. Drawer 1769
Eunice, NM 88231

Dear Mr. Prather:

The New Mexico Environmental Improvement Division Ground Water Section is in receipt of your response to my July 26, 1988 letter to you. The following two items must be addressed prior to renewal of DP-319.

1. The plugging and abandonment plan submitted appears to comply with all the applicable regulatory requirements. However, based on my analysis, the well, having a 7" casing 1489 feet deep, will require approximately 300 sacks of cement, an additional 50 sacks to the 250 sacks of cement you listed in your plan. This would require an additional \$400.00 based on the February 25, 1988 proposal by Halliburton submitted by P.&S. This brings the total amount of the costs for plugging and abandonment to: \$5,810.20. You should use the forms I provided you in my July 26, 1988 correspondence to obtain financial assurance(s) to cover this amount.
2. Evaluation of the financial statements provided reveals that you have sufficient funds available to allow for self insurance. If you will complete and return the enclosed "Letter From Chief Financial Officer", the requirements for financial assurance for a hydrogeological investigation will have been met.

Thank you for your continued cooperation. Should you have any questions you may call me at (505) 827-0027.

Sincerely,


John W. Parker
Water Resource Specialist
Ground Water Section

JWP:dg
attachments

Financial Test for Self Insurance

I, Paul Prather, part owner of P. & S. Brine Sales, hereby submit this letter in support of the use of the financial test of self insurance to demonstrate financial responsibility in the amount of at least \$35,000.00 for undertaking a hydrogeologic investigation for ground water contamination, caused by sudden and/or nonsudden accidental releases, arising from operating the P. & S. Brine Station located in Section 34, Township 21 South, Range 37 East, Lea County, New Mexico.

I, Paul Prather, and Bessie Prather have not received an adverse opinion or a disclaimer of opinion from an independent auditor on our financial statements for the latest completed fiscal year.

[Fill in the following information. Tangible net worth is to be derived from the year-end financial statements of Paul D. and Bessie Prather for the latest completed fiscal year.]

1. Amount of action(s) (hydrogeological investigations) to be covered by the financial test . . . \$35,000.00
2. Tangible net worth..... _____
3. Is line 2 at least 12 times line 3? _____ (yes or no)

SIGNATURES;

Paul Prather

Date

Bessie Prather

Date

P & S BRINE SALES
P. O. Drawer 1769
Eunice, New Mexico 88231
505-394-2545

August 17, 1988

Environmental Improvement Division
Ground Water Section
P. O. Box 968
Santa Fe, New Mexico 87504-0968

Attention: Mr. John Parker

Dear Mr. Parker:

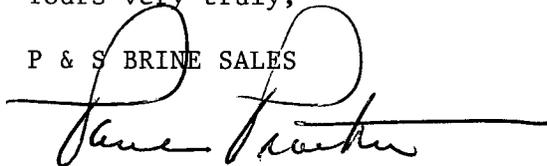
Attached please find the items which you requested in your letter of July 26, 1988.

Please note that on Item #3 I have attached my personal financial statement as assurance to the EID that I am financially able to cover the cost of a hydrogeological investigation.

Should you need further information, please advise.

Yours very truly,

P & S BRINE SALES



Paul D. Prather

PDP:js
Enc/3

RECEIVED
AUG 18 1988
GROUND WATER BUREAU

P & S BRINE SALES
P. O. Drawer 1769
Eunice, New Mexico 88231
505-394-2545

Item #1:

APPROVAL PLAN TO PLUG P & S BRINE SALES IF AND WHEN NEEDED:

1. Rig up unit.
2. Set well head off.
3. Pull 2 7/8" tubing out of hole and lay down.
4. Run cast iron bridge plug to bottom of casing.
5. Halliburton pump 250 sacks class "C" cement from bottom plug to top of surface.
6. Rig down unit.
7. Weld cap on 7" casing and put up dry hole marker, cut off dead men.
8. Remove tanks, pump and restore land to original.

COST:

1. Pulling unit	8 Hrs. @ \$88.65 P/Hr.	\$ 709.20
2. Magnesium bridge plug		1,321.00
3. Pump truck w/250 sacks cement		3,050.00
4. Welder & materials @ \$28.50 P/Hr. + materials		230.00
5. Move tank (No cost, will use own equipment)		-0-
		<u>\$5,310.20</u> Total Cost

my HP program
shows that 300+
sacks cement would be
necessary to plug
this well. - add 400.00 to
estimate

Jeff

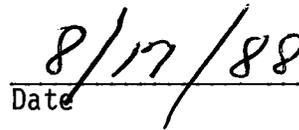
8/23/88

PAUL D. PRATHER
JULY 26, 1988
Page 3.

I certify under penalty of law that I have personally examined and am familiar with the information submitted to EID by P&S Brine sales in documents dated April 13, 1987 and February 23, 1988, and all attachments thereto, and that, based on my inquiring of those individuals immediately responsible for obtaining the information, I believe 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.



Signature



Date

JP:mc

PAUL D. AND BESSIE PRATHER

EUNICE, NEW MEXICO

FINANCIAL STATEMENTS

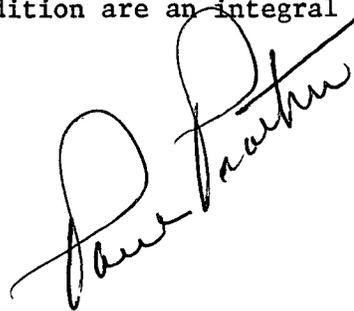
FEBRUARY 1, 1988

Paul D. and Bessie Prather
Eunice, New Mexico
Statement of Financial Condition
February 1, 1988
[Not Verified by Audit]

Assets:

Cash in Bank	8,000.00
Certificates of Deposit	220,000.00
Individual Retirement Accounts-Horace Mann	50,000.00
Cash Value of Life Insurance	30,000.00
Investments:	
Commercial Rent Property, Eunice, NM	187,500.00
Chaparral Salt Water Disposal	225,000.00
Stock-Chaparral Service, Inc.	800,000.00
P & S Brine Sales-Partnership	100,000.00
Yarbrough Oil Company #1	40,000.00
Minerals-Enron	20,000.00
Residence and Furnishings, Eunice, NM	90,000.00
Residence and Furnishings, Ruidoso, NM	225,000.00
Trailer House, Eunice, NM	16,000.00
Farm and Livestock, Hobbs, NM	90,000.00
Jewelry and Guns	32,000.00
1951 Ford Pickup	2,500.00
1983 Jeep Waggoner	7,000.00
	<hr/>
Total Assets	<u>2,143,000.00</u>
<u>Liabilities:</u>	
Notes and Mortgages Payable	392,371.21
Net Worth	<u>1,750,628.79</u>
Total Liabilities and Net Worth	<u>2,143,000.00</u>

The notes to the Statement of Financial Condition are an integral part of this statement.

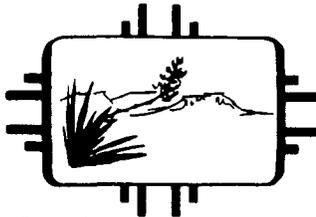


Paul D. and Bessie Prather
Eunice, New Mexico
Schedule of Notes Payable
February 1, 1988
[Not Verified by Audit]

First Interstate Bank - Loan on Commercial Land and Building Monthly payments of \$2,369.10 includes interest	53,358.45
First Interstate Mortgage Co. - Loan on residence, Eunice-monthly payments of \$500.00 includes interest	25,000.00
First Interstate Bank - Loan on Trailer House, Eunice-monthly payments of \$300.00 includes interest	21,000.00
First Suburban Mortgage Co. - Loan on Ruidoso residence-monthly payments of \$1,328.00 includes interest	140,000.00
Chaparral Service, Inc. - Demand Loan, No collateral	<u>153,012.76</u>
Total Notes	<u>392,371.21</u>

The above note balances were provided by Paul D. Prather.

The notes to the Statement of Financial Condition are an integral part of this Statement.



NEW MEXICO
HEALTH AND ENVIRONMENT
DEPARTMENT

Post Office Box 968
Santa Fe, New Mexico 87504-0968

GARREY CARRUTHERS
Governor

LARRY GORDON
Secretary

CARLA L. MUTH
Deputy Secretary

July 26, 1988

Certified Mail - Return Receipt Requested

Paul D. Prather
P.O. Box 1769
Eunice, NM 88231

Dear Mr. Prather:

The New Mexico Environmental Improvement Division (EID) has completed review of your submittal, received on March 7, 1988, toward renewal of DP-319. The following comments and additional information requests need to be addressed before further action can be taken on your application for discharge plan renewal.

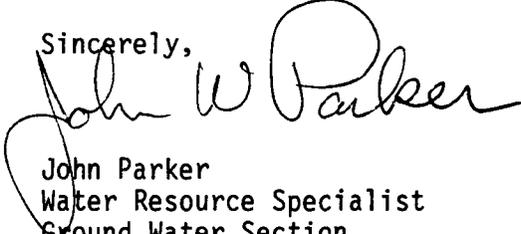
1. Your response to Item #9 of EID's November 25, 1987 letter is not consistent with the attached bid by Halliburton for plugging and abandonment. You stated that P & S will set a plug at the "bottom of the casing and fill the casing from top to bottom with cement." The estimate provided by Halliburton involves setting of 100 foot cement plugs at 1200' and at the surface, with the intervening casing filled with circulated mud. EID has reviewed information on the Eunice area which indicates the presence of water-bearing sands at 230'-240' below the surface. Hence any plugging and abandonment plan submitted by P&S should at least incorporate a 100 foot cement plug at the surface, and a 100 foot plug straddling the aquifer, in addition to a 100 foot plug at the top of the salt formation. (Your proposal to fill the casing from top to bottom would also be acceptable.) The itemized costs for plugging and abandonment should include the costs of a cast-iron bridge plug (Approximately \$1,500) for each cement plug planned; and the cost for having an oil field service unit on site to pull the tubing. The plan should also include setting of a surface P&A marker with the associated costs.
2. Please sign the attached document which sites all submittals to date in support of DP-319 renewal, and the required certification from Section 5-101.H.1. and 2. of the New Mexico Water Quality Control Commission (WQCC) Regulations.
3. EID is requiring all brine facilities, as they come up for renewal, to have in place financial assurance to cover the costs of a hydrogeological investigation. This requirement, pursuant to Section 5-210.B.17. of the WQCC Regulations, is being imposed to cover the costs of a hydrogeological investigation should an operator abandon a brine facility when there has been a history of non-compliance or other evidence indicating the possibility of ground water contamination. EID has developed a detailed cost estimate for such an investigation which totals \$35,000.00. Please use one of the attached forms to acquire financial assurance for this purpose. The attached forms are as follows:

PAUL D. PRATHER
JULY 26, 1988
Page 2.

1. Financial Guarantee Bond (note: a trust agreement must also be submitted if this bond is used);
2. Performance Bond (note: a trust agreement must also be submitted if this bond is used);
3. Trust Agreement; or
4. Irrevocable Standby Letter of Credit (note: there are additional requirements if this form is used);

Thank you in advance for your cooperation. Should you have any questions you may reach me at 827-0027.

Sincerely,



John Parker
Water Resource Specialist
Ground Water Section

JP:mc

Enclosure

cc: Roelf Ruffner, Hobbs EID
Tom Burt, Carlsbad EID

PAUL D. PRATHER
JULY 26, 1988
Page 3.

I certify under penalty of law that I have personally examined and am familiar with the information submitted to EID by P&S Brine sales in documents dated April 13, 1987 and February 23, 1988, and all attachments thereto, and that, based on my inquiring of those individuals immediately responsible for obtaining the information, I believe 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.

Signature

Date

JP:mc

R E C E I V E D
JUL 15 1988

P & S BRINE SALES
P. O. Drawer 1769
Eunice, New Mexico 88231

394-2545

GROUND WATER BUREAU

DATE 7/13/88

REPORT FOR QUARTER ENDING 6/30/88

BARRELS OF FRESH WATER INJECTED 42,470¹/₂

BARRELS OF BRINE WATER SOLD 42,470¹/₂

I, Paul Prather, certify under penalty of law that the above statement is true and correct to the best of my knowledge.

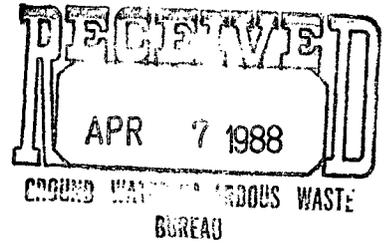
Paul Prather
Paul Prather
Partner

To: Environmental Improvement Division
Ground Water Section
P. O. Box 968
Santa Fe, New Mexico 87504-0968

Attention: John Parker

P & S BRINE SALES
P. O. Drawer 1769
Eunice, New Mexico 88231

394-2545



DATE 4/5/88

REPORT FOR QUARTER ENDING 3/31/88

BARRELS OF FRESH WATER INJECTED 83,210

BARRELS OF BRINE WATER SOLD 83,210

I, Paul Prather, certify under penalty of law that the above statement is true and correct to the best of my knowledge.

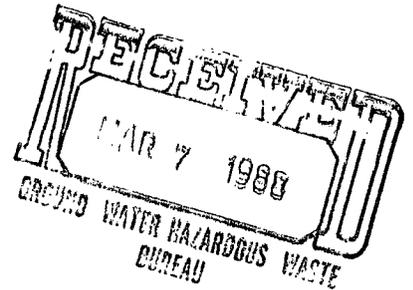
Paul Prather
Paul Prather
Partner

To: Environmental Improvement Division
Ground Water Section
P. O. Box 968
Santa Fe, New Mexico 87504-0968

Attention: John Parker

P & S BRINE SALES
P. O. Drawer 1769
Eunice, New Mexico 88231

394-2545



February 23, 1988

Environmental Improvement Division
Ground Water Section
P. O. Box 968
Santa Fe, New Mexico 87504-0968

Gentlemen:

Attached please find the items which you requested in your letter of November 25, 1987.

If we can be of further assistance, please advise.

Yours very truly,

P & S BRINE SALES

Paul D. Prather
Partner

PDP:js
Enc.

Item #1:

P & S BRINE SALES
P. O. Drawer 1769
Eunice, New Mexico 88231

394-2545

DISCHARGE PLAN:

This brine well operates by pumping fresh water down the casing and back out the tubing. This way no salt is ever in the casing and therefore cannot get back into the fresh water formations.

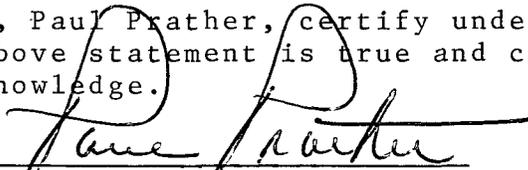
This well was drilled by Baber Drilling Company with a rotary rig.

P & S Brine Sales purchases its fresh water from the City of Eunice and stores same in a 1,000 barrel tank on location.

When fresh water is pumped down the casing into the salt section, it washes out the brine water and pumps it to the surface. Once on the surface this brine water is stored in three (3) 1,000 barrel tanks.

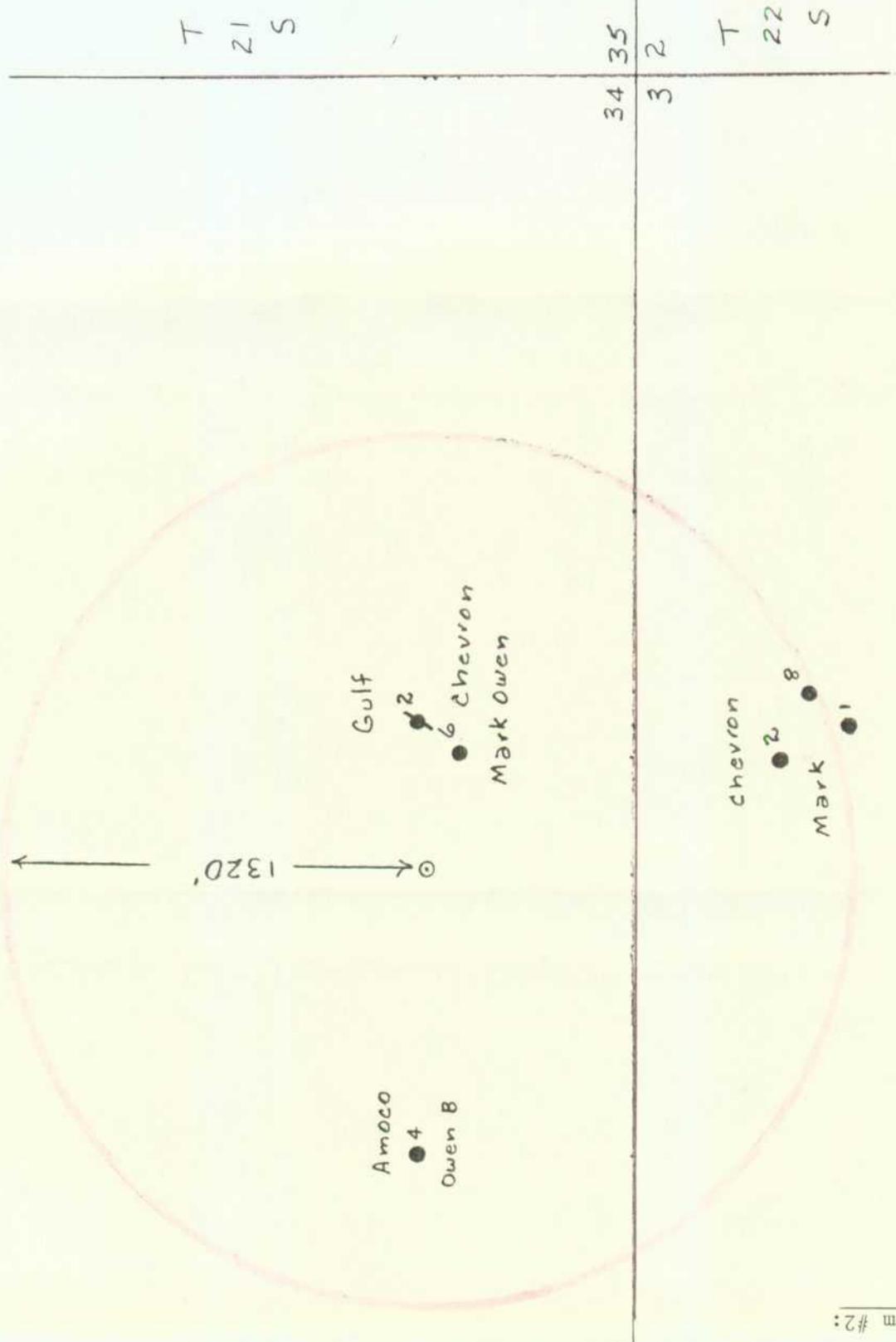
In order to keep any brine water from going back into the ground, we have a small working pit and have our own vacuum truck to pick up this water and put it back into the storage tanks.

I, Paul Prather, certify under penalty of law that the above statement is true and correct to the best of my knowledge.


Paul Prather
Partner

December 2, 1987

R 37E



T 21 S

34 35
3 2

T 22 S

P + S Brine Sales
Eunice No. 1
Scale: 1" = 500'

Item #2:

COMPLETION AND OR PLUGGING DATA

Item: #3

All Wells within 1320' of
P & S Brine Sales - Eunice No. 1
630' FSL & 2427' FEL Sec. 34, T21S, R37E

Amoco Production Company - Owen B No. 4
660' FSL & 1980' FWL of Sec. 34, T21S, R37E
Spud 3/9/40; Complete 4/21/40; Orig. TD 3755 ✓
15 1/2" csg @ 122' w/200 sx cmt 100sx? → Original Completion Report
7" csg @ 3568' w/250 sx cmt ✓ 4/23/40
1/6/47 Deepen to 6599, dual Blinebry & Drinkard ✓
5" csg @ 6599 w/160 sx cmt ✓
Drinkard perfs 6520-6564; Blinebry perfs 5538-6003 ✓
Current Allowable: Blinebry 29 BOPD
Drinkard Shut In

Gulf Oil Corporation - Mark Owen No. 2
660' FSL & 1980' FWL of Sec. 34, T21S, R37E
Spud 5/5/40; Complete 6/1/40; TD 3740 ✓
9 5/8" csg @ 251' w/200 sx cmt ✓
6" csg @ 3575 w/300 sx cmt ✓
Complete open hole 3575-- 3740 ✓
6/25/55 Squeeze leak in 6" csg @ 530' w/300 sx cmt ✓
P & A 10/1/76. Set CIBP @ 3500 & cap w/79' cmt.
Found holes in 6" csg @ 630' & 844'; set cmt ret @ 715' 620'
& pump 90 sx cmt thru hole @ 844' & cure out @ 620". ✓
Dump 215' cmt on ret, spot 60' cmt plug @ surface. ✓

Chavron USA, Inc. - Mark Owen No. 6
554' FSL & 2086' FEL of Sec. 34, T21S, R37E
Spud 9/24/47; Complete 11/20/47, TD 6552 ✓
13 3/8" csg @ 309' w/300 sx cmt ✓
9 5/8" csg @ 2900 w/1300 sx cmt ✓
7" csg @ 6475 w/700 sx cmt ✓
Orig. completion Drinkard, open hole 6475-6552 ✓
4/20/54 Dual Drinkard with Blinebry perfs 5620-5700 ✓
10/19/73 Abandon Drinkard & Blinebry. Set CIBP @ 6400 ✓
& cap w/3 sx cmt, set CIBP @ 5450 & cap with 3 sx cmt ✓
Perf Paddock 5148-5161 5148 - 5153 5161-5166 ✓
3/11/75 Squeeze Paddock perfs w/170 sx cmt & squeeze ✓
Blinebry perfs w/200 sx cmt. Clean out to 6489, perf ✓
Drinkard 6352-6468 ✓
4/5/83 Set ret BP @ 5250 & cap w/10' sand. Set cmt ret ✓
@ 5437 & resqueeze Blinebry perfs w/75 sx cmt. Perf ✓
2780 & squeeze w/210 sx; perf 1230 & squeeze w/1900 sx. ✓
Pull ret BP, now Drinkard gas well. ✓

Chevron USA, Inc - Mark No. 2
454' FNL & 2086' FEL of Sec. 3, T22S, R37E
Spud 10/19/46; Complete 12/11/46; TD 6554 ✓
13 3/8" csg @ 294' w/300 sx cmt ✓
9 5/8" csg @ 2906' w/1300 sx cmt ✓
7" csg @ 6483' w/700 sx cmt ✓
Orig. completion Drinkard, open hole 6483-6554 ✓
8/6/74 Set CIBP @ 6475 & cap w/6' cmt to abandon open hole ✓
Perf Drinkard 6309-6434. Now Drinkard gas well. ✓

Chevron USA, Inc. - Mark No. 8
554' FNL & 1874' FEL of Sec. 3, T22S, R37E
Spud 3/31/49; Complete 4/30/49; TD 5255 ✓
13 3/8" csg @ 304 w/300 sx cmt ✓
9 5/8" csg @ 2900' w/1300 sx cmt ✓
7" csg @ 5290 w/500 sx cmt ✓
Orig. completion Paddock, perfs 5115-5195 ✓
6/19/79 Squeeze Paddock pefs w/150 sx cmt ✓
Deepen to 7639, set 7" liner 4992-7637 w/450 sx cmt ✓
Perf Wantz Grante Wash 7284-7568 ✓
11/2/83 Set CIBP @ 7278 & cap w/35 sx cmt ✓
Perf Wantz Abo 6576-7233. Current allowable 2 BOPD ✓

? completed
records
show proposed

OK

P & S BRINE SALES
P. O. Drawer 1769
Eunice, New Mexico 88231

394-2545

Item #4:

We wish to restate the second paragraph of our letter dated April 14, 1987 to read as follows:

"I am attaching the chart where we ran a pressure test on our brine well on April 13, 1987."

Method used for pressure test:

Close casing and tubing, put pressure recorder on casing and tested for two (2) hours.

P & S Brine Sales hereby commits to performing a cement bond log some time during the five (5) year renewal period.

Item #5:

P & S Brine Sales will notify the EID prior to commencement of drilling, cementing, casing, well loggings, mechanical integrity tests and any other well workover.

Item #6:

Fracturing pressure for salt at the injection intervals at approximately 2400' with down hole pressure resulting from maximum operating pressure is approximately 180 pounds. Injecting fresh water down the casing with brine water returning out of tubing with average pressure of 180 pounds. Injection volume is approximately 3 barrels per minute.

*Ridiculous
but
immaterial*

Item #7:

P & S Brine Sales will submit to the EID a report at the end of each quarter listing the volume of fresh water injected and the volume of brine water sold. This report will begin at the end of the first quarter of 1988. All reports will meet the signatory requirements.

Item #8:

P & S Brine Sales will notify the EID within 48 hours of any spillage, leakage or contamination.

P & S BRINE SALES
P. O. Drawer 1769
Eunice, New Mexico 88231

394-2545

Item #9:

P & S Brine Sales will set the plug at the bottom of the casing and fill the casing from top to bottom with cement.

See attached cost estimate from Halliburton Services.

A copy of the plugging bond is attached.

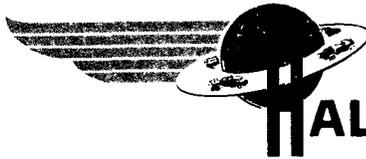
Item #10 & #11:

Reference: Previous application and Ground Report #6,
"Geology & Ground Water Conditions in
Southern Lea County New Mexico", Published
1961 by Bureau of Mines & Mineral Resources,
New Mexico Institute of Mining Technology,
Campus Station, Socorro, New Mexico

Item #12:

In the event of a mishap, P & S Brine Sales agrees to do the following:

1. Inform the EID
2. Pick up all leakage
3. Haul contaminated dirt to approved disposal site
4. Restore area to original condition
5. Should well fail, it will be plugged and abandoned to State & EID specifications



HALLIBURTON SERVICES

**FRACTURING
CEMENTING
CHEMICAL
SERVICE**

PROPOSAL

February 25, 1988

FOR: Mr. Dink Prather
CHAPARRAL SERVICES
P. O. Box 1069
Eunice, New Mexico 88231

Re: P & S Brine Well
Lea County, New Mexico

The purpose of this analysis is to determine the equipment and materials necessary to plug to abandon the above referenced well.

RECOMMENDATION:

Set one 100 feet plug at 1200 feet, circulate hole with Mud Laden Fluid. Set 2nd. 100 foot plug at surface.

COST ESTIMATE:

Pump chg.	\$ 753.00
Mileage (30 miles)	87.00
Cement delivered to location (50 sks. P+)	<u>400.85</u>
TOTAL ⁴⁰ / ₇₁	\$1,240.85

The unit prices in this proposal are estimates only based on current published prices and do not include applicable taxes.

We are pleased to have this opportunity to present this proposal for your consideration. If you accept our proposal, all materials and equipment furnished and services performed will be under our General Terms and Conditions and pursuant to our applicable Work Order Contract (whether or not executed by you). Copies of our General Terms and Conditions and applicable Work Order Contract will be furnished on request.

Prepared by *Harold Foster*
Harold Foster
Asst. Dist. Mgr.
Hobbs, N.M.

HDF/bjs

cc: Craig Floyd
E. Furr

STATE OF NEW MEXICO
ONE WELL PLUGGING BOND

FOR CHAVES, EDDY, LEA, McKINLEY, RIO ARRIBA, ROOSEVELT,
SANDOVAL, AND SAN JUAN COUNTIES ONLY

BOND NO. 4420776
(For Use of Surety Company)

AMOUNT OF BOND \$5,000.00

COUNTY Lea

NOTE: For wells less than 5,000 feet deep, the minimum bond is \$5,000.00*
For wells 5,000 feet to 10,000 feet deep, the minimum bond is \$7,500.00*
For wells more than 10,000 feet deep, the minimum bond is \$10,000.00

*Under certain conditions, a well being drilled under a \$5,000.00 or \$7,500.00 bond may be permitted to be drilled as much as 500 feet deeper than the normal maximum depth, i.e., a well being drilled under a \$5,000.00 bond may be permitted to go to 5,499 feet, and a well being drilled under a \$7,500.00 bond may be permitted to go to 10,500 feet.

File with Oil Conservation Commission, P. O. Box 2088, Santa Fe 87501

KNOW ALL MEN BY THESE PRESENTS:

That P & S Brine Sales (~~XXXXXX~~) (a partnership) ~~is a corporation organized in the State of~~ with its principal office in the city of ~~State of~~ and authorized to do business in the State of New Mexico), as PRINCIPAL, and HARTFORD ACCIDENT & INDEMNITY COMPANY, a corporation organized and existing under the laws of the State of Connecticut, and authorized to do business in the State of New Mexico, as SURETY, are held firmly bound unto the State of New Mexico, for the use and benefit of the Oil Conservation Commission of New Mexico pursuant to Section 65-3-11, New Mexico Statutes Annotated, 1953 Compilation, as amended, in the sum of **Five Thousand and no/100** Dollars lawful money of the United States, for the payment of which, well and truly to be made, said PRINCIPAL and SURETY hereby bind themselves, their successors and assigns, jointly and severally, firmly by these presents.

The conditions of this obligation are such that:

WHEREAS, The above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO₂) gas leases, or helium gas leases with the State of New Mexico; and

WHEREAS, The above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO₂) gas leases, or helium gas leases on lands patented by the United States of America to private individuals, and on lands otherwise owned by private individuals; and

WHEREAS, The above principal, individually, or in association with one or more other parties, has commenced or may commence the drilling of one well not to exceed a depth of 2,000 feet, to prospect for and produce oil or gas, or carbon dioxide (CO₂) gas or helium gas, or does own or may acquire, own or operate such well, or such well started by others on land embraced in said State oil and gas leases, or carbon dioxide (CO₂) leases; or helium gas leases, and on land patented by the United States of America to private individuals, and on land otherwise owned by private individuals, the identification and location of said well being 630 feet from the South Line and 2,427 feet (Here state exact legal subdivision by 40 acre tract or lot)
from the East Line Section 34, Township 31 (~~XXXX~~) (South), Range 38 (East) (~~XXXX~~) N.M.P.M.
Lea County, New Mexico.

NOW, THEREFORE, If the above bounden principal and surety or either of them or their successors or assigns, or any of them, shall plug said well when dry or when abandoned in accordance with the rules, regulations, and orders of the Oil Conservation Commission of New Mexico in such way as to confine the oil, gas, and water in the strata in which they are found, and to prevent them from escaping into other strata;

THEN, THEREFORE, This obligation shall be null and void; otherwise and in default of complete compliance with any and all of said obligations, the same shall remain in full force and effect.



The Hartford Insurance Group

Hartford Plaza
Hartford, Connecticut 06115

ENDORSEMENT

Attached to and forming part of Bond No. 4420776, effective
June 12, 1980, on behalf of P & S Brine Sales
Eunice, New Mexico 88231, of Eunice, New Mexico 88231
Oil Conservation Commission, State of New Mexico, in favor of
Oil Conservation Commission, State of New Mexico
 and in the amount of * * Five Thousand and no/100*****
(\$5,000.00*****) DOLLARS.

It is understood and agreed that effective June 12, 1980,
 the Location of the well of the above One well plugging bon
 shall be changed from "630 Feet from the South Line and 2,427 feet from the East Line of
Section 34, Township 31, South, Range 38, East, N.M.P.M., Lea County, New Mexico"
 to "630 feet from the South Line and 2,427 feet from the East line of Section 34,
Township 21, South, Range 37, East, N.M. . P. M., Lea County, New Mexico" All other conditions
 and terms to remain as originally written.

Signed, sealed and dated this 19th day of June 19 80

HARTFORD ACCIDENT & INDEMNITY COMPANY

By: Pat Cargile
 Pat Cargile, Attorney-in-Fact

ATTEST:

The above endorsement is hereby agreed to and accepted:

By:

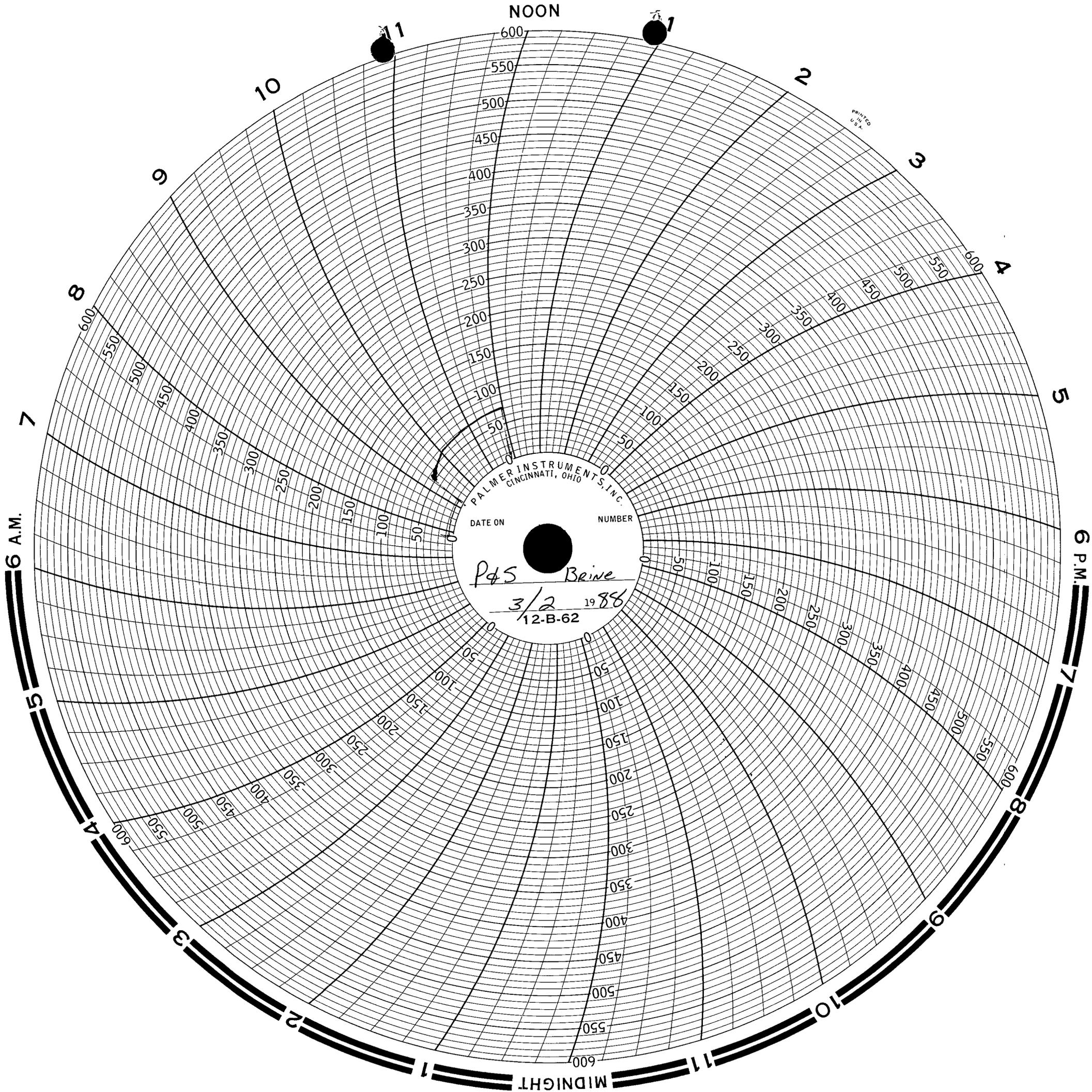
NOON

PRINTED
U.S.A.

PALMER INSTRUMENTS, INC.
CINCINNATI, OHIO

DATE ON NUMBER

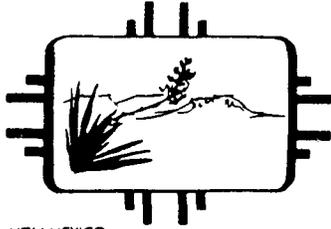
P45 Brine
3/2 1988
12-B-62



6 A.M.

6 P.M.

MIDNIGHT



NEW MEXICO
HEALTH AND ENVIRONMENT
DEPARTMENT

Post Office Box 968
Santa Fe, New Mexico 87504-0968

ENVIRONMENTAL IMPROVEMENT DIVISION

Michael J. Burkhart
Director

GARREY CARRUTHERS
Governor

LARRY GORDON
Secretary

CARLA L. MUTH
Deputy Secretary

December 31, 1987

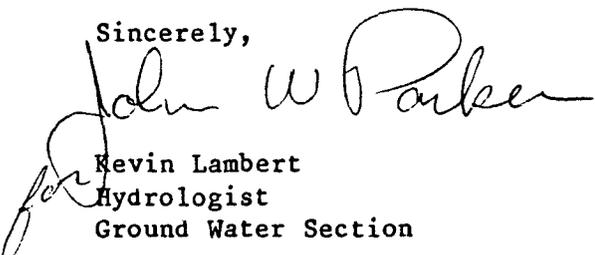
Paul D. Prather
P & S Brine Sales
P.O. Box 1769
Eunice, NM 88231

Dear Mr. Prather:

The Underground Injection Control staff of the New Mexico Environmental Improvement Division Ground Water Section would like to thank you for your cooperation during our recent inspection of P & S Brine Sales brine facility. A copy of the inspection form is attached for your reference. No violations were noted during the inspection.

Thank you for your continued cooperation. Should you have any questions feel free to contact me (827-2902) or John Parker (827-0027).

Sincerely,


Kevin Lambert
Hydrologist
Ground Water Section

KL:JP:egr

Enclosure

BRINE STATION INSPECTION FORM

DATE 12/2 1987 EID INSPECTOR Lambert/Parker
FACILITY P45 Brine Sales LOCATION EUNICE
FACILITY REP ON SITE Dink Prather COUNTY LEA

WELL OPERATION

WELL IS INJECTING: THROUGH ANNULUS 1 well system THROUGH TUBING
SOURCE OF FRESH WATER Eunice Water
TRACE INJECTION/PRODUCTION LINES Buried lines
WELL HEAD PRESSURE ~180 PSIG PUMP PRESSURE _____ PSIG
LEAKS AROUND WELL OR PUMP None

STORAGE AREA

FOR PONDS:
GENERAL LINER APPEARANCE _____

AMOUNT OF FREEBOARD _____
ANY SIGN OF OVERFLOW OR LEAKS _____
LEAK DETECTION SYSTEM FLUIDS DRY

FOR TANKS:
GENERAL APPEARANCE Looks Good
LABELED PLAINLY YES NO N fresh 5 Brine
BERMED TO PREVENT RUNOFF YES NO
CHECK CONTENTS TO ASSURE PROPER FLUID/LABLE MATCH _____

NUMBER OF TANKS FOR BRINE 3 FRESH WATER 1
1,000 gal bbl 1,000 gal bbl

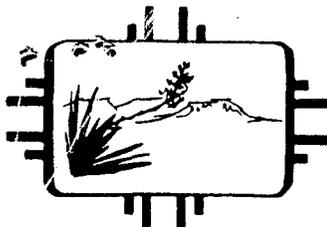
LOADING AREA

PROPERLY GRADED AND BERMED TO CONTAIN SPILLAGE YES NO
ANY EVIDENCE OF RECENT SPILLAGE YES NO Not much
DOES FACILITY HAVE A SPILL COLLECTION SYSTEM YES NO
ANY EVIDENCE OF OIL SPILLING/DUMPING YES NO

MONITORING WELLS

DEPTH _____ FT STATIC WATER LEVEL _____ FT BELOW CASING
SAMPLED THIS VISIT YES NO TEMP _____ Ec _____

COMMENTS Strictly for Chapparral Services
Clean operation
Looks Good



NEW MEXICO
HEALTH AND ENVIRONMENT
DEPARTMENT

Post Office Box 968
Santa Fe, New Mexico 87504-0968

ENVIRONMENTAL IMPROVEMENT DIVISION

Michael J. Burkhardt
Director

GARREY CARRUTHERS
Governor

LARRY GORDON
Secretary

CARLA L. MUTH
Deputy Secretary

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 25, 1987

P & S Brine Sales
Paul D. Prather, Partner
P.O. Box 1769
Eunice, NM 88231

Dear Mr. Prather:

The Environmental Improvement Division's (EID) Ground Water Section has completed review of P & S Brine Sales' (P & S) April 13 and 16, 1987, submittals for renewal of your previously approved discharge plan DP-319. The focus of our review for renewal is on conformance to Part V of the Water Quality Control Commission (WQCC) regulations. Before the evaluation can be completed the following comments and informational requests need to be addressed.

Comments and questions are itemized as follows (WQCC regulatory reference in parenthesis):

1. The discharge plan lacks the signatory requirement certification: "I certify under penalty of law..." which must be signed by a principal executive officer, general partner or duly authorized representative (5-101.H.1. and 2.).
2. Please submit a detailed map showing the "area of review" that identifies the location of all known wells and fractures which may penetrate the injection zone (5-202.A.). The area of review must be at least a quarter mile radius around the injection well and the map must include appropriate scales (5-202.B.2.; 5-210.B.2.). We suggest you contact the local Oil Conservation Division (OCD) office to solicit this information since oil and gas wells would be likely to penetrate the injection zone.
3. Please submit documentation which demonstrates that all known wells, drill holes, shafts, stopes, and other conduits within the area of review which may penetrate the injection zone are properly sealed, completed, plugged or abandoned (5-203.A.; 5-210.B.3.). Also, P & S needs to make a commitment to take such steps (corrective action) as necessary to eliminate conduits for the migration of contaminants into ground water having 10,000 mg/l or less total dissolved solids (5-203.B.; 5-210.B.4.). The OCD may be able to provide information regarding the proper completion or plugging and abandonment of oil and gas wells which may penetrate the injection zone.

4. Please clarify the statement presented in your April 14, 1987 letter, "we ran a pressure test on our disposal well on April 13, 1987." Also, please provide a description of and the methods used for the pressure test to support the test results submitted (5-204.D.).

Finally in order to determine existence of possible conduits for fluid movement, an integral aspect of the Part V MIT requirements, P & S must commit to performing a cement bond log at some point during the five year renewal period (5-204.B.2.; 5-205.A.4.b.).

5. P & S needs to make a commitment to notify this office "prior to commencement of drilling, cementing and casing, well loggings, mechanical integrity tests, and any other well workover..." (5-205.A.5.).
6. Please provide a comparison of fracture pressure for salt at the injection interval (approximately 2,400 feet) with the down-hole pressure resulting from the maximum operating pressure (5-206.A.1.). Also, include a description of the injection procedure for the well containing maximum and average injection pressure, injection volume, and other pertinent procedures (5-205.A.3.b.,f.; 5-210.B.8.,12.).
7. P & S must make a commitment to monitor injected and produced fluid volumes (5-207.C.2.) and report quarterly required monitoring (5-208.B.2.). Also, all reports submitted must meet the report signatory requirements (5-208.C.1.; 5-210.B.16.).
8. P & S needs to make a commitment to notify EID within 48 hours of a leak, spill, or other unanticipated discharge on the surface or underground at your facility (5-208.B.1.).
9. Please explain the method of plug placement and submit cement specifications for final plugging and abandonment of your brine extraction well (5-209.D.). Also, describe the procedure for decommissioning the surface facilities. Please provide copies of the blanket plugging/surety bond and documentation that demonstrates the sum of the bond is adequate to properly plug and abandon the brine well (5-209.A.; 5-210.B.17.).
10. Please provide maps and cross-sections showing vertical and horizontal limits of all ground water having less than 10,000 mg/l TDS (5-210.B.5.).
11. Please provide generalized and specific maps and cross-sections depicting both the regional and site-specific geology (5-210.B.6.,7.).
12. Please provide a detailed contingency plan which at a minimum addresses: surface spills of brine and loss of mechanical integrity in the injection well (5-210.B.15.).

Paul D. Prather
November 25, 1987
Page 3

Please respond in writing so that our review and evaluation can be completed. Should you have any questions, please feel free to contact John Parker (827-0027) or myself (827-2902).

Sincerely,



Kevin Lambert
Hydrologist
Ground Water Section - UIC Program

KL:egr

cc: Garrison McCaslin, EID District IV Manager, Roswell
Roelf Ruffner, EID Field Office, Hobbs

PS Form 3800, June 1985 U.S.G.P.O. 153-506

P-484 024 972

RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Send to <i>Paul Prather</i>	
Street and P.O. Box <i>P.O. Box 1769</i>	
City, State and ZIP Code <i>Lawrence, NM</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

Fold at line over top of envelope to the right of the return address.

Permit No. P-319 Pass Fail
 Well Class III Reviewer: Lambert
 Operator P&S Brine Salts Date: 8/4/87
 Well Name " Well #1 State: NM
 Well Location T21S R37E Sec 34 Agency: EID - GWB
 Lease Name Eunice Well Drill Date: 7/1/80 spudded

CONSTRUCTION

	size	depth	cement (sacks)	calculated interval
Surface csg.	7"	¹⁴⁸⁹ 1200ft	700 5X	
Intermediate csg				
Long string csg.				
Tubing	2 7/8"	¹⁷¹⁸ 1700ft		

Hole size 8 3/4"

Is construction adequate? yes no

Packer required? yes no

Packer depth _____

Total Depth 1816 ft

approved by OCD

HYDROLOGY

USDW Depth (10,000 mg/l) ^{DTW} Ogulla 90' to 120'

Log Types? Drill Logs

Faults in area addressed? yes no

Chemical analysis, formation fluid included? yes no

Chemical analysis injected fluid included? yes no

Adequate confining layer? Red Beds 800ft yes no

Permitted injection pressure Gravity flow

Permitted injection rate _____

Does pressure and rate exceed allowable? _____

Type of injectant Fresh Water

City Water from Eunice

Several articles on Geology & Ground Water; 1^o Article is Geology & groundwater conditions in Southern Lea County, NM Nicholson & Clebsch GW6

GENERAL INFORMATION

Plugging bond or financial assurance included? yes no
 Public notice included? yes no
 Hearing required? yes no
 Citizen comments addressed? *None received* yes no
 Workover, if yes put in general comments yes no

AREA OF REVIEW *2 mile radius per OCD's request*

Calculated _____ 1/4 mile _____ minimum State AOR _____
 Wells in AOR: _____ injection *~18* ^{water wells} production _____ abandoned
 Deficient wells: *Unknown* construction *Unknown* plugging
 Wells receiving CA: _____ injection _____ production _____ abandoned
 Were all wells addressed for CA? yes no

If no, comments: *Specific information unavailable*

*Brine well located in oilfield OCD requires all
 producing oil & gas wells to be properly constructed
 and properly P&A Domestic wells do not penetrate formation*
 AOR landowners notified? yes no
via Public Notice

Has well received (pressure test) MIT? yes no
 Date of most recent MIT *4/13/87* pass fail
 Has absence of fluid movement been demonstrated? yes no
 Enforcement actions included? yes no

If yes, comments: _____

(A) *No Domestic/Water Supply Wells penetrate
 below Red Beds.*

Has well been a SNC? yes no
 Is all information in permit? yes no

Is permit issued properly? yes no

Citizen comments and investigations? *None Required* yes no

If yes, comments: _____

PLUGGING AND ABANDONMENT

Well is operating Have submitted P & A schedule

Properly Plugged? yes no

Cement Placement	Cement (sx)		
	_____	from _____	to _____
	_____	from _____	to _____
	_____	from _____	to _____

Required Placement			
		from _____	to _____
		from _____	to _____
		from _____	to _____
		from _____	to _____

Set plug (cast iron) at 1480 ft, cement from plug to surface

GENERAL COMMENTS

(A)



**UNITED STATES
DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE**

Ecological Services
Suite D, 3530 Pan American Highway NE
Albuquerque, New Mexico 87107

June 19, 1987

RM ✓
Ernie R. _____
John ?
RECEIVED
JUN 22 1987
EID, DIRECTOR'S OFFICE

JUN 22 1987

GROUND WATER/HAZARDOUS WASTE
BUREAU

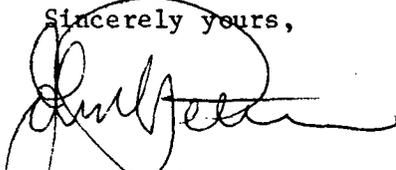
Mr. Michael J. Burkhart, Director
New Mexico Health and Environment Department
Environmental Improvement Division
P. O. Box 968-Crown Building
Santa Fe, New Mexico 87504-0968

Dear Mr. Burkhart:

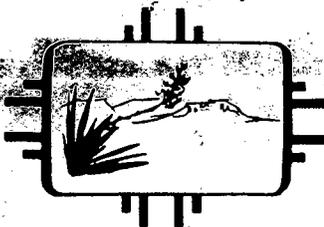
This responds to your public notice dated May 6, 1987 in which several proposed groundwater discharge plans were described. We have reviewed all of the plans and have not identified any resource issues of concern to our agency in the following:

- DP-212, Chevron, USA Inc., Bernalillo County, Albuquerque, NM.
- DP-229, The Town of Clayton, Union County, Clayton, NM.
- DP-319, P and S Brine Sales, Lea County, Eunice, NM. ✓
- DP-481, Parkview State Trout Hatchery, Rio Arriba County, NM.
- DP-480, Porte Dairy, Chaves County, Roswell, NM.
- DP-71, Quivira Mining Company, McKinley County, NM.
- DP-477, Willie and Josephine Romero, San Miguel County, NM.
- DP-482, Swiss Chalet Inn, Taos County, Taos, NM.
- DP-476, Timberon T-15 Subdivision, Otero County, Ruidoso, NM.
- DP-321, Wasserhund Inc., Lea County, Lovington, NM
- DP-479, Window Service Restaurant, Dona Ana County, Chamberino, NM.

These comments represent the views of the Fish and Wildlife Service. If you have any questions concerning our comments, please contact Tom O'Brien at FTS 474-7877 or (505) 883-7877.

Sincerely yours,

John C. Peterson
Field Supervisor

cc:
Director, New Mexico Department of Game and Fish, Santa Fe, New Mexico
Regional Administrator, Environmental Protection Agency, Dallas, Texas
Regional Director, FWS, FWE, Albuquerque, New Mexico



NEW MEXICO
HEALTH AND ENVIRONMENT
DEPARTMENT

Post Office Box 968
Santa Fe, New Mexico 87504-0968

GARREY CARRUTHERS
Governor

LARRY GORDON
Secretary

CARLA L. MUTH
Deputy Secretary

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

May 7, 1987

P and S Brine Sales
Paul D. Prather, Partner
P.O. Box 1769
Eunice, New Mexico 88231

Dear Mr. Prather:

Enclosed is a copy of the public notice pertaining to your proposed discharge which was issued by this division pursuant to New Mexico Water Quality Control Commission Regulations, Section 3-108.

If you have any questions, please do not hesitate to contact me at the address listed above or at phone number (505) 827-2900.

Sincerely,

Ernest C. Rebeck
Program Manager
Ground Water Section

ECR/mp

Enclosure



Post Office Box 968
Santa Fe, New Mexico 87504-0968

GARREY CARRUTHERS
Governor

LARRY GORDON
Secretary

CARLA L. MUTH
Deputy Secretary

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

May 6, 1987

The Honorable JoAnn Martin, Mayor
City of Hobbs
P.O. Box 1117
Hobbs, New Mexico 88240

Dear Mayor Martin:

Enclosed is a public notice which includes notice of a proposed discharge plan(s) for one or more operations in or near your city.

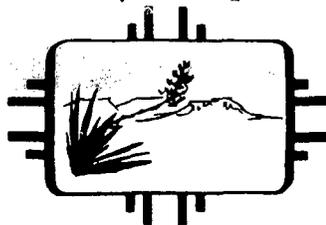
If you have any questions, please do not hesitate to contact me at the address given above or at 827-2900.

Sincerely,

Ernest C. Rebeck
Program Manager
Ground Water Section

ECR/mp

Enclosure



NEW MEXICO
HEALTH AND ENVIRONMENT
DEPARTMENT

Post Office Box 968
Santa Fe, New Mexico 87504-0968

GARREY CARRUTHERS
Governor

LARRY GORDON
Secretary

CARLA L. MUTH
Deputy Secretary

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

May 6, 1987

Board of County Commissioners
Lea County Courthouse
Hobbs, New Mexico 88240

Board of County Commissioners:

Enclosed is a public notice for one or more operations located in your county.

If you have any questions, please do not hesitate to contact me at the address listed above or at phone number (505) 827-2900.

Sincerely,

Ernest C. Rebeck
Program Manager
Ground Water Section

ECR/mp

Enclosure

MAY 6, 1987

TO BE PUBLISHED ON OR BEFORE MAY 18, 1987

PUBLIC NOTICE
NEW MEXICO ENVIRONMENTAL IMPROVEMENT DIVISION

Notice is hereby given that, pursuant to New Mexico Water Quality Control Commission Regulations, the following proposed discharge plans have been submitted for approval to the Director of the New Mexico Environmental Improvement Division, P.O. Box 968, Santa Fe, New Mexico 87504-0968; telephone (505) 827-2900.

(DP-212) CHEVRON, USA INCORPORATED, P.O. Box 1776, Albuquerque, New Mexico 87103, John D. Douglas, Superintendent, has submitted a renewal request for the Chevron bulk fuel terminal located in Section 32, T10N, R3E, Bernalillo County. Approximately 1000 gallons per month of hydrocarbon fuel contaminated water is discharged from an oil-water separator to a lined evaporation pond. The groundwater most likely to be affected is at a depth of approximately 35 feet with a total dissolved solids content of approximately 500 mg/l.

(DP-229) CLAYTON, THE TOWN OF, Bill Freeman, Acting City Manager, 1 Chestnut Street, Clayton, New Mexico 88415, proposes to renew its approved discharge plan (DP-229) for the facultative lagoon for their sewage treatment plant located in T25N, R35E, Section 1, NW $\frac{1}{4}$ of SW $\frac{1}{4}$ of NE $\frac{1}{4}$, Union County, New Mexico. Discharge from the plant is expected to be 360,000 gallons per day. The ground water most likely to be affected is at a depth of approximately 110 feet and has a total dissolved solids content of approximately 450 mg/l.

(DP-319) P AND S BRINE SALES, Paul D. Prather, Partner, P.O. Box 1769, Eunice, New Mexico 88231, proposes to renew its approved discharge plan (DP-319) for their brine in situ extraction well and surface facility located in T21S, R37E, Section 34, SW $\frac{1}{4}$ of SE $\frac{1}{4}$, Lea County, New Mexico. Brine is manufactured by injecting water down their injection well to an underlying salt formation. The brine water solution has a total dissolved solids content of approximately 300,000 mg/l. Ground Water most likely to be affected is at a depth of approximately 45 feet and has a TDS content of about 1400 mg/l.

(DP-481) PARKVIEW STATE TROUT HATCHERY, New Mexico Department of Game and Fish, Villagra Building, Santa Fe, New Mexico 87503, proposes to discharge 3,450 gallons per day of domestic septage to a septic tank-leach field mound system. The location of the discharge site is T29N, R3E (projected), Tierra Amarilla Land Grant, Rio Arriba County, New Mexico. The site is approximately one mile southeast of the town of Parkview. The ground water most likely to be affected is at a depth of 20 ft. with a total dissolved solids concentration of 343 mg/l.

(DP-480) PORTE DAIRY, Tom Visser, Owner, Rt. 2, Box 108, Roswell, New Mexico 88201, located in Chaves County at T12S, R25E, Section 25, proposes to discharge 70,000 gallons per day of milking parlor washdown wastes from a 1200 cow dairy. The discharge will report to total retention evaporative lagoons. The discharge will have a concentration of approximately 150 mg/l of total kjeldahl nitrogen. Four ground water monitor wells will be installed to ascertain any impacts from the lagoons. The ground water most likely to be affected lies at approximately 80 feet below the surface of the ground and has a total dissolved solids concentration of 4500 mg/l.

(DP-71) QUIVIRA MINING COMPANY, c/o J.C. Stauter, Director of Nuclear Licensing and Registration, P.O. Box 25861, Oklahoma City, Oklahoma 73125, proposes to modify its existing discharge plan to allow the disposal of a wash solution to be produced in the processing of an alternate mill feed material. The current discharge plan allows evaporation of uranium mill tailings solutions in 11 lined evaporation ponds in Section 4, T13N, R9W, McKinley County. The proposed modification would allow the disposal of wash water used to remove excess nitrate from a solid uranium-containing residue generated in the yellowcake purification step at the Sequoyah Fuels Corporation's UF6 Conversion Plant at Gore, Oklahoma. Two of the evaporation ponds will be dedicated to this wash solution. This wash water will be lower in all constituents than the mill solutions currently permitted with the exception of nitrate. Nitrate concentrations of the wash solution are estimated to range from 2432 mg/l to 3040 mg/l and have a total dissolved solids concentration of 15,260 to 19,075 mg/l. Ground water in Section 4 occurs at a depth of approximately 40 to 60 feet and has a total dissolved solids concentration of 2000 to 5000 mg/l.

(DP-477) ROMERO, WILLIE AND JOSEPHINE, Rt. 1 Box 146, Santa Fe, New Mexico 87501, proposes to discharge up to 2000 gallons per day of domestic septage from a small trailer court into a septic leach field. The discharge is located in San Miguel County, T16N, R12E, Section 32, NW $\frac{1}{4}$, NW $\frac{1}{4}$, SE $\frac{1}{4}$. The ground water most likely to be affected is at a depth of about 60 feet and averages about 400 mg/l total dissolved solids.

(DP-482) SWISS CHALET INN, Paul Austing, Owner, Box 8, Taos Ski Valley, Taos, New Mexico 87571, proposes to discharge 3000 gallons per day of grey-water from a resort inn to a septic tank leachfield system. Black water will be discharged to holding tanks and then periodically removed by septic tank pumper trucks. The discharge will be located in the Amizette Subdivision, Lots 4 & 5, T27N, R14E, Section 7 (projected) in Taos County. The depth to ground water is approximately 50 feet with a total dissolved solids content of approximately 100 mg/l.

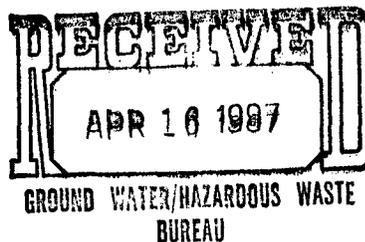
(DP-476) TIMBERON T-15 SUBDIVISION, Johnny Mobley, North American Land Development, Inc., P.O. Box 98, Ruidoso, New Mexico 88345, proposes to discharge a maximum of 6000 gallons per day of domestic sewage to a septic tank-leach field system. The system consists of 3 interconnected septic tanks each receiving a maximum of 2000 gallons per day. The discharge site is located at T19S, R12E, Section 23 in Otero County. Domestic sewage from 19 presently occupied homes in the Timberon Subdivision will enter the sewage system at 3 separate discharge points. The ground water most likely to be affected is at a depth of 80 feet with a total dissolved solids concentration of 490 mg/l.

(DP-321) WASSERHUND INCORPORATED, J.E. Haseloff, President, P.O. Box 249, Lovington, New Mexico 88260, proposes to renew its approved discharge plan for their brine in situ extraction well and surface facility located in T16S, R35E, Section 31, Lea County, New Mexico. The brine water solution has a total dissolved solids content of approximately 250,000 mg/l. Ground water most likely to be affected is at a depth of approximately 120 feet and has a TDS content of about 500 mg/l.

(DP-479) WINDOW SERVICE RESTAURANT, Patricio Tellez, 10125 Highway 28, Chamberino, New Mexico 88027, proposes to discharge 2,400 gallons per day of waste water from a restaurant to a septic tank-leach field. The restaurant is in T26S, R3E, Section 18 in Dona Ana County, New Mexico. The waste water has a nitrate concentration of approximately 60 mg/l. The ground water most likely to be affected is at a depth of about 15 feet and has a total dissolved solids content of 700 mg/l.

Any interested person may obtain further information from the Ground Water Section, Ground Water/Hazardous Waste Bureau, EID, and may submit written comments to the Director of the EID at the address given above. Prior to ruling on any proposed discharge plan or its modification, the Director of EID will allow 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 public hearing shall set forth the reasons why the hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

April 14, 1987



Health & Environment Department
P. O. Box 968
Santa Fe, New Mexico 87504-0968

Attention: Mr. Kevin Lambert

Dear Mr. Lambert:

In order to conform with #5-209, our plugging procedure will be as follows:

Set cast iron bridge plug at 1480' and fill 7" casing from plug to surface with cement.

I am attaching the chart where we ran a pressure test on our disposal well on April 13, 1987.

Should you need any further information, please feel free to call me at 505-394-2545.

Yours very truly,

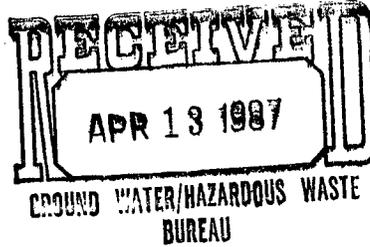
P & S BRINE SALES

A handwritten signature in cursive script that reads "Paul D. Prather".

Paul D. Prather
Partner

PDP:js

P & S Brine Sales
P. O. Drawer 1769
Eunice, New Mexico 88231



April 8, 1987

Health & Environment Department
P. O. Box 968
Santa Fe, New Mexico 87504-0968

Attention: Mr. Kevin Lambert

Dear Mr. Lambert:

Attached please find the information which you requested for approval of the brine station.

If you should need further information, please call me at 394-2545.

Yours very truly,

P & S BRINE SALES

Paul Prather
Partner

PDP:js
Enc/

P & S Brine Sales
P. O. Drawer 1769
Eunice, New Mexico 88231

Ernie 4/13/87
This is DP
renewal for
P+S Brine Sales
Gerry has already
requested additional
information for DP
review / Awaiting arrival
to Logan to
Kevin renewal

P & S BRINE SALES
P. O. Box 1768
Eunice, New Mexico 88231
505-394-2545

January 20, 1986

Environmental Improvement Division
P. O. Box 968
Santa Fe, New Mexico 87504-0968

Re: DP-319 - Discharge Plan for P & S Brine Sales

Dear Paige Morgan:

Please find attached copies and photos of amendments that have been made to brine P & S Brine Sales into compliance with your rules and regulations for the Environmental Improvement Division.

If we can be of further assistance and should anything need to be changed, please let us know.

We will notify Don Lutgins so that he may inspect this facility.

Yours very truly,

P & S BRINE SALES

Paul D. Prather

PDP:js
Enc/5



THE REPRODUCTION OF

THE

FOLLOWING

DOCUMENT (S)

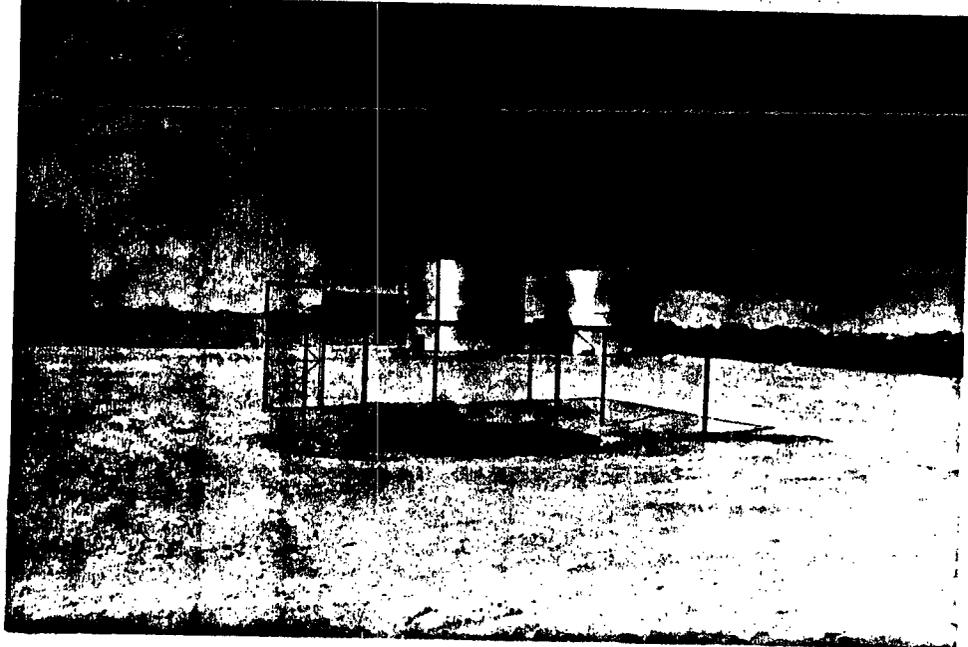
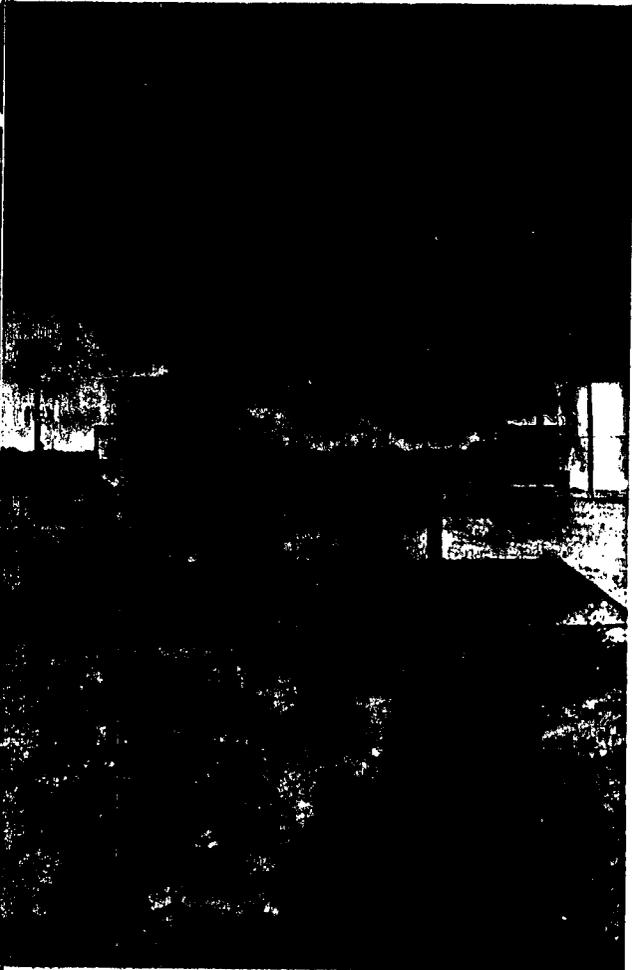
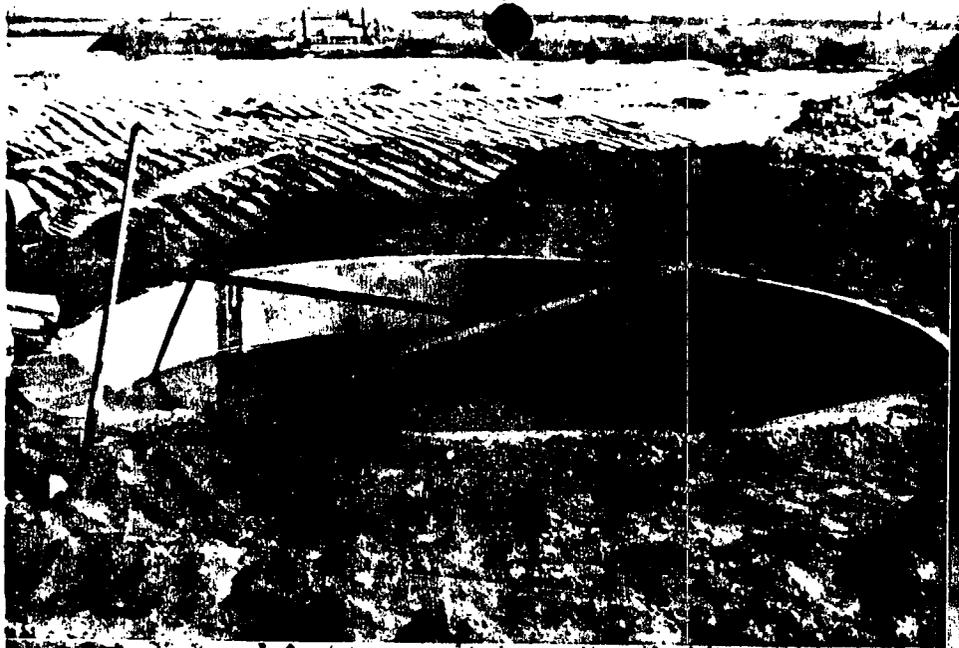
CANNOT BE IMPROVED

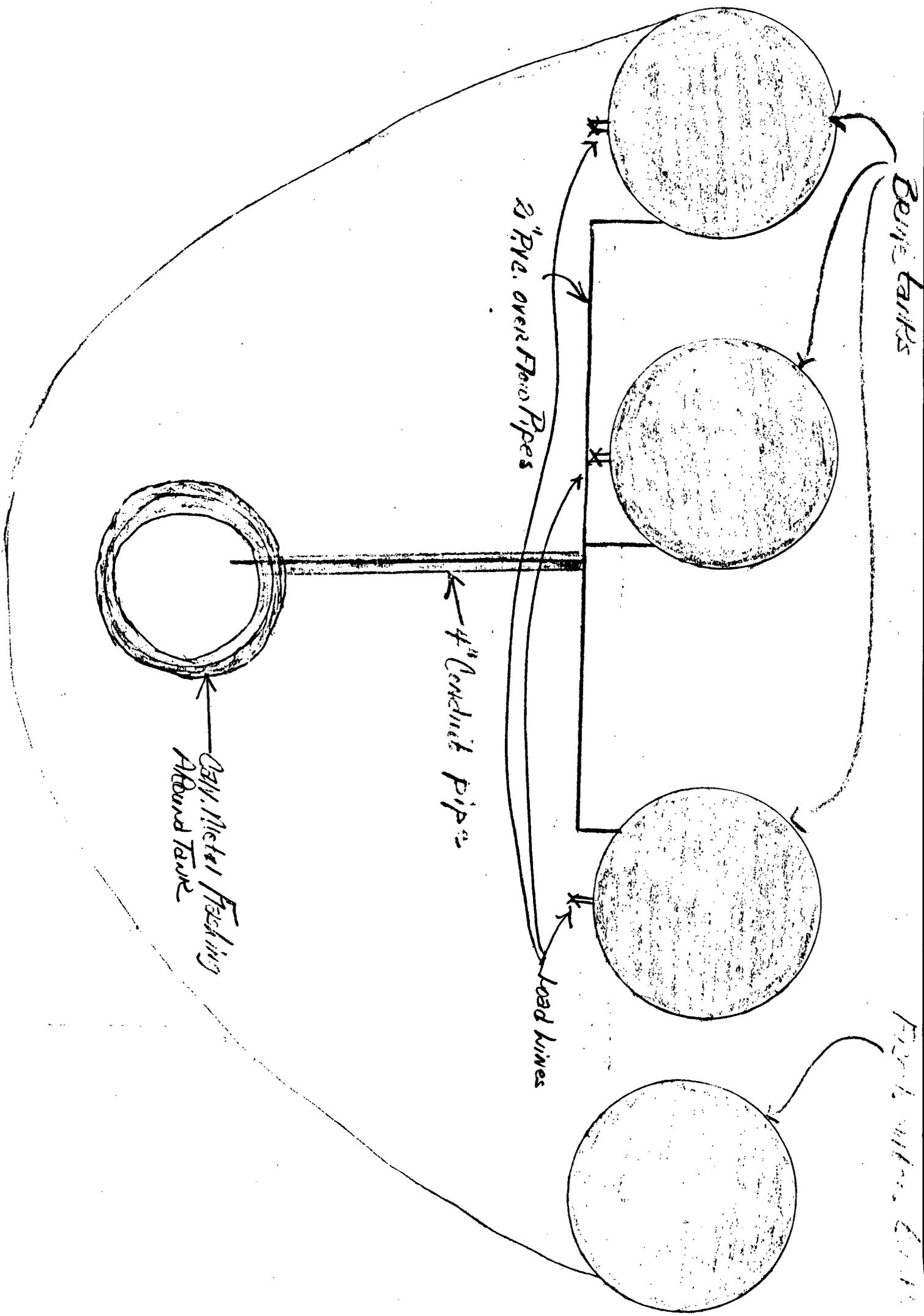
DUE TO

THE CONDITION OF

THE ORIGINAL

F + S. BRINE





Beine tanks

Flow into tank

2" PVC over Flow Pipes

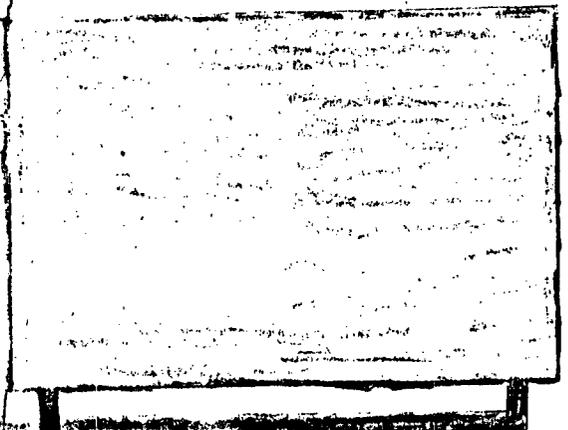
4" Conduit Pipe

Load Lines

Galv. Metal Flashing Around Tank

42.5. DRAIN

1000 GAL. BRINE TANK



3" P.V.C. overflow lines

4" conduit pipe

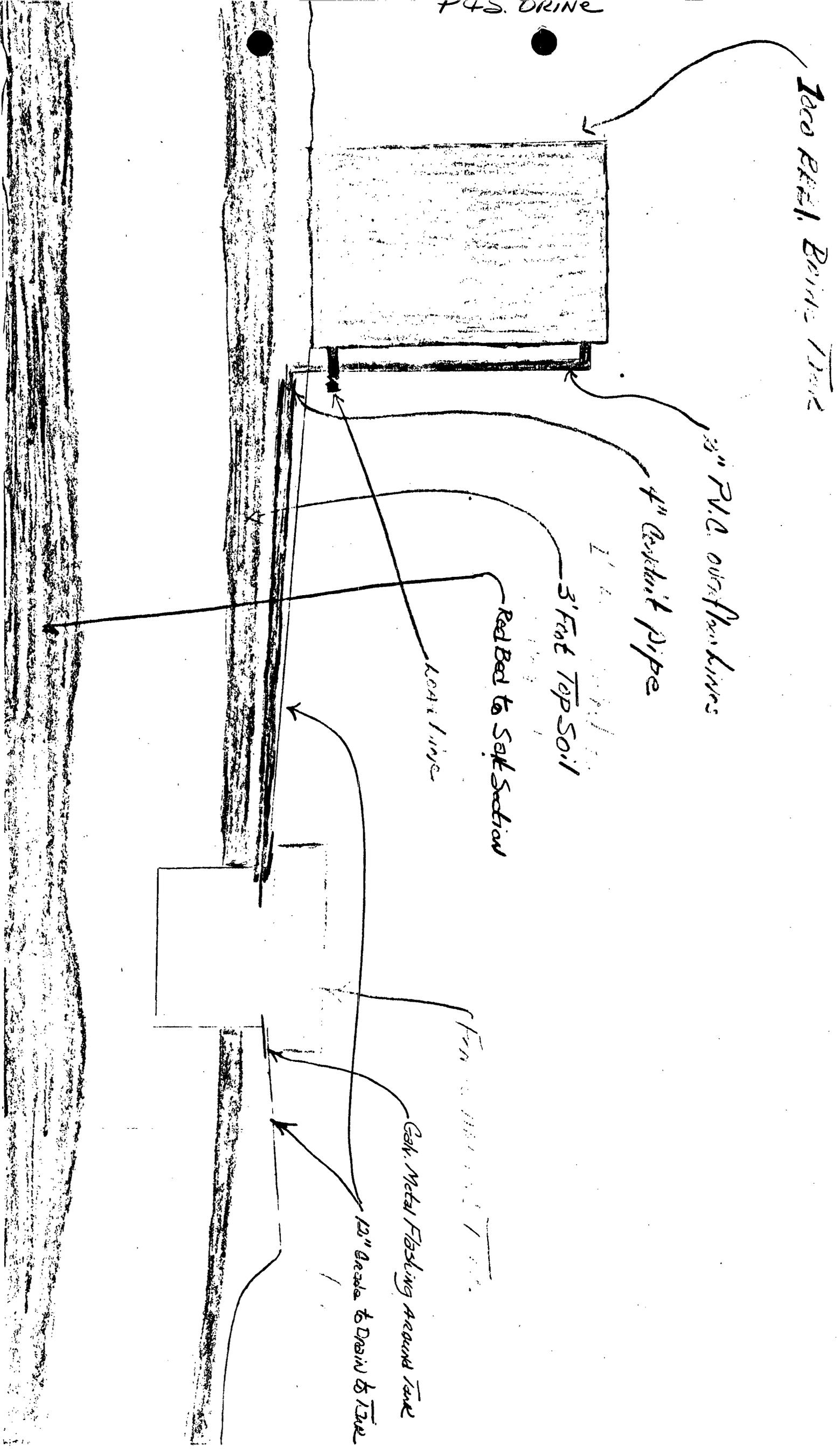
3' Feet TOP SOIL

Red Bed to Salt Section

concrete

Galv. Metal Flashing Around Tank

12" Gravel to Drain to Tank



P. O. BOX 1737
EUNICE, NEW MEXICO 88231

Nº 13198

Date 12-23-85
Company Chaparral Basin St
Address _____

_____ Bbls. Production Water
_____ Bbls. B S & W
_____ Bbls. Solids

Remarks 1 1/2 gals

Truck No. _____

Lease Name _____

Accepted by [Signature]
Company Representative

PARABO, Inc.
P. O. BOX 1737
EUNICE, NEW MEXICO 88231

Nº 13199

Date 2-23-85
Company Chaparral Basin St
Address _____

_____ Bbls. Production Water
_____ Bbls. B S & W
_____ Bbls. Solids

Remarks 1 2 gals

Truck No. _____

Lease Name _____

Accepted by [Signature]
Company Representative

24 yards clay Dkt Hauled to Parabo -

Fiberglass
Tank
Manufacturers

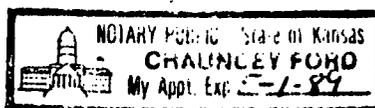
GLASCO TANK CO.

Route 2 - Box 147
Ellinwood, Ka. 67526
(316) 564-2502

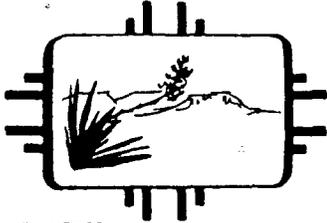
January 13, 1986

This is to certify that Glasco Tank
Company, Inc. tanks will not leak,
and are free of defects.

Sam Casey
Sam Casey
President



Chaucey Ford



NEW MEXICO
HEALTH AND ENVIRONMENT
DEPARTMENT

Post Office Box 968
Santa Fe, New Mexico 87504-0968

GARREY CARRUTHERS
Governor

LARRY GORDON
Secretary

CARLA L. MUTH
Deputy Secretary

April 8, 1987

Mr. Paul Prather
P & S Brine Sales
P. O. Box 1768
Eunice, New Mexico 88231

Dear Mr. Prather:

I have enclosed the information concerning your discharge plan that you requested. This data will be helpful in completing your application to renew your discharge plan.

Some of the areas that have not been addressed in your present plan are:

1. Testing the mechanical integrity of the well,
2. Determination of an area of review and inventory of wells in the area of review,
3. Changes in monitoring requirements,
4. Plugging and abandonment schedule.

If you have any questions or need assistance, please contact Kevin Lambert at (505) 827-2902.

Sincerely yours,

Gerard Koschal
Water Resource Specialist



Post Office Box 968
Santa Fe, New Mexico 87504-0968

GABRIEL GARRUTHERS
Governor
LARRY GORDON
Secretary
CARLA L. MUTH
Deputy Secretary

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 25, 1987

Paul D. Prather
P & S Brine Sales
P.O. Box 1768
Eunice, NM 88231

RE: Discharge Plan DP-319

Dear Mr. Prather:

In the summer of 1983, the Water Quality Control Commission (WQCC) transferred its delegation of authority from the Oil Conservation Division (OCD) to the Environmental Improvement Division (EID) to administer discharge plans for brine extraction facilities. On December 18, 1982, the discharge plan DP-319 for the P & S Brine Sales brine station in Eunice located in Lea County was approved by the Director of the OCD. This discharge plan was required and submitted pursuant to WQCC Regulations and it was approved for a period of up to five years. The approval will expire on December 18, 1987.

If you are still discharging at this facility and wish to continue discharging, please submit your application for renewal of plan approval, including a complete Part 5 discharge plan amendment/renewal, as quickly as possible. The necessary forms for making those submissions are enclosed. Submitting your application in a timely fashion will aid the EID in processing your discharge plan prior to the expiration date. Also, please indicate whether you have made or intend to make any changes in your discharge.

Section 5-101.G. of the WQCC regulations assures that those who are in compliance with their approved discharge plan on the date of its expiration, and who submit a complete application for a discharge plan renewal at least 180 days before the expiration date, which in this case would be June 15, 1987, will remain in compliance until the application for discharge plan renewal has been approved or disapproved. Applications for renewals submitted after June 15, 1987 may result in a discharge not in compliance, if EID is not provided sufficient time to process the application. Therefore, the EID recommends you submit an application for discharge plan renewal which include and adequately address all of the information necessary for evaluation of a new discharge plan well in advance of June 15, 1987.

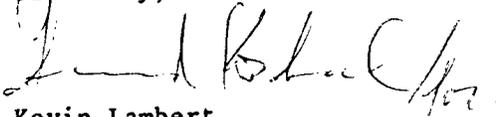
EQUAL OPPORTUNITY EMPLOYER

Paul D. Prather
February 25, 1987
Page 2

If you are no longer discharging and discharge plan renewal is not needed, please notify this office.

If you have any questions, please do not hesitate to contact me at the address listed on the letterhead or telephone number 827-2902.

Sincerely,



Kevin Lambert
Hydrologist
Ground Water Section/Underground
Injection Control

KL:egr

Enclosures

cc: Garrison McCaslin, EID District IV Manager, Roswell

PS Form 3800, June 1985

☆ U.S.G.P.O. 1985-480-794

P 307 966 851

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to <i>Paul D Prather</i>	
Street and No.	<i>P.O. Box 1768</i>
P.O. State and ZIP Code	<i>Lawson NM</i>
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

Fold at line over top of envelope to the right of the return address

BRINE STATION INSPECTION FORM

DATE 12/10 1986 EID INSPECTOR Lambert, Koschal Baker
FACILITY P&S Brine Sales LOCATION Eunice
FACILITY REP ON SITE Name Available COUNTY LEA
DP-319

WELL OPERATION

WELL IS INJECTING: X THROUGH ANNULUS THROUGH TUBING
SOURCE OF FRESH WATER ? City of Eunice ? may have well
TRACE INJECTION/PRODUCTION LINES Buried Lines & Surface Lines
to Brine Tanks
WELL HEAD PRESSURE PSIG PUMP PRESSURE PSIG
LEAKS AROUND WELL OR PUMP None

STORAGE AREA

FOR PONDS:
GENERAL LINER APPEARANCE

AMOUNT OF FREEBOARD
ANY SIGN OF OVERFLOW OR LEAKS
LEAK DETECTION SYSTEM FLUIDS DRY

FOR TANKS:
GENERAL APPEARANCE Good Shape
LABELED PLAINLY YES X NO Can tell difference
BERMED TO PREVENT RUNOFF X YES NO Slope toward collection sump
CHECK CONTENTS TO ASSURE PROPER FLUID/LABLE MATCH

NUMBER OF TANKS FOR 4 BRINE 3 FRESH WATER 1

LOADING AREA

PROPERLY GRADED AND BERMED TO CONTAIN SPILLAGE X YES NO
ANY EVIDENCE OF RECENT SPILLAGE YES X NO
DOES FACILITY HAVE A SPILL COLLECTION SYSTEM X YES NO
ANY EVIDENCE OF OIL SPILLING/DUMPING YES X NO

MONITORING WELLS

DEPTH FT STATIC WATER LEVEL FT BELOW CASING
SAMPLED THIS VISIT YES NO TEMP Ec

COMMENTS Facility in good shape

MEMORANDUM OF MEETING OR CONVERSATION

Telephone Personal Time 10:00 am Date 7-9-86

Originating Party: Don Lotjens 397-5250 Other Parties: Karl Souder

Subject: Complaint from citizens re "routine" dumping of brine at McCasland Trucking, Ave. O, Eureka

Discussion: Don Lotjen has seen dumping occurring. Says it appears that either brine or saline wash water is routinely disposed in their parking lot. He also saw an apparently unlined waste pond containing oily wastes at the site.

NOT SIMS McCASLAND BRINE STATION

Conclusions or Agreements: Steve - Don would like you to call him for details.

Frequently dumping brine by spraying out on property. Neighbor complained about salt killing her trees. Don will send a memo & photos. I told him they are in process of modifying their discharge plan SWS

Distribution: Fik Signed: Karl Souder

TONEY ANAYA
GOVERNOR

DENISE D. FORT
DIRECTOR



STATE OF NEW MEXICO

ENVIRONMENTAL IMPROVEMENT DIVISION

P.O. Box 968, Santa Fe, New Mexico 87504-0968
(505) 984-0020

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

May 19, 1986

Mr. Paul D. Prather
P & S Brine Sales
P.O. Box 1768
Eunice, New Mexico 88231

Dear Mr. Prather:

The modification of the discharge plan (DP-319) for your Brine Sales Facility located in Lea County, New Mexico is hereby approved. The approved discharge plan modification consists of the materials dated January 20, 1986 plus the information and materials submitted as part of the original discharge plan approved December 18, 1982.

The discharge plan modification application was submitted pursuant to Section 3-106 of the New Mexico Water Quality Control Commission Regulations. It is approved pursuant to Section 3-109. Please note Subsections 3-109.E. and 3-109.F., which provide for possible future amendment of the plan. Please be advised that the approval of this plan does not relieve you of liability should your operation result in actual pollution of surface or ground waters which may be actionable under other laws and/or regulations.

There will be no monitoring or reporting requirements.

Pursuant to Subsection 3-109.G.4., this modification approval expires December 18, 1987, the same date as the original plan, and you should submit an application for a new approval in ample time for that date.

Paul D. Prather

Page 2

May 19, 1986

On behalf of the staff of the Ground Water Section, I wish to thank you for your cooperation during this discharge plan review.

Sincerely,



Ernest Rebeck
Bureau Chief
Ground Water/Hazardous Waste Bureau

ER/SWS/mp

cc: EID District IV Manager, Roswell
EID Hobbs Field Office, Hobbs

E I D B U C K S L I P

CHECK ONE:

LETTER TO Mr. Paul D. Prather
for Ernest Rebuck's signature

MEMO TO _____

PRESS RELEASE

OTHER

SUBJECT: P & S Brine Sales

DRAFTED BY: Steve Sares 5/16/86
(Date)

CONCURRENCES:

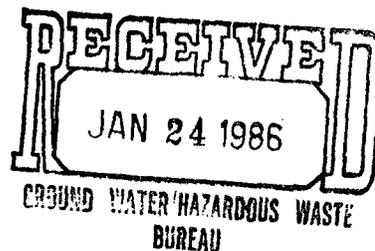
NAME:		INITIAL	DATE REC'D	DATE APPROVED
<u>Karl Souder</u>	Sect. Mgr.	<u>KCS</u>	<u>5/19</u>	<u>5/19</u>
<u>Ernest Rebuck</u>	Bur. Chief	<u>KCS</u>	<u>5/19</u>	<u>5/19</u>
<u>Richard Holland</u>	Dep. Dir.	_____	_____	_____
<u>Denise Fort</u>	Director	_____	_____	_____

FINAL DECISION NEEDED BY MAY 19 BECAUSE This Sat
(date)
around after Paige left & we need to respond. e.g.
It's been longer than 60 days

COMMENTS BY DRAFTER OR REVIEWER(S):

these are minor modifications for spill catchment
at a brine well in Eunice, NM

P & S BRINE SALES
P. O. Box 1768
Eunice, New Mexico 88231
505-394-2545



January 20, 1986

Environmental Improvement Division
P. O. Box 968
Santa Fe, New Mexico 87504-0968

Re: DP-319 - Discharge Plan for P & S Brine Sales

Dear Paige Morgan:

Please find attached copies and photos of amendments that have been made to brine P & S Brine Sales into compliance with your rules and regulations for the Environmental Improvement Division.

If we can be of further assistance and should anything need to be changed, please let us know.

We will notify Don Lutgins so that he may inspect this facility.

Yours very truly,

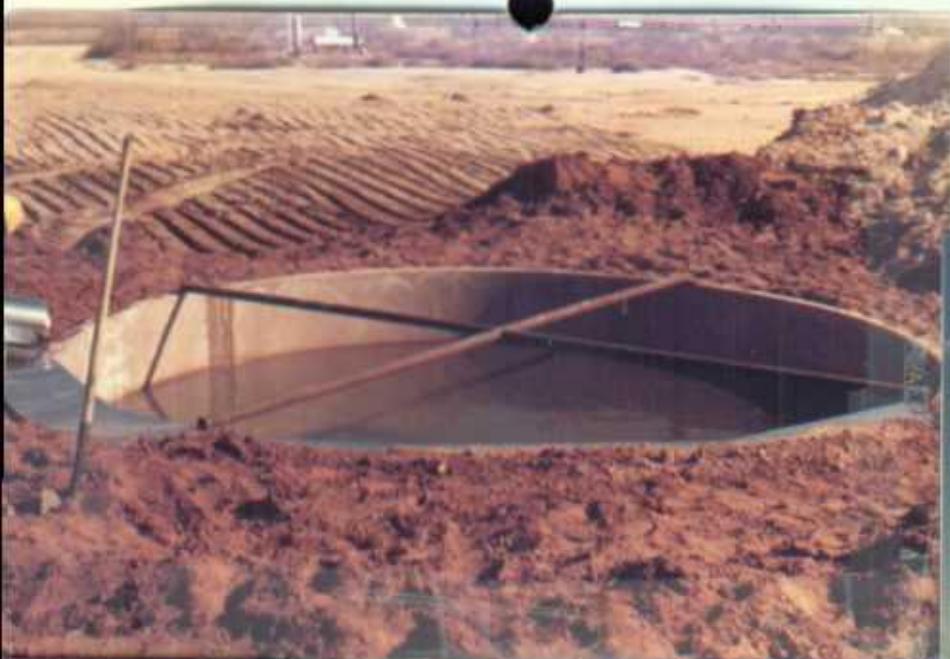
P & S BRINE SALES

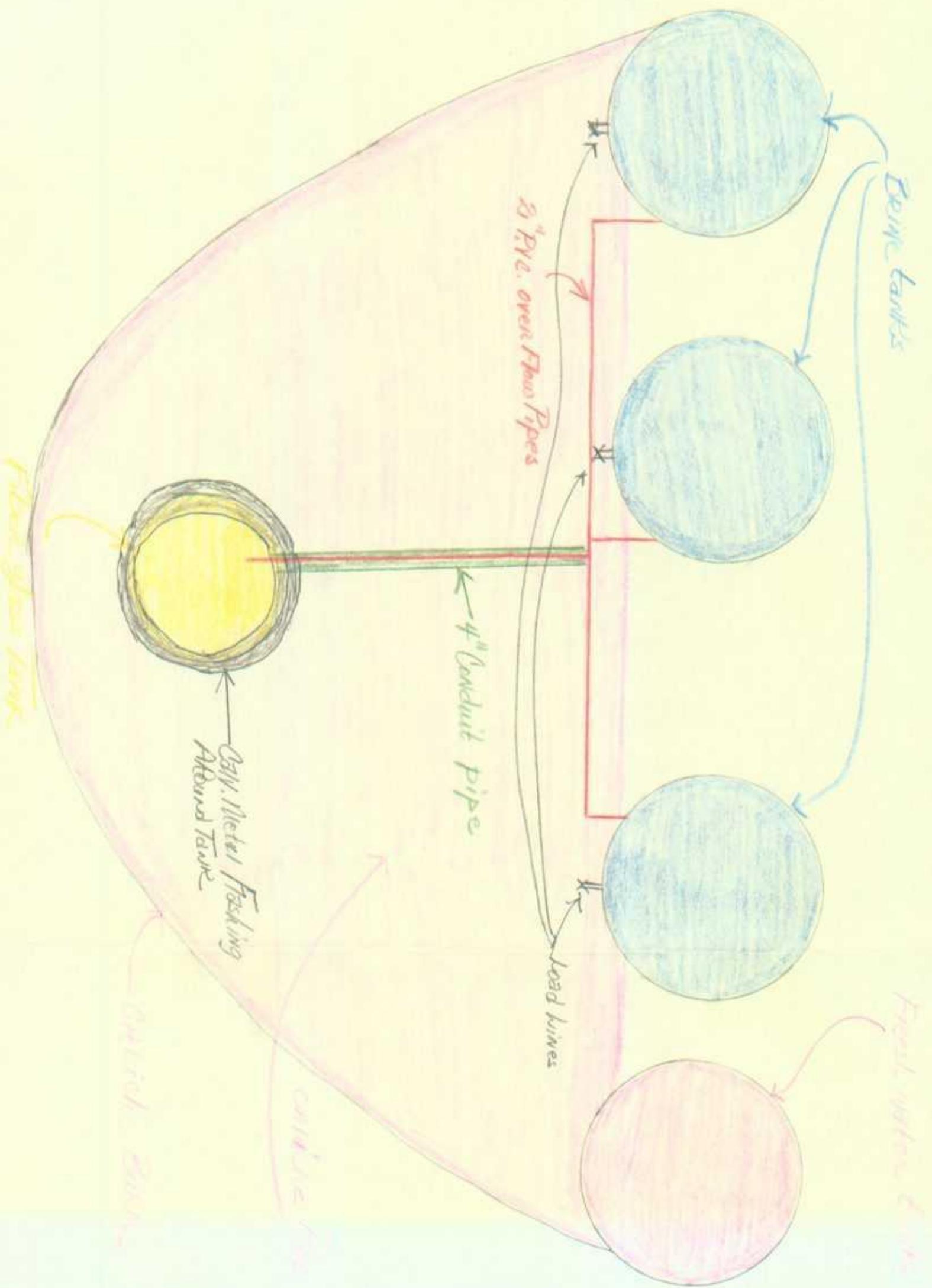
A handwritten signature in cursive script, appearing to read "Paul D. Prather", written over a horizontal line.

Paul D. Prather

PDP:js
Enc/5

P+S. BRINE





Iron Steel Bridge Tank

3" P.V.C. overflow lines

4" conduit pipe

1' Foot collides

3' Foot Top Soil

Red Bed to Soft Section

Load lines

Load lines

Iron Steel Filtration Tank

Fence Around Tank

Galv. Metal Filtration around Tank

12" Grade to Drain to 13' below

13' below



PARABO, Inc.
P. O. BOX 1737
EUNICE, NEW MEXICO 88231

Nº 13198

Date 12-23-85
Company Chaparral Basin ST
Address _____

_____ Bbls. Production Water
_____ Bbls. B S & W
_____ Bbls. Solids

Remarks 12 Gals

Truck No. _____

Lease Name _____

Accepted by [Signature]
Company Representative

PARABO, Inc.
P. O. BOX 1737
EUNICE, NEW MEXICO 88231

Nº 13199

Date 2-23-85
Company Chaparral Basin ST
Address _____

_____ Bbls. Production Water
_____ Bbls. B S & W
_____ Bbls. Solids

Remarks 12 Gals

Truck No. _____

Lease Name _____

Accepted by [Signature]
Company Representative

24 yards Wiley Dirt Hauled to Parabo -

Fiberglass
Tank
Manufacturers

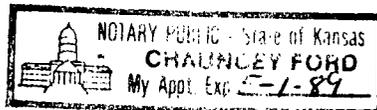
GLASCO TANK CO.

Route 2 - Box 147
Ellinwood, Ks. 67526
(316) 564-2502

January 13, 1986

This is to certify that Glasco Tank
Company, Inc. tanks will not leak,
and are free of defects.

Sam Casey
Sam Casey
President



Chauncey Ford



TONEY ANAYA
GOVERNOR

DENISE D. FORT
DIRECTOR

STATE OF NEW MEXICO

ENVIRONMENTAL IMPROVEMENT DIVISION

P.O. Box 968, Santa Fe, New Mexico 87504-0968
(505) 984-0020

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 20, 1985

P&S Brine Sales
P.O. Box 1768
Eunice, New Mexico 88231

Dear Sir:

Enclosed is a copy of the public notice pertaining to your proposed discharge which was issued by this division pursuant to New Mexico Water Quality Control Commission Regulations, Section 3-108.

If you have any questions, please do not hesitate to contact me at the above address and telephone number (ext. 279).

Sincerely,

Ron C. Conrad
Program Manager
Ground Water Section

• RCC/mp

Enclosure

TONY ANAYA
GOVERNOR

DENISE D. FORT
DIRECTOR



STATE OF NEW MEXICO

ENVIRONMENTAL IMPROVEMENT DIVISION

P.O. Box 968, Santa Fe, New Mexico 87504-0968
(505) 984-0020

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 20, 1985

Board of County Commissioners
County of Lea
Lea County Courthouse
Hobbs, New Mexico 88240

Board of County Commissioners:

Enclosed is a public notice which includes notice of proposed discharge plan(s) for one or more operations located in your county.

If you have any questions, please do not hesitate to contact me at the address and telephone number given above.

Sincerely,

Ron C. Conrad
Program Manager
Ground Water Section

RCC/mp

Enclosure

TONY ANAYA
GOVERNOR

DENISE D. FORT
DIRECTOR



STATE OF NEW MEXICO

ENVIRONMENTAL IMPROVEMENT DIVISION

P.O. Box 968, Santa Fe, New Mexico 87504-0968

(505) 984-0020

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 20, 1985

The Honorable Bill Waldrap, Mayor
City of Hobbs
P.O. Box 1117
Hobbs, New Mexico 88240

Dear Mayor Waldrap:

Enclosed is a public notice which includes notice of a proposed discharge plan(s) for one or more operations in or near your city.

If you have any questions, please do not hesitate to contact me at the above address and telephone number (ext. 279).

Sincerely,

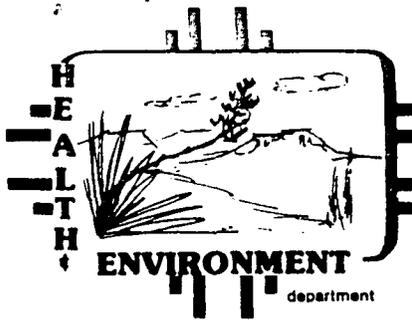
Ron C. Conrad
Program Manager
Ground Water Section

RCC/mp

Enclosure

TONY ANAYA
GOVERNOR

DENISE D. FORT
DIRECTOR



STATE OF NEW MEXICO

ENVIRONMENTAL IMPROVEMENT DIVISION

P.O. Box 968, Santa Fe, New Mexico 87504-0968
(505) 984-0020

December 20, 1985

ALBUQUERQUE JOURNAL
P.O. Drawer J
Albuquerque, New Mexico 87103

Attention: LEGAL ADVERTISING

Dear Sir or Madam:

Please publish the enclosed public notice concerning discharge plan(s) in the classified legal section of the Albuquerque Journal on or before December 30, 1985.

Send your statement and two (2) copies of the Affidavit of Publication to me at the above address.

Thank you.

Sincerely,

Kent Postrik

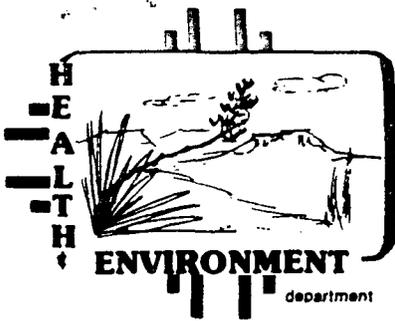
Ron C. Conrad *for*
Program Manager
Ground Water Section

RCC/mp

Enclosure

TONEY ANAYA
GOVERNOR

DENISE D. FORT
DIRECTOR



STATE OF NEW MEXICO

ENVIRONMENTAL IMPROVEMENT DIVISION

P.O. Box 968, Santa Fe, New Mexico 87504-0968
(505) 984-0020

December 20, 1985

Hobbs News-Sun
201 North Thorp
Hobbs, New Mexico 88240

Dear Sir or Madam:

Please publish the enclosed public notice concerning discharge plan(s) in the classified legal section on or before December 30, 1985.

Send your statement and two (2) copies of the Affidavit of Publication to me at the above address.

Please print only the section(s) highlighted in yellow.

Thank you.

Sincerely,

Ron C. Conrad
Program Manager
Ground Water Section

RCC/mp

Enclosure

DECEMBER 20, 1985

TO BE PUBLISHED ON OR BEFORE DECEMBER 30, 1985

PUBLIC NOTICE
NEW MEXICO ENVIRONMENTAL IMPROVEMENT DIVISION

Notice is hereby given that, pursuant to New Mexico Water Quality Control Commission Regulations, the following proposed discharge plans have been submitted for approval to the Director of the New Mexico Environmental Improvement Division, P.O. Box 968, Santa Fe, New Mexico 87504-0968; telephone (505) 827-2906.

(DP-162) JIM RICHARDSON DAIRY d/b/a Yorktown Dairy, Jim Richardson, owner, Rt. 2 Box 85H, Roswell, New Mexico 88201, proposes to renew the discharge plan for the disposal of wastewater from a 800 cow dairy located south of Roswell in Section 19, T11S, R25E, Chaves County. Milking center wastewater, which averages 15,000 gallons per day, is land applied to 134 acres of cropland. The ground water most likely to be affected is at a depth of approximately 21 feet with a total dissolved solids content of approximately 2500 mg/l.

(DP-319) P&S BRINE SALES, P.O. Box 1768, Eunice, New Mexico 88231, has submitted an amendment to the discharge plan for their brine extraction well and associated surface facilities located in the SW 1/4, SE 1/4, Section 34, T21S, R37E, just south of Eunice in Lea County, New Mexico. Brine is manufactured by means of an injection well drilled to a total depth of about 1900 feet. Fresh water purchased from the City of Eunice is injected through the casing-tubing annulus into the dry salt beds of the Salado Formation, and the resulting dense brine (339,000 mg/1TDS) is brought to the surface and stored in three 1000-barrel tanks for sale to tank trucks on demand. Injection volume averages 212,735 barrels per year. The proposed modification to this operation consists of installing a lined emergency spill catchment pit, paving the truck loading area to cause all spillage to flow to the lined catchment, and taking other measures to prevent ground water contamination from surface activities. Ground water most likely to be affected by this operation is at a depth of approximately 45 feet and has a TDS content of about 1000 to 1400 mg/l.

Any interested person may obtain further information from the Ground Water Section, Ground Water/Hazardous Waste Bureau, EID, and may submit written comments to the Director of the EID at the address given above. Prior to ruling on any proposed discharge plan or its modification, the Director of EID will allow thirty (30) days after the date of publication of this Notice during which comments may be submitted to her and a public hearing may be requested by any interested person. Requests for public hearing shall set forth the reasons why the hearing should be held. A hearing will be held if the Director determines that there is significant public interest.

TONEY ANAYA
GOVERNOR

DENISE D. FORT
DIRECTOR



STATE OF NEW MEXICO

ENVIRONMENTAL IMPROVEMENT DIVISION

P.O. Box 968, Santa Fe, New Mexico 87504-0968
(505) 984-0020

December 6, 1985

Paul D. Prather
P&S Brine Sales
PO Box 1768
Eunice, NM 88231

Dear Mr. Prather:

Thank you for responding promptly to Mr. Perkins' letter of November 14th. With regard to your proposed amendment to discharge plan DP-319 for the P&S Brine Station: your plans appear generally adequate. Please confirm in writing that in carrying out your modification you will do the following:

Notify the EID at least one week before beginning excavation of the contaminated dirt and other construction.

Excavate the pit to a depth at which the soil has no detectable petroleum odor.

Identify an approved site for disposal of the contaminated dirt and, later, fluids to be pumped out of the fiberglass tank.

Certify that the tank does not leak (submit an affidavit of a test for leakage, a manufacturer's guarantee, or some similar proof).

Insure that the caliche pad is graded in such a way as to deliver all spillage to the tank. In particular, be sure to lay flashing between the lip of the tank and the caliche pad, or make other appropriate arrangements, so that no spillage is allowed to seep into the gap between tank and pad.

Berm the earth around the sides of the buried tank in such a way as to limit the amount of rainfall runoff that can flow into the tank. This will help to prevent the tank's overtopping during an extreme rainstorm before you can get to the tank to pump it out.

Please provide me with a date by which you believe you can carry out the modification of your facilities described in your discharge plan amendment.

The EID is required to publish public notice of a discharge plan amendment . This notice must be published within thirty days of receipt of an amendment - in your case, no later than January 4, 1986. Following publication, we must allow 30 days for public comment before making any final decision to approve or disapprove a discharge plan or amendment thereto. Therefore, I will not be able to recommend

formal approval of your plans until some time in late January or early February. However, I strongly recommend that you take steps to remove the oil and contaminated soil from the pit at the brine station as soon as possible, notifying EID before you do. This step could only be viewed positively, even without formal approval.

Again, thank you for your readiness to correct the environmental problems at P&S Brine Station.

Sincerely,

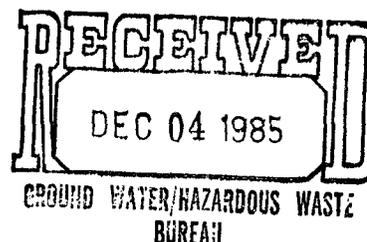


Paige Grant Morgan
Water Resource Specialist
Ground Water Section

PGM:pgm

cc: John Guinn, EID District IV Manager.

P & S BRINE SALES
P. O. Box 1768
Eunice, New Mexico 88231
505-394-2545



December 2, 1985

Environmental Improvement Division
P. O. Box 968
Santa Fe, New Mexico 87504-0968

Attention: Paige Grant Morgan

Dear Ms. Morgan:

In response to your letter of November 14, I would like to submit to you the following list of amendments to our discharge plant:

- I. Dig out and replace all contaminated dirt.
- II. Bury 200 barrel fiberglass open top tank, ground level to catch all run off.
- III. Lay overflow line from tank to open top tank.
- IV. Build sloped pad with caliche from storage tanks to underground tank.

Should you have any other suggestions as to what we might do to improve this location, please advise.

Yours very truly,

P & S BRINE SALES

A handwritten signature in cursive script that reads "Paul D. Prather". The signature is written in dark ink and is positioned below the typed name.

Paul D. Prather
Partner

PDP:js

TONY ANAYA
GOVERNOR

DENISE D. FORT
DIRECTOR



STATE OF NEW MEXICO

ENVIRONMENTAL IMPROVEMENT DIVISION

P.O. Box 968, Santa Fe, New Mexico 87504-0968
(505) 984-0020

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 14, 1985

Paul D. Prather
P&S Brine Sales
PO Box 1768
Eunice, NM 88231

Re: DP-319: Discharge Plan for P&S Brine Sales, Eunice, New Mexico

Dear Mr. Prather:

You were notified in a letter from Paige Grant of the EID staff on February 9, 1984, that the operation of your above-referenced brine station would be reviewed as time allowed, to see that it was in compliance with Section 3 of the New Mexico Water Quality Control Commission (WQCC) regulations under which it was permitted by the Oil Conservation Division.

On November 11, 1985, Paige Grant Morgan and Steven Sares made an inspection of the surface facilities at your brine station and discovered the following conditions:

- 1) A shallow unlined pit full of oil which appeared to have been intentionally dumped rather than spilled during brine loading.
- 2) An unlined ditch into which brine drains periodically by means of overflow pipes from the brine storage tanks. Oily residue was also noted in this ditch.
- 3) No arrangements made in anticipation of spillage or leakage of brine, oil or other water contaminants at the facility to prevent their infiltrating to ground water and impairing its quality.

Therefore, pursuant to Section 3-109.E of the WQCC regulations, you are required to submit to this office within 45 days of receipt of this letter an amendment to your discharge plan which addresses the above concerns. Once your amendment is approved, you will have a specified amount of time in which to carry out the necessary construction to bring this facility into compliance with Part 3 of the WQCC regulations.

Be advised that you may choose at this time to prepare an amended discharge plan pursuant to Part 5 of the WQCC regulations, instead of Part 3 alone. This would be

required in any case when you apply for a renewed permit to operate in 1987, when your present discharge plan expires. I have enclosed an outline for a Part 5 discharge plan, to give you an idea of what is entailed. Some of the required information already exists in your file from your previous submittals, and need not be duplicated.

Whether you choose to submit an amendment covering only those violations noted above, or choose to prepare a complete Part 5 discharge plan amendment/renewal at this time, if we do not receive an adequate response to this letter within 45 days, the director of EID may terminate the discharge plan approval under which you are operating (see Section 3-109.E.2). You are reminded that, pursuant to Section 5-101.B.3, it is unlawful to operate an injection well in the state of New Mexico without an approved discharge plan.

Please contact Paige Grant Morgan at 827-2901 or at the address given in the letterhead, if you have any questions on the contents of this letter.

Sincerely,



Richard Perkins
Acting Bureau Chief
Ground Water/Hazardous Waste Bureau

RP:PGM:pgm

cc: John Guinn, EID District IV Manager

CHECK ONE:

LETTER TO P&S Bruce Sales
for Perkins' signature

MEMO TO _____

PRESS RELEASE

OTHER

SUBJECT: DP amendment required

DRAFTED BY: Judy Morgan _____ (Date)

CONCURRENCES:

NAME:		INITIAL	DATE REC'D	DATE APPROVED
<u>R. Conrad</u>	Sect. Mgr.	<u>RC</u>	<u>11/14/85</u>	<u>11/14/85</u>
_____	Bur. Chief	<u>BB</u>	_____	<u>11/15</u>
<u>Richard Holland</u>	Dep. Dir.	_____	_____	_____
<u>Denise Fort</u>	Director	_____	_____	_____

FINAL DECISION NEEDED BY ASAP BECAUSE it's so
(date)
hard to get word processor done to change date!

COMMENTS BY DRAFTER OR REVIEWER(S):

PT 5 Brine Sales

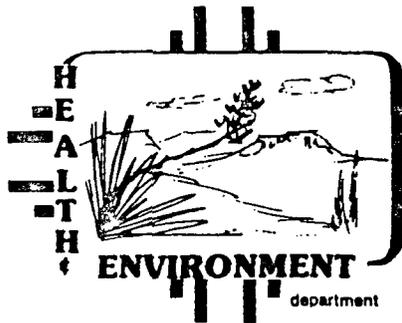
Sec 34, T21-S R 37E L EA.

PH 505-394-2545

Neon Eunice

PAUL D. PRATHER

- 1 Dirt Pit to catch overflow. ch out
- 2 ch set brine tanks + liners 3
- 3 loading area + relation to spill sump (dirt pit)
- 4 no mention of KC holding tank in schematic
what is KC
- 5 no pict of brine overflow pit
- look for sump truck



STATE OF NEW MEXICO

ENVIRONMENTAL IMPROVEMENT DIVISION
P.O. Box 968, Santa Fe, New Mexico 87504-0968
(505) 984-0020

Steven Asher, Director

TONEY ANAYA
GOVERNOR

ROBERT McNEILL
SECRETARY

ROBERT L. LOVATO, M.A.P.A.
DEPUTY SECRETARY

JOSEPH F. JOHNSON
DEPUTY SECRETARY

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 9, 1984

Mr. Paul D. Prather
P & S Brine Sales
P.O. Box 1768
Eunice, NM 88231

Dear Mr. Prather:

For your information, the responsibility for regulating brine extraction wells in the state of New Mexico was transferred in September, 1983 from the Oil Conservation Division (OCD) of the Energy and Minerals Department, to the Environmental Improvement Division (EID) of the Health and Environment Department.

The transfer will probably have no effect on your operation until 1986, when, if you plan to continue producing brine at your facility, you will need to start the process of applying for renewed approval of your discharge plan. Your present approval expires December 18, 1987, five years after the date the plan was approved.

At that time, you will need to prepare a discharge plan which includes the elements required under Section 5 as well as Section 3 of the Water Quality Control Commission (WQCC) Regulations (copy enclosed). Prior to December 20, 1982, a discharge plan consisted of only those elements listed in Section 3. Section 5 was added to the regulations in order to comply with federal Environmental Protection Agency (EPA) regulations to protect drinking water from pollution that might occur due to injection of fluids underground. The preparation of a Part 5 UIC application will require you to provide considerably more technical information than was needed for Part 3 discharge plan approval. It is for this reason that we recommend you begin to prepare your discharge plan renewal about eighteen months before the date that your current permit lapses. This should allow ample time for preparation, review, correction and final submittal of your new plan.

In the meantime, you are required to operate your facility in compliance with the standards of Section 3 of the WQCC Regulations. As time permits, we will

Mr. Prather
February 9, 1984
Page 2

undertake a review of your present discharge plan and your field operation, to assure that it meets those standards.

If you have any questions or require further information, please contact me at the above address and telephone number (ext. 285).

Sincerely,



Paige Grant
Hydrologist
Ground Water Section

PG:egr

Enclosure

cc: John Guinn, EID District IV, Manager
EID Field Office, Hobbs
Joe Ramey, Director, OCD

MSR



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

December 18, 1982

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

P & S Brine Sales
P.O. Box 1768
Eunice, New Mexico 88231

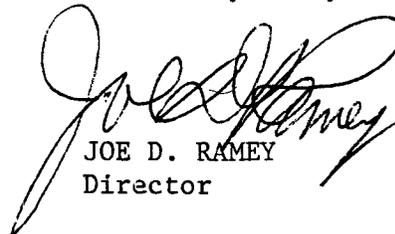
RE: GWB-7
Discharge Plan

Gentlemen:

The discharge plan submitted for the brine production facility and in situ extraction well located in Section 34, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby approved.

The discharge plan was submitted pursuant to Section 3-106 of the Water Quality Control Commission regulations. It is approved pursuant to Section 109. Please note subsections 3-109E and 3-109.F which provide for possible future amendment of the plan. Please also be advised that the approval of this plan does not relieve you of liability should your operation result in actual pollution of surface or ground waters which may be actionable under other laws and/or regulations.

Yours very truly,


JOE D. RAMEY
Director

JDR/OS/dp

cc: Hobbs District Office

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO

Notice is hereby given that pursuant to New Mexico Water Quality Control Commission Regulations, the following proposed discharge plan has been submitted for approval to the Director of the Oil Conservation Division, P. O. Box 2088, State Land Office Building, Santa Fe, New Mexico 87501, telephone (505) 827-3260.

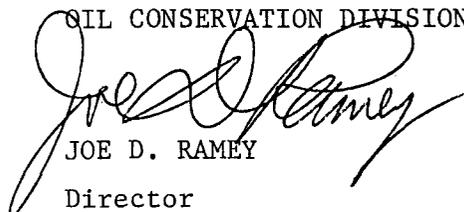
P and S BRINE SALES, P. O. Box 1768, Eunice, New Mexico 88231, telephone (505) 394-2545, requests approval of their discharge plan for their brine in situ extraction well and facility located in Section 34, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. P and S Brine Sales injects water down their injection well to an underlying salt formation thereby dissolving the salt, forming a brine water solution with a total dissolved solids content of approximately 300,000 mg/L. P and S Brine Sales extracts and sells the brine water solution to various companies for use in oil and gas production.

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. 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.

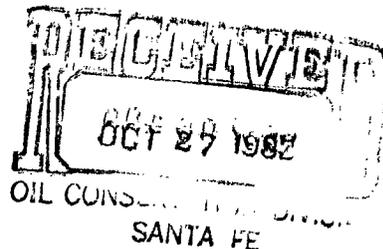
If no public hearing is held, the Director will approve or disapprove the proposed plan based on information available. If a public hearing is held, the Director will approve or disapprove the proposed plan based on information in the plan and information submitted at the hearing.

GIVEN Under the Seal of the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 12th day of November, 1982.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

P & S BRINE SALES
P. O. Box 1768
Eunice, New Mexico 88231



October 26, 1982

State of New Mexico Energy & Minerals Dept.
Oil Conservation Division
P. O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87501

Attention: Mr. Oscar Simpson III

Dear Sir:

Attached please find information which I hope will enable you to approve our brine station.

Should any further information be needed, please feel free to call me at 505-394-2545.

Yours very truly,

P & S BRINE SALES

A handwritten signature in cursive script that reads 'Paul D. Prather'.

Paul D. Prather
Partner

PDP:js
Enc/

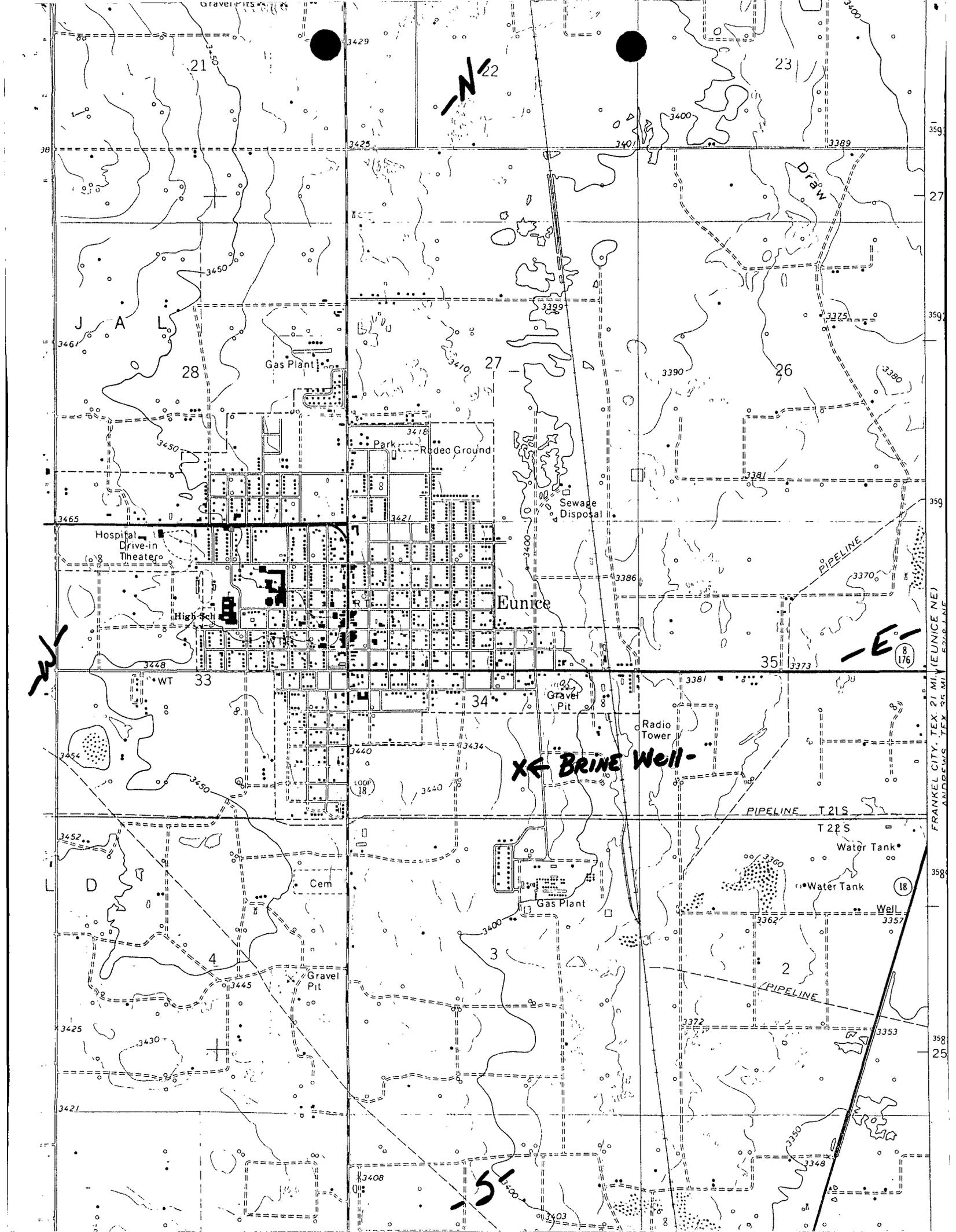
P & S BRINE SALES

Eunice, New Mexico



TOPOGRAPHIC MAP
-Location of Brine Well-

-/-



N

E

S

X ← BRINE Well

(8 176)

(18)

LOOP (18)

FRANKEL CITY, TEX 21 MI. (EUNICE NE)
ANDREWS, TEX 25 MI. (EUNICE NE)

Elevation being 3,334 ft.

There is no flood hazard.

Water wells within a 2 mile radius:

See attached map:

Water Wells Locations

X PHE Plant Well -

Waters of Gulf Water Flood 930' to 1110'
Gulf Wells (25-21-31 + 26-21-31) for Plant Use
Domestic 90' to 120' 3 to 5 G.P.M. Brackish

Domestic Owners

<u>Humble Oil Co (EXXON)</u>	<u>Sec. 3-22-37</u>
<u>Willie Bettis</u>	<u>Sec. 33-22-37</u>
<u>Nix Osborn</u>	<u>Sec. 4-22-37</u>
<u>C. H. Bettis</u>	<u>Sec. 9-22-37</u>
<u>PAT Sims</u>	<u>Sec. 33-21-37</u>
<u>Millard Deck</u>	<u>Sec. 28-21-37</u>
<u>Richard Robinson</u>	<u>Sec. 34-21-37</u>
<u>Nadine Owens</u>	<u>Sec. 35-21-37</u>
<u>Bobby Wallack</u>	<u>Sec. 36-21-37</u>
<u>Humble Oil Co. (EXXON)</u>	<u>Sec. 2-22-37</u>
<u>Percilla Brunson</u>	<u>Sec. 10-22-37</u>
<u>Dickie Roberson</u>	<u>Sec. 27-21-37</u>
<u>GRANT Culver</u>	<u>Sec. 27-21-37</u>

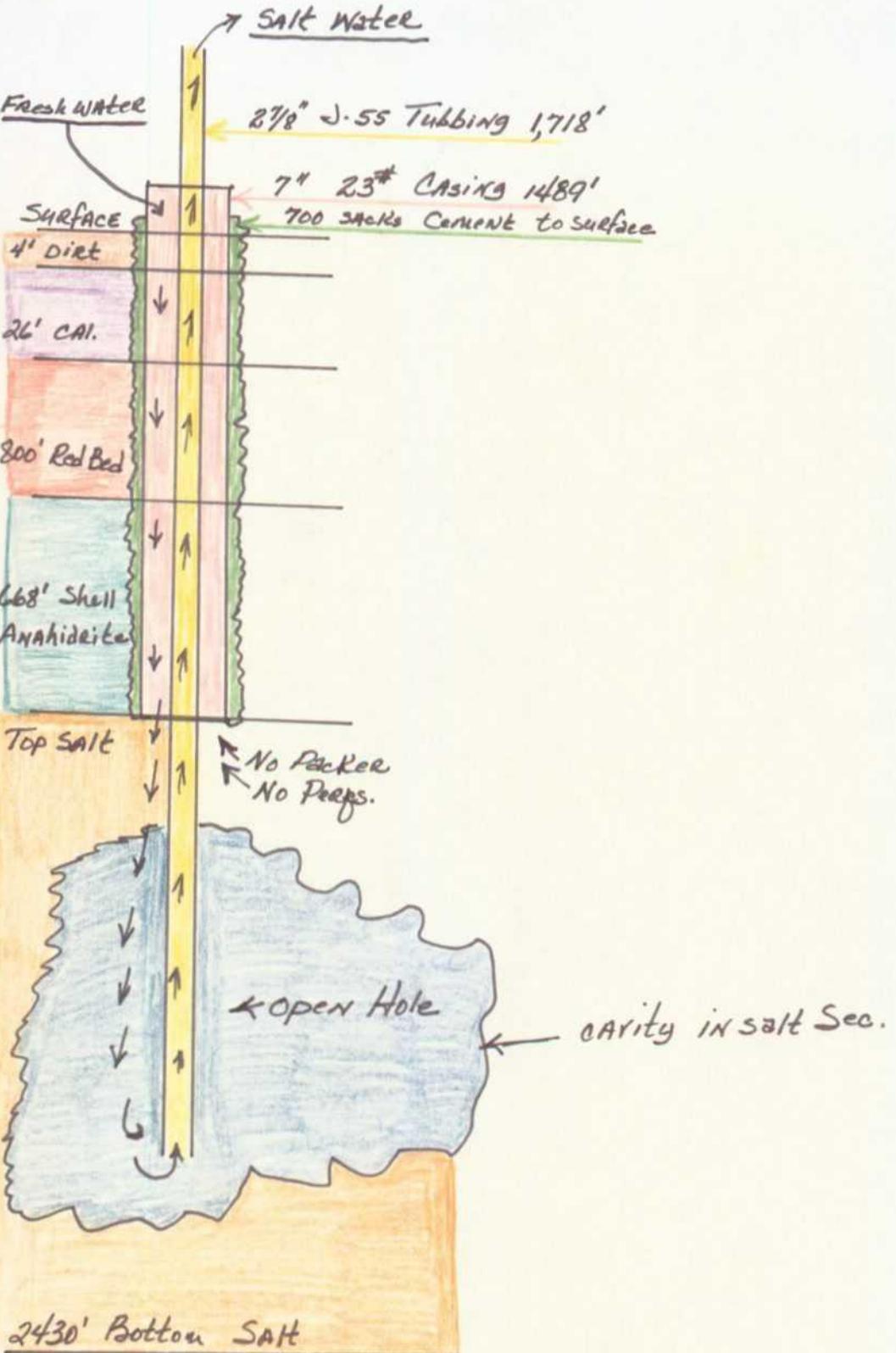
See Attached Map on

PAGE 3

Water well owners, depth, quantity & quality.

See attached page:

Detailed schematic diagram of brine well:



Fresh water is pumped down casing All Time to keep salt from eating up casing. Salt water comes out tubing.

1,718' 27/8" J-55 Tubbing noncoated

1,489' 7" 23# casing

- (A) 4' Dirt & Sand
26' Caliche
800' Red Bed
668' Shale & Anhydrite

 - (B) Top of Salt Section - 1,489 Ft.

 - (C) Cemented with 400 sacks of Halliburton Light
with 15 lbs. salt and $\frac{1}{4}$ lb. Flocele per sack,
followed by 300 sacks of Class C"C with 2%
CaCl₂.
- Cemented from top of salt section to top of
surface.

-SUPPLY WATER ANALYSIS-

See attached pages:



State of New Mexico
HEALTH and ENVIRONMENT DEPARTMENT
SCIENTIFIC
LABORATORY DIVISION

CHEMICAL and PHYSICAL ANALYSES
for WATER SAMPLES

CONSULT SLD Lab Annex L for proper presentation of sample(s). TYPE or PRINT with Ball Point Pen

CHEMICAL ANALYSES: Check individual items for analysis
[Mark appropriate box(es)]

INTERIM PRIMARY PARAMETER GROUP
 1 2 3

TYPE OF CHEMICAL ANALYSIS
 Complete-Secondary

Organic

Radiological

Water Supply System Name

Water Supply System Code No.

City or Location

County

Check one:

TREATED WATER RAW WATER

Collection Date

Collection Time

Collection Point

Collector's remarks

Report to

Collected By

Owner

TYPE OF SYSTEM (Check one)

PRIVATE PUBLIC: Community Non-community

SOURCE: Spring Lake Well-Depth Pool Drain Stream Other (specify)

LAT. ° ' " LONG ° ' "

Date received
7/21/61

Lab No.
5000074

SLD user code No.

CATIONS	mg/l	ANIONS	mg/l	PHYSICAL	HEAVY METALS		PARAMETER	ORGANIC	mg/l
					mg/l	mg/l			
00930 Sodium (as Na)	36.8	00940 Chloride (as Cl)	345	70300 Total Filterable Residue	01000 Arsenic	371		39390 Endrin	
00935 Potassium (as K)	234	00950 Fluoride (as F)	106	38260 F. foaming Agents (as Las)	01005 Barium	<005		39732 Lindane	
00900 Tot. Hardness (as CaCO ₃)	217	00620 Nitrate (as N)		00095 Conductance Micromhos 25°C	01025 Cadmium	588		38270 Methoxychlor	
00915 Calcium (as Ca)	67.6	00430 Alkalinity (as CaCO ₃)	173	00400 pH	01030 Chromium	737		39400 Toxaphene	
00925 Magnesium (as Mg)	11.7	00440 Bicarbonate (as HCO ₃)	211.4	01330 Odor	01049 Lead	0		39730 2,4-D	
01045 Iron-Total (as Fe)	<0.25	00445 Carbonate (as CO ₃)	0.0	00080 Color	07180 Mercury	0		39740 2,4,5-TP (Silvex)	
01056 Manganese (as Mn)	<0.05	00945 Sulfate (as SO ₄)	62.8	00070 Turbidity	01145 Selenium	0.1			
					01075 Silver				

LABORATORY REMARKS:

HOBBBS OFFICE

RECEIVED

JUL 28 1961

Reviewed by

Date reported

7/21/61



State of New Mexico
HEALTH and ENVIRONMENT DEPARTMENT
SCIENTIFIC
LABORATORY DIVISION

CHEMICAL and PHYSICAL ANALYSES
for WATER SAMPLES

CONSULT SLD Lab Annex L for proper presentation of sample(s). TYPE or PRINT with Ball Point Pen

CHEMICAL ANALYSES: Check individual items for analysis [Mark appropriate box(es)]

INTERIM PRIMARY PARAMETER GROUP

TYPE of CHEMICAL ANALYSIS

Organic

Radiological

Water Supply System Name

Water Supply System Code No.

City or Location

County

Check one:
 TREATED WATER

RAW WATER

Collection Date

Collection Point

Collector's remarks:

Report to

Collected By

Owner

SOURCE:

Address

TYPE of SYSTEM (Check one)
 PRIVATE PUBLIC: Community Non-community

Spring Lake Well-Depth
 Drain Stream Pool Other (specify)

LAT. ° ' "

LONG ° ' "

CATIONS	mg/l	ANIONS	mg/l	PHYSICAL	HEAVY METALS		PARAMETER	ORGANIC	mg/l
					mg/l	mg/l			
00930 Sodium (as Na)	4114	00940 Chloride (as Cl)	342	70300 Total Filterable Residue	01000 Arsenic	568	01501 Gross Alpha	39390 Endrin	
00935 Potassium (as K)	234	00950 Fluoride (as F)	092	38260 Foaming Agents (as Las)	01005 Barium	2005	01501 Gross Alpha	39732 Lindane	
00900 Tot. Hardness (as CaCO ₃)	215	00620 Nitrate (as N)		00095 Conductance Micromhos 25°C	01025 Cadmium	565	01501 Gross Alpha	38270 Methoxychlor	
00915 Calcium (as Ca)	686	00430 Alkalinity (as CaCO ₃)	188	00400 pH	01030 Chromium	780	03501 Gross Beta	39400 Toxaphene	
00925 Magnesium (as Mg)	106	00440 Bicarbonate (as HCO ₃)	2296	01330 Odor	01049 Lead	0	03501 Gross Beta	39730 2,4-D	
01045 Iron-Total (as Fe)	<0.25	00445 Carbonate (as CO ₃)	00	00080 Color	07180 Mercury	0	09501 Radium-226	39740 2,4,5-TFP (Silverx)	
01056 Manganese (as Mn)	<0.05	00945 Sulfate (as SO ₄)	628	00070 Turbidity	01145 Selenium	02	11501 Radium-228		
					01075 Silver				

LABORATORY REMARKS:

JUL 28 1981

HOBBS OFFICE

Reviewed by

Date reported

Date received 7/2/81

Lab No. 600005

SLD user code No.



State of New Mexico
HEALTH and ENVIRONMENT DEPARTMENT
SCIENTIFIC
LABORATORY DIVISION

CHEMICAL and PHYSICAL ANALYSES
for WATER SAMPLES

Date received
7/28/81

Lab No.
W-0076

SLD user code No.

CONSULT SLD Lab Annex L for proper presentation of sample(s). TYPE or PRINT with Ball Point Pen

CHEMICAL ANALYSES: Check individual items for analysis [Mark appropriate box(es)]

INTERIM PRIMARY PARAMETER GROUP

TYPE of CHEMICAL ANALYSIS

Organic Radiological

Water Supply System Name: [Blank]

Water Supply System Code No. 1 2 3

City or Location: [Blank]

Complete Secondary TREATED WATER RAW WATER

Collection Date: [Blank]

Collection Time: [Blank]

Collection Point: Well #3

Report to: [Blank]

Collected By: [Blank]

Owner: [Blank]

Collector's remarks: [Blank]

Address: [Blank]

TYPE of SYSTEM (Check one)
PRIVATE PUBLIC: Community Non-community

SOURCE: Spring Lake Well-Depth Drain Stream Pool Other (specify) [Blank]

LAT. 0 0 LONG 0 0

CATIONS	mg/l	ANIONS	mg/l	PHYSICAL		HEAVY METALS	mg/l	PARAMETER	ORGANIC	mg/l
				70300 Total Filterable Residue	38260 Foaming Agents (as Las)					
00930 Sodium (as Na)	391.1	00940 Chloride (as Cl)	331.1		368				39390 Endrin	
00935 Potassium (as K)	234	00950 Fluoride (as F)	100		<0.05				39732 Lindane	
00900 Tot. Hardness (as CaCO ₃)	215	00620 Nitrate (as N)			541				38270 Methoxychlor	
00915 Calcium (as Ca)	682	00430 Alkalinity (as CaCO ₃)	182		784				39400 Toxaphene	
00925 Magnesium (as Mg)	109	00440 Bicarbonate (as HCO ₃)	222.0		0				39730 2,4-D	
01045 Iron-Total (as Fe)	<0.25	00445 Carbonate (as CO ₃)	00		0				39740 2,4,5-TP (Silvex)	
01056 Manganese (as Mn)	20.05	00945 Sulfate (as SO ₄)	61.4		0.2					
LABORATORY REMARKS:										
RECEIVED JUL 28 1981										
HOBBBS OFFICE										

Reviewed by: [Signature]
Date reported: 7/28/81



State of New Mexico
HEALTH and ENVIRONMENT DEPARTMENT
SCIENTIFIC
LABORATORY DIVISION

CHEMICAL and PHYSICAL ANALYSES
for WATER SAMPLES

CONSULT SLD Lab Annex L for proper presentation of sample(s). TYPE or PRINT with Ball Point Pen.

CHEMICAL ANALYSES: Check individual items for analysis [Mark appropriate boxes]

INTERIM PRIMARY PARAMETER GROUP

TYPE of CHEMICAL ANALYSIS

Water Supply System Name

City or Location

County

Check one:

TREATED WATER

Collection Date

Collector's Remarks

Report to

RAW WATER

Collection Time

Collection Point

Source:

Address

Collected By

Owner

Drain

Well-Depth

Other (specify)

LAT.

LONG

TYPE of SYSTEM (Check one)

PRIVATE

PUBLIC: Community

Non-community

Spring

Lake

Pool

CATIONS

mg/l

ANIONS

mg/l

PHYSICAL

mg/l

HEAVY METALS

mg/l

PARAMETER

ORGANIC

mg/l

CATIONS	mg/l	ANIONS	mg/l	PHYSICAL	mg/l	HEAVY METALS	mg/l	PARAMETER	ORGANIC	mg/l
00930 Sodium (as Na)	1081	00940 Chloride (as Cl)	3655	70300 Total Filterable Residue	1255	01000 Arsenic			39390 Endrin	
00935 Potassium (as K)	468	00950 Fluoride (as F)	109	38260 Foaming Agents (as Las)	1005	01005 Barium			39732 Lindane	
00900 Tot. Hardness (as CaCO ₃)	588	00620 Nitrate (as N)		00095 Conductance Micromhos 25°C	1107	01025 Cadmium			38270 Methoxy chlor	
00915 Calcium (as Ca)	1836	00430 Alkalinity (as CaCO ₃)	218	00400 pH	7.57	01030 Chromium			39400 Toxaphene	
00925 Magnesium (as Mg)	315	00440 Bicarbonate (as HCO ₃)	2662	01330 Odor	0	01049 Lead			39730 2,4-D	
01045 Iron-Total (as Fe)	1025	00445 Carbonate (as CO ₃)	00	00080 Color	2	07180 Mercury			39740 2,4,5-TP (Silvex)	
01056 Manganese (as Mn)	605	00945 Sulfate (as SO ₄)	882	00070 Turbidity	02	01145 Selenium				

LABORATORY REMARKS:

JUL 28 1981

HOBBS OFFICE

RECEIVED

Reviewed by
Date reported

Date received

Lab No.

SLD user code No.



State of New Mexico
HEALTH and ENVIRONMENT DEPARTMENT
SCIENTIFIC
LABORATORY DIVISION

CHEMICAL and PHYSICAL ANALYSES
for WATER SAMPLES

CONSULT SLD Lab Annex L for proper presentation of sample(s). TYPE or PRINT with Ball Point Pen

CHEMICAL ANALYSIS: *Check individual items for analysis*
[Mark appropriate box(es)]

INTERIM PRIMARY PARAMETER GROUP
 1 2

City or Location: *LINNIE*

TYPE of CHEMICAL ANALYSIS
 Complete Secondary

Water Supply System Name: *City of Linn*

Water Supply System Code No. *215-13*

County: *LEE*

Check one: Organic

TREATED WATER RAW WATER

Collection Date: *7/1/81*

Collection Time: *10:00*

Collector's Remarks: *LINNIE*

Report to: *City of Linn*

Collected By: *W. J. ...*

Collection Point: *Well # 2*

Address: *City of Linn*

TYPE of SYSTEM (Check one)
 PRIVATE PUBLIC: Community Non-community

SOURCE: Spring Lake Well-Depth Drain Stream Pool Other (specify) _____

LAT. *36° 52' 31"*
LONG. *93° 52' 31"*

CATIONS	mg/l	ANIONS	mg/l	PHYSICAL	HEAVY METALS	mg/l	PARAMETER	ORGANIC	mg/l
00930 Sodium (as Na)	43.7	00940 Chloride (as Cl)	88.9	70300 Total Filterable Residue	01000 Arsenic			39390 Endrin	
00935 Potassium (as K)	35.1	00950 Fluoride (as F)	0.96	38260 Foaming Agents (as Las)	01005 Barium			39732 Lindane	
00900 Tot. Hardness (as CaCO ₃)	278	00620 Nitrate (as N)		00095 Conductance Micromhos 25°C	01025 Cadmium			38270 Methoxychlor	
00915 Calcium (as Ca)	89.2	00430 Alkalinity (as CaCO ₃)	175	00400 pH	01030 Chromium			39400 Toxaphene	
00925 Magnesium (as Mg)	10.9	00440 Bicarbonate (as HCO ₃)	213.6	01330 Odor	01049 Lead			39730 2,4-D	
01045 Iron-TOTAL (as Fe)	<0.25	00445 Carbonate (as CO ₃)	0.0	00080 Color	07180 Mercury			39740 2,4,5-TP (Silvex)	
01056 Manganese (as Mn)	<0.05	00945 Sulfate (as SO ₄)	62.2	00070 Turbidity	01145 Selenium				

LABORATORY REMARKS:

JUL 28 1981

HOBBS OFFICE

Reviewed by: *[Signature]*

Date reported: *7/1/81*

Date received: *7/1/81*
Lab No. *810-0070*
SLD user code No. *88231*

-BRINE WATER ANALYSIS-

See attached page:

UNICHEM INTERNATIONAL

601 NORTH LEECH

P.O. BOX 1499

HOBBS, NEW MEXICO 88240

PLS Brine Sales

COMPANY :
 DATE : 10-25-82
 FIELD, LEASE & WELL : BRINE STATION P AND S BRINE
 SAMPLING POINT :
 DATE SAMPLED : 10-22-82

SPECIFIC GRAVITY = 1.229
 TOTAL DISSOLVED SOLIDS = 339024
 PH = 7.05

		ME/L	MG/L
CATIONS			
CALCIUM	(CA)+2	66.6	1336
MAGNESIUM	(MG)+2	323.	3930.
SODIUM	(NA).CALC.	5434.	124930.
ANIONS			
BICARBONATE	(HCO3)-1	2	122.
CARBONATE	(CO3)-2	0	0
HYDROXIDE	(OH)-1	0	0
SULFATE	(SO4)-2	182.	8750
CHLORIDES	(CL)-1	5640	199954.
DISSOLVED GASES			
CARBON DIOXIDE	(CO2)	NOT RUN	
HYDROGEN SULFIDE	(H2S)	0	0
OXYGEN	(O2)	NOT RUN	
IRON(TOTAL)	(FE)		3.1
BARIUM	(BA)+2	NOT RUN	
MANGANESE	(MN)	NOT RUN	

SCALING INDEX

TEMP

CARBONATE INDEX
 CALCIUM CARBONATE SCALING

30C
 86F
 -4.8
 UNLIKELY

SULFATE INDEX
 CALCIUM SULFATE SCALING

.339
 LIKELY

DETAILED FLOW DIAGRAM OF HOLDING FACILITIES:

See attached page:

F4S. Brine Storage

3" Load Valves

W

#1 - 1000 Bbl. Brine Tank
w/ Rubber liner

#2 1000 Bbl.
Brine Tank w/ Liner

#3 1000 Bbl. Brine Tank
w/ Rubber liner

High Low Shut down Valve

3 1/2" X 6 Gaso Tug Plex Pump.

Diet Pit to catch spills or overflow

1000 Bbl Fresh water Tank

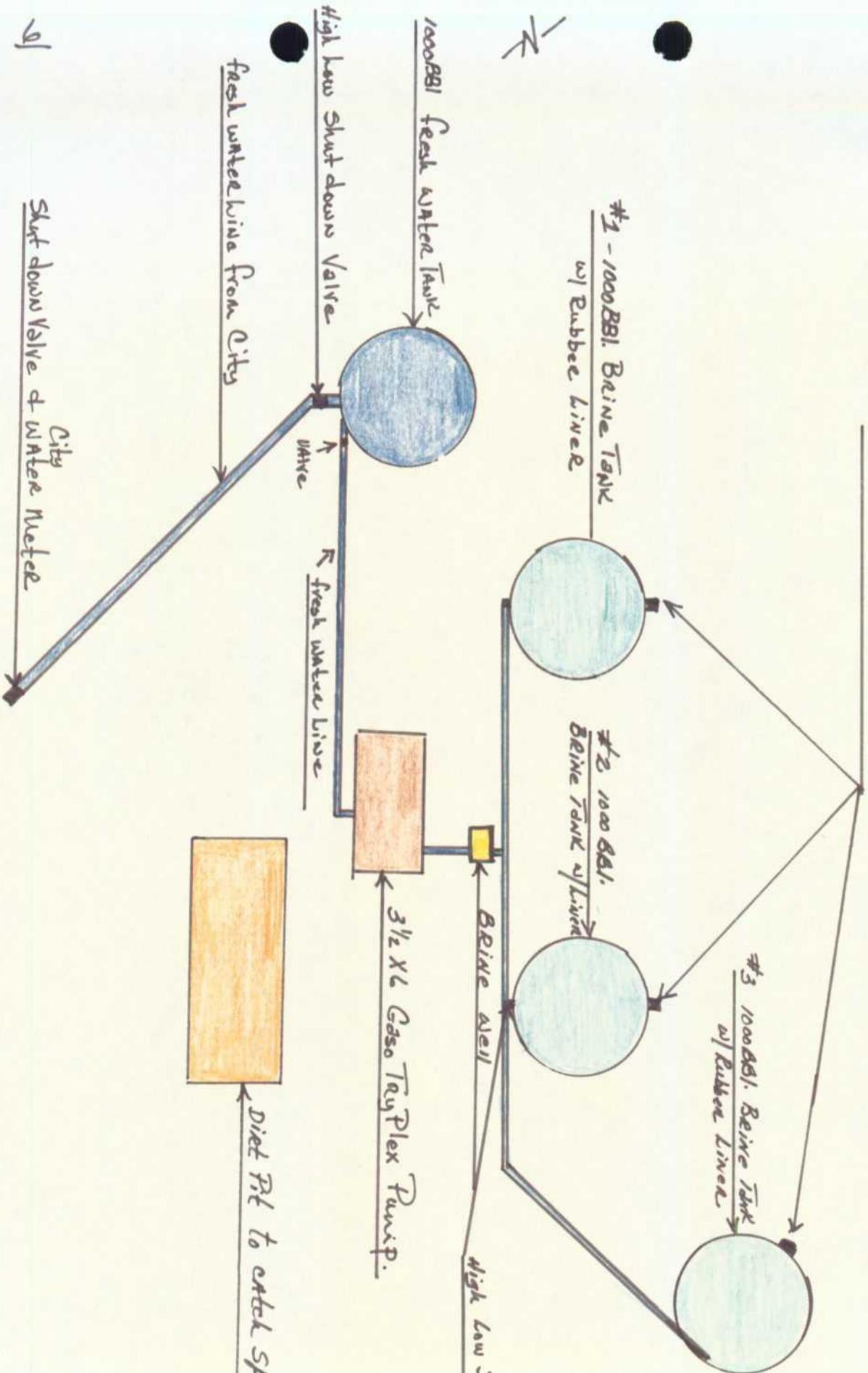
High Low Shut down Valve

Fresh water line from City

Shut down Valve & Water Meter
City

M

S



NARRATIVE OF PAST WORKOVERS

YEARLY TOTALS OF BRINE PRODUCTION

HOLDING TANK, AGE, MATERIAL

MONITORING & INSPECTION SYSTEM

GROUND WATER CONDITION BENEATH FACILITY

METERING DEVICES

WATER QUALITY

PHOTOGRAPHS

See attached pages:

NARRATIVE OF PAST WORKOVERS:

None. This is a new well.

YEARLY TOTALS OF BRINE PRODUCTION:

July through December, 1980	125,145 Bbls.
January through December, 1981	361,466½ Bbls.
January through September, 1982	151,593 Bbls.
TOTAL	638,204½ Bbls.

212,735 ave

DETAILED INFORMATION ON HOLDING TANKS:

3 - 5 year old 1,000 bbl. steel bolted tanks with rubber liners.

MONITORING & INSPECTION SYSTEM:

Brine well is inspected twice daily by Mr. Prather & Mr. Stephens. Leakage or overflow drain into small working pit and is pickup up with the vacuum truck. No overflows because of high-low electrical switches.

GROUND WATER CONDITION BENEATH FACILITY:

State Engineering Dept. - 90' to 120' Ogulaula, fair.

METERING DEVICES:

City water meter for supply water.
Sales tickets for brine sales.

WATER QUALITY:

Fresh water is injected into the ground only. No contaminated water is injected into the brine well at any time.

PHOTOGRAPHS:

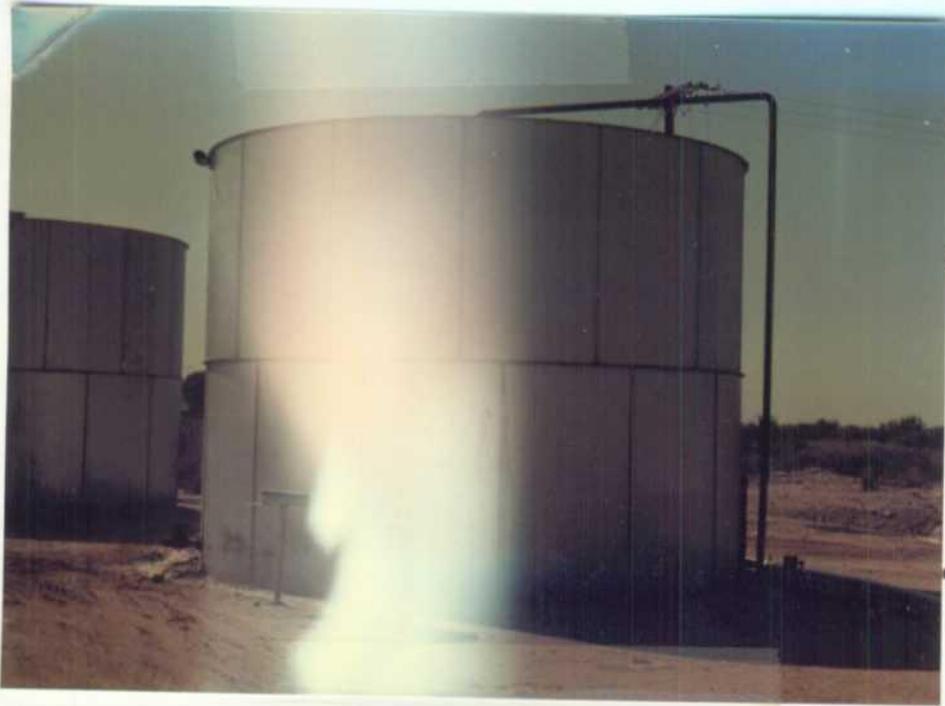
In order to keep any brine water from going back into the ground, we have a small working pit and have our own vacuum truck to pick up this water and put back into tanks. (See photographs)



- ← ORANGE TANK -
Holding TANK for
KC WATER
- ← Standby pump -
- ← pump house
- ← well head



- ← Fresh Water TANK
- ← Load Valve



← 1000 Bbl. Brine Tank

← 3" fill line

← Auto. Shut down Valve



← Brine Well head -

← Fresh water line

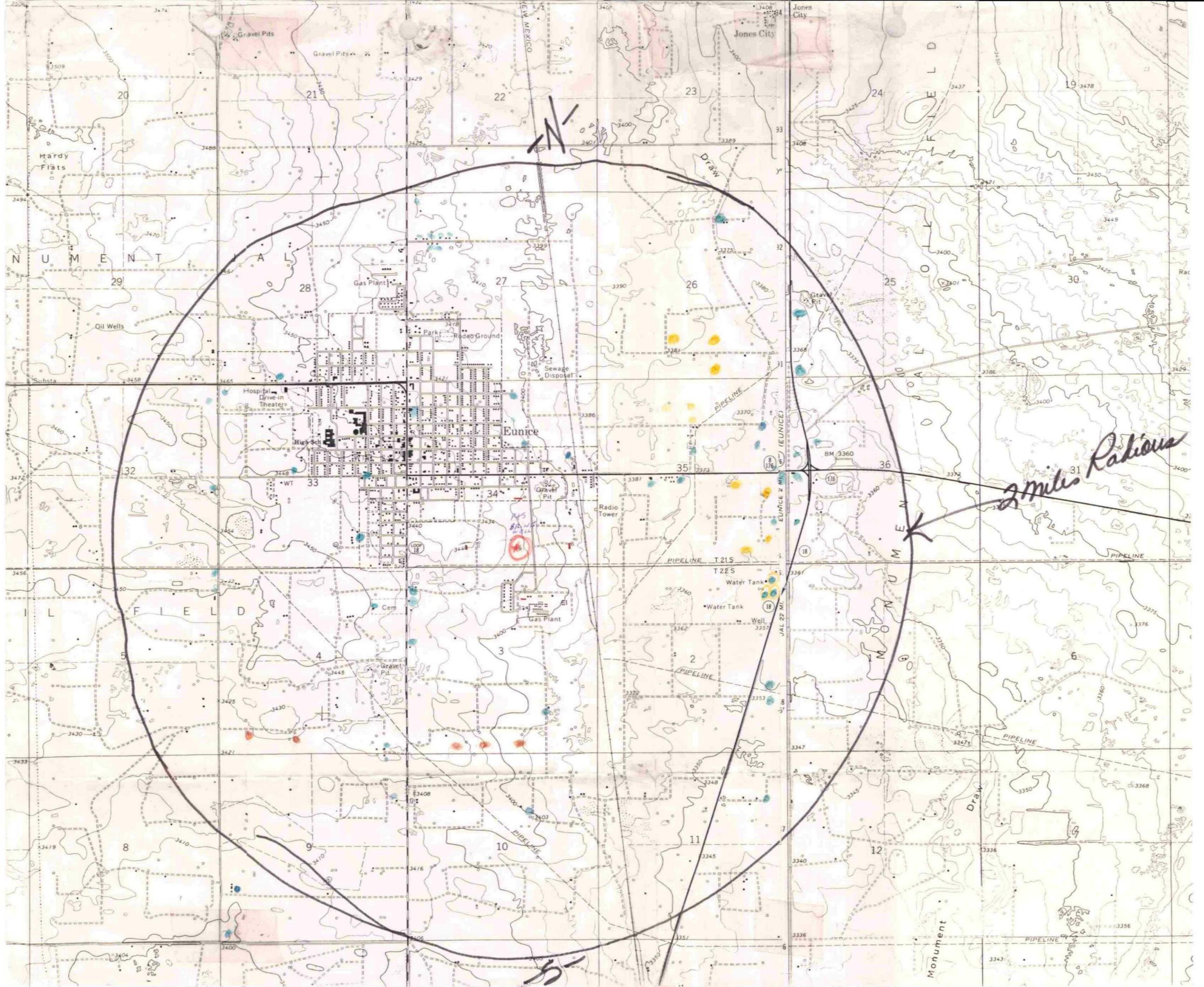
← Equalizer line to 3 Tanks

← Brine line to Tanks.

P+S. Brine Fac.



↑
over flow pit.



INJECTION WELL DATA SHEET

P.S. BRINE SALTS

OPERATOR

LEASE

#1

34

21 South

37 East

WELL NO.

FOOTAGE LOCATION

SECTION

TOWNSHIP

RANGE

Schematic

Tubular Data

Surface Casing

Size 7" Cemented with 700 sx.

TOC Surface feet determined by 1489'

Hole size 8 1/4"

Intermediate Casing

Size NONE Cemented with NONE sx.

TOC NONE feet determined by NONE

Hole size NONE

Long string

Size NONE Cemented with NONE sx.

TOC NONE feet determined by NONE

Hole size NONE

Total depth NONE

Injection interval

feet to open hole feet (perforated or open-hole, indicate which)

Tubing size 2 7/8" lined with NONE set in a Wen head packer at NO packer feet.

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation SALT Section

2. Name of Field or Pool (if applicable)

3. Is this a new well drilled for injection? [X] Yes [] No

If no, for what purpose was the well originally drilled?

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) NO

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. NONE

DRILLING RECORDER

24

HOUR

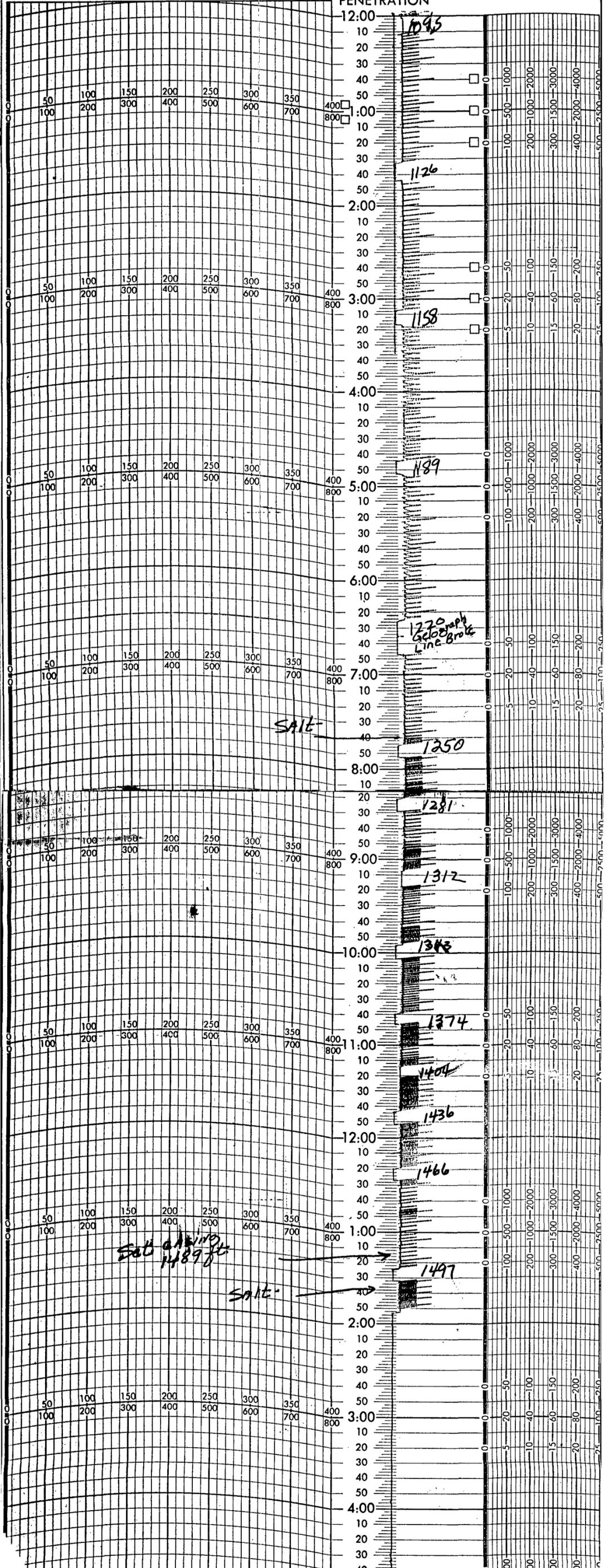
24

HOUR

OPERATOR: *Baker Well Serv. #1*
LOCATION: *P+5 Prairie Sales* STATE: *New Mexico*
COUNTY: *Lea* T.D. OFF: *1521*
DATE ON: *7-11-80* T.D. ON: *1095*
FT. DRLD:

- FLUID PRESSURE
- PUMP STROKES
- TORQUE
- R P M
- % MUD FLOW
- % PIT LEVEL

WEIGHT IN 1000 POUNDS PENETRATION





STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

October 7, 1982

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

P & S Brine Sales
P.O. Box 1768
Eunice, New Mexico 88231

ATTENTION: Paul D. Prather

RE: Discharge Plan for P & S
Brine Sales Facility at
Section 34, Township 21
South, Range 37 East, NMPM,
Lea County, NM

Dear Sir:

The Oil Conservation Division (OCD) received your discharge plan for your brine well located in Section 34, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

I have reviewed your plan and find that the following additional information is needed:

1. Submit a topographic map showing the location of your facility. Suggested Map; USGS Topographic Map, 7.5 minute series or equivalent.
2. Relate your facility to the topographic map in regards to any flooding potential of the site and if applicable, what precautions and methods are used to prevent such an occurrence.
3. Show the location of all water wells within a 2 mile radius of your facility on the topographic map. Submit detailed information on these water wells such as owner, purpose, depth, quantity, etc.
4. Submit a detailed schematic diagram of your brine well which illustrates:
 - (a) depths and tops of geologic formations penetrated, and general lithologic description of each.
 - (b) depth to top of salt section
 - (c) tops of cement and volume used
 - (d) Perforations, number of and depth of

- (e) Casing and tubing - kind, weight, sizes
 - (f) Tubing - size, depth, and internal coating (if any)
 - (g) Packer description - depth of (if any)
 - (h) depth to top and bottom of fresh ground water - water of 10,000 mg/L or less.
 - (i) Fill out the attached sheet entitled, "Injection Well Data Sheet".
5. Attach chemical analysis of supply water and brine water produced with the following elements. Analyze for: (1) total dissolved solids (TDS), (2) chloride (CL), (3) Sulfates SO₄, (4) PH (5) specific conductance, (6) specific gravity, (7) bicarbonate (HCO₃) (8) Calcium (Ca), (9) Magnesium (Mg), (10) Total hardness Ca CO₃ (11) Sodium (12) Potassium (13) Iron (Fe), (14) Hydrogen Sulfate (15) Sulfides
 6. Submit a detailed flow diagram which illustrates the operation of how your supply water (water from Eunice Pipeline) is brought in, injected to make brine, stored, and loaded. Submit a narrative description of this process and how each stage is accomplished and controlled to prevent spillage and leakage. Submit photographs of each stage to further illustrate your narrative.
 7. Submit a narrative of past workovers done on your brine well if any. What type of mechanical integrity testing has been performed or intended to perform.
 8. Submit yearly totals of brine produced.
 9. Submit detailed information on holding tanks, age, material they are constructed of, and internal tank lining material if any.
 10. What monitoring or inspection system does your facility have for both ground water beneath your plant and the mechanisms of the brine facility. Or how is leakage or overflow of your brine facility handled and prevented.
 11. Submit detailed information on ground water conditions beneath your facility such as depth to ground water, name of ground water formation, chemical quality, etc.
 12. What type of metering devices are used on supply water and produced brine. Is there an accounting system used to keep track of supply water used versus brine water produced?

13. Please refer to the Water Quality Control Commission regulations Part III, Section 3-106 (C) - questions 1 through 8 and Section 3-107 A, C, and D for further guidance and requirements for discharge plans (pages 24 to 27).
14. Please elaborate in greater detail both with narrative description and photographs explaining the following:

In order to keep any brine water from going back into the ground, we have a small working pit and have our own vacuum truck to pick up this water and put it back into the storage tanks.

If you have any questions regarding this matter, please do not hesitate to call me at (505) 827-2534.

Sincerely,



Oscar A. Simpson, III
Water Resource Specialist

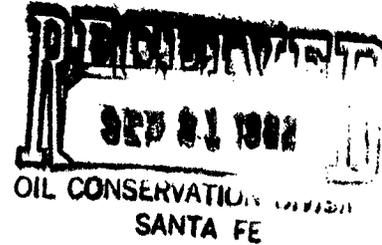
OAS/dp

Enc.

P & S BRINE SALES
P.O. Box 1768
Eunice, New Mexico 88231

September 16, 1982

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



Attention: Mr. Oscar Simpson

Dear Sir:

In order to comply with a request from Mr. Joe D. Ramey for a Discharge Plan on our brine well located in Section 34, Township 21 South, Range 37 East, Lea County, New Mexico we list the following information:

This brine well operates by pumping fresh water down the casing and back out the tubing. This way no salt is ever in the casing and therefore cannot get back into the fresh water formations.

This well was drilled by Baber Drilling Company with a rotary rig.

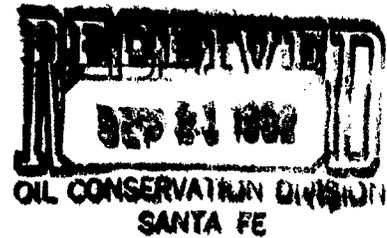
P & S Brine Sales purchases its fresh water from the City of Eunice and stores same in a 1,000 barrel tank on location.

When fresh water is pumped down the casing into the salt section, it washes out the brine water and pumps it to the surface. Once on the surface this brine water is stored in three (3) 1,000 barrel tanks.

In order to keep any brine water from going back into the ground, we have a small working pit and have our own vacuum truck to pick up this water and put it back into the storage tanks.

On the enclosed pages please find the following information:

Page 2
Oil Conservation Division
State of New Mexico



1. Well location and acreage dedicated plat.
2. Cost and company for drilling well.
3. Plugging bond.
4. Drilling record (log).
5. Halliburton cementing proposal.
6. Diagram (surface, casing, tubing).
7. Diagram (wellhead).
8. Tretolite (water analysis report).
9. Pictures of P & S Brine facilities.
10. Well completion report and logs.

Our brine water is sold to various companies including Petro Thermo Corporation, Hobbs, New Mexico, McCasland Services, Inc., Eunice, New Mexico, Chaparral Service, Inc., Eunice, New Mexico, Sonny's Oil Field Services, Hobbs, New Mexico.

The volume of brine water sold from this location will vary from 10,000 barrels per month to 18,000 barrels depending upon the demand for same in this area.

Should you need additional information or have any questions, please call me at 505-394-2545.

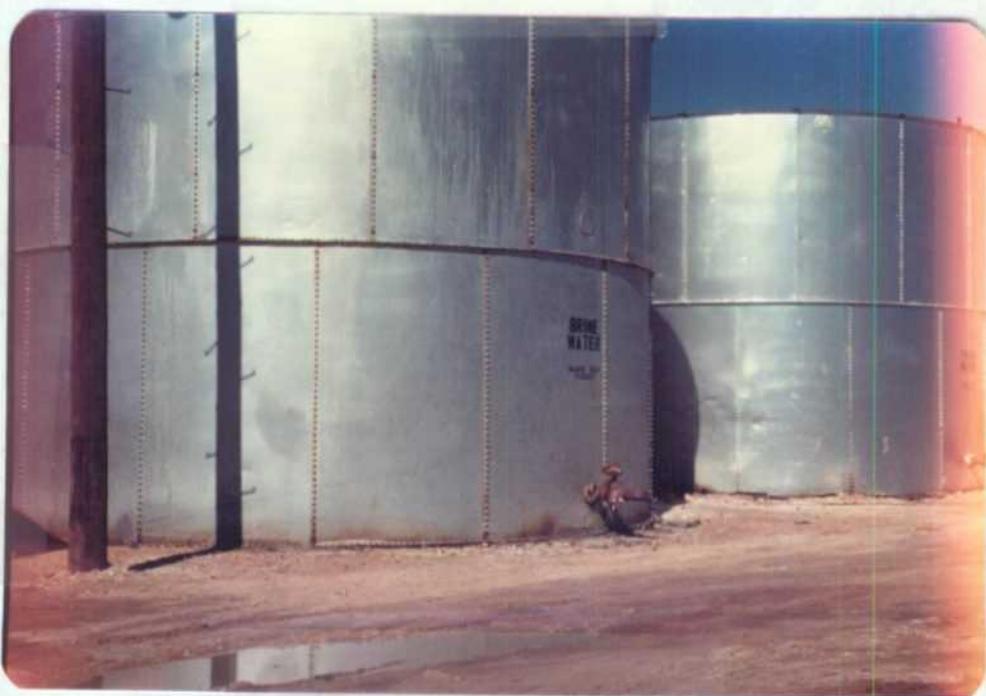
Yours very truly,

P & S BRINE SALES

Paul D. Prather
Partner

PDP:js

P+S. BRINE SALES



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

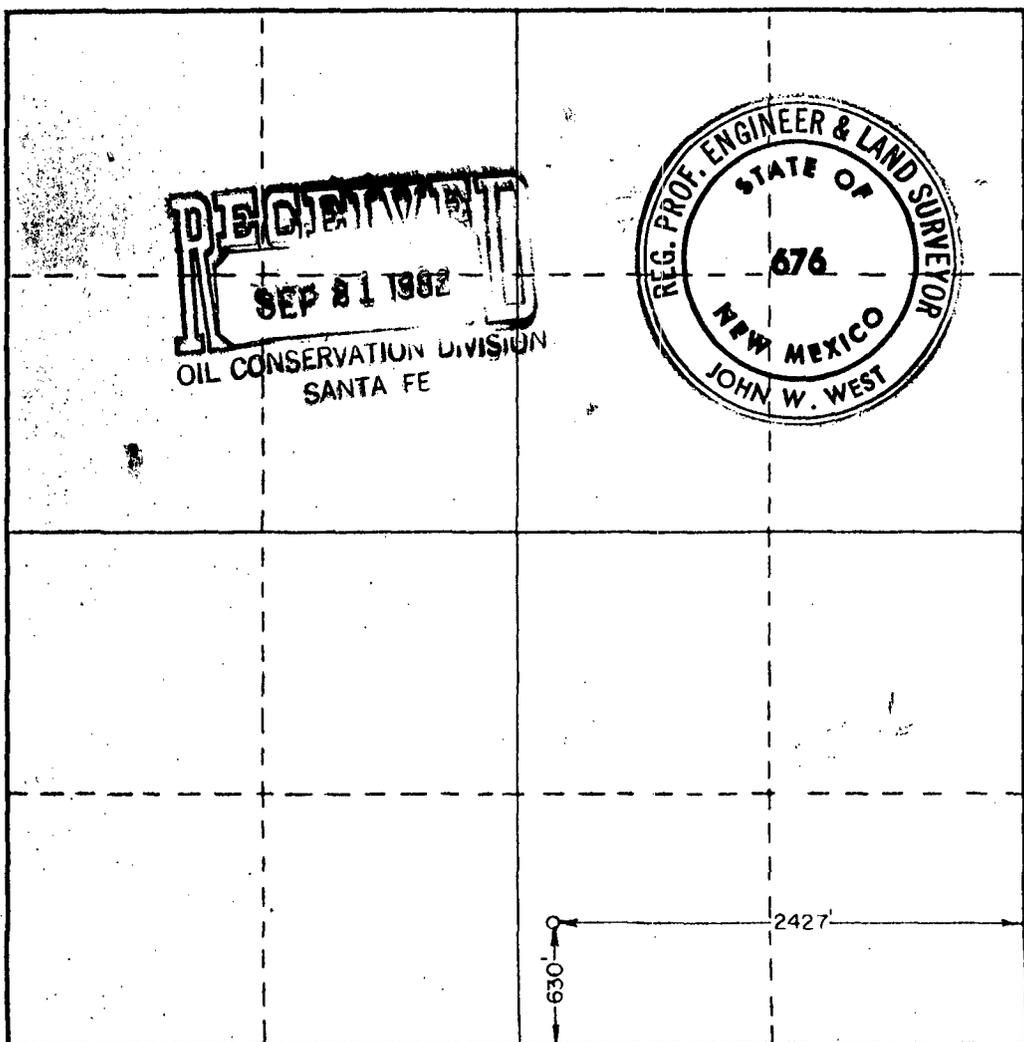
Operator P & S Brine Sales		Lease Eunice Well			Well No. 1
Unit Letter O	Section 34	Township 21 South	Range 37 East	County Lea	
Actual Footage Location of Well:					
630 feet from the South line and		2427 feet from the East line			
Ground Level Elev. 3426.5	Producing Formation	Pool	Dedicated Acreage: Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name
Position
Company
Date

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed June 12, 1980
Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6863
Ronald J. Eidson 3239

BABER WELL SERVICING CO.

HOBBS, NEW MEXICO 88240

P & S BRINE SALES
 P. O. BOX 1075
 EUNICE, NEW MEXICO 88231

INVOICE NO.

CONTRACT NO.

ORDER NO.

DATE 7/10/80

Terms: Net 30 Days. 6% On Past Due Accounts. Payable at Hobbs, New Mexico

Date	Description of Work	Hours	Rate	Amount
	<u>P & S Brine</u> <u>Well No. 1</u>			
	Move in rig and equipment. Rig up and drill 8 3/4 hole to approximately 1500 ft. Run 7" casing, cement. Drill 6 1/4" hole to approx- imately 1900'. Pull out of hole and run 2 1/2" tubing. Rig down and move rig off location.			
	Bid price			\$ 30,000.00
	1/2 Price on 8 3/4" bit			600.00
	1/2 Price on 6 1/4" bit			130.00
				30,730.00
	4% New Mexico Sales Tax			1,229.20
				\$ 31,959.20
	<u>JOB COMPLETE</u> <u>THANK YOU</u>			



DANIELS INSURANCE INC.

P.O. BOX 1258 " HOBBS, NEW MEXICO 88240 " (505) 393-5191 " INSURANCE " BONDS " REAL ESTATE " ESTABLISHED 1937

June 13, 1980

PAT CARGILE
Senior Vice President

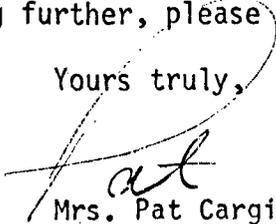
Oil Conservation Commission
P. O. Box ~~1028~~ 2088
Santa Fe, New Mexico 87501

RE: P & S Brine Sales
Salt Water Disposal Well
Sec. 34, Twsp. ~~31S~~, Rge. ~~38E~~ 37
Lea County, New Mexico

Gentlemen:

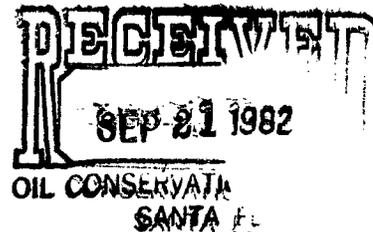
We enclose Hartford Accident & Indemnity Company Bond #4420776
in the amount of \$5,000.00 covering the captioned well. If you
require anything further, please advise.

Yours truly,


Mrs. Pat Cargile

pc

CC: Mr. Paul D. Prather
P & S Brine Sales
P. O. Box 1075
Eunice, New Mexico 88321





STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

June 27, 1980

LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Daniels Insurance
P. O. Box 1258
Hobbs, New Mexico 88240

Re: \$5,000 One-Well Plugging Bond
P & S Brine Sale, Principal
Hartford Accident & Indemnity
Company, Surety
630 feet from South line and
2427 feet from East line, Sec. 34,
T-31-S, R-38-E, Lea County
Depth: 2,000 ft.
Bond No. 4420776

Gentlemen:

The Oil Conservation Division hereby approves the
above-captioned plugging bond effective June 13, 1980.
We also acknowledge receipt of and approve the rider
changing the location of the well as follows:

630' FSL and 2427' FEL of Sec. 34, T-21-S,
R-37-E, Lea County.

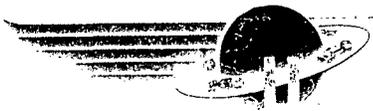
Sincerely,

JOE D. RAMEY,
Director

JDR/dr

cc: Oil Conservation Division
Hobbs, New Mexico

P & S Brine Sales
P. O. Box 1075
Eunice, New Mexico 88231



SERVICES

FRACTURING
CEMENTING
CHEMICAL
SERVICE

PROPOSAL

June 17, 1980

PROCEDURE ANALYSIS Cementing

For: Mr. Dink Prather
CHAPARRAL SERVICE, INC.
Eunice, New Mexico 88231

Re: Brine water well

The purpose of this analysis is to recommend a cement blend and cost estimate for cementing the above captioned well.

WELL DATA: Surface

Depth - 2000 feet
Hole - 8 1/2"
Casing - 7"
Excess - 100%
Cement to circulate

RECOMMENDATION:

It is recommended to set the 7" surface casing with 400 sacks of Halliburton Light containing 15 lb. salt and 1/4 lb. Flocele followed by 300 sacks of Class "C" with 2% CaCl₂. Cement to circulate back to surface.

Floating equipment should include a 7" Guide Shoe, insert float, and 1 lb. Weld-A.

PROCEDURE:

1. Run casing to TD with floating equipment consisting of a 7" Guide Shoe, a 7" Insert Float, and 1 lb. of Weld-A.
2. Cement with 400 sacks of Halliburton Light with 15 lb. salt and 1/4 lb. Flocele per sack, followed by 300 sacks of Class "C" with 2% CaCl₂.

Page 2
Mr. Dink Prather
CHAPARRAL SERVICE, INC.
June 17, 1980

COST ESTIMATE:

Pump service	\$ 757.00
Mileage	75.00
Plug	38.00
400 sks. HLC W/additives + 300 sks. "C" W/2% CaCl ₂	4,850.25
Guide shoe	102.00
Insert Float	92.00
Weld-A	8.15
	<hr/>
TOTAL	\$ 5,922.40

The unit prices in this proposal are estimates only, based on current published prices. At the time materials are delivered and/or services performed, the unit prices may be changed by field operations depending upon the then current published prices, availability of equipment and materials, time factors or changes in well conditions.

We are pleased to have this opportunity to present this proposal for your consideration. If you accept our proposal, all materials and equipment furnished and services performed will be under our General Terms and Conditions and pursuant to our applicable Work Order Contract (whether or not executed by you). Copies of our General Terms and Conditions and applicable Work Order Contract will be furnished on request.

Prepared by *H. D. Foster*
Harold Foster
Assistant District Superintendent
Hobbs, New Mexico

HF/bh

cc: Earl Stanley
Leo Brown
Norman Criswell
Marvin Manley
Phil Browning
Byron Sprawls
Buddy Redden
Hobbs Sales



REMIT TO
 P. O. BOX 84737
 DALLAS, TEXAS 75284
 DIRECT ANY CORRESPONDENCE TO
 P. O. DRAWER 1431
 DUNCAN, OKLAHOMA 73533

PAGE _____
 INVOICE NO. **820804**

WELL NO. AND FARM #1 Brine Water well COUNTY **LEA** STATE **N. Mex** DATE **7-3 80**

CHARGE TO **P & S Brine Sales** OWNER **P & S Brine** DUNCAN USE ONLY

ADDRESS **P.O. Box 1075** CONTRACTOR **Baker Well Serv. Co. Wch** LOCATION **1 Hobbs** CODE **20340**

CITY, STATE, ZIP **Eunice N. Mex 88231** SHIPPED VIA **2** LOCATION **3** CODE

DUNCAN USE ONLY: **P & S BRINE SALES** 660764 **location** BULK MATERIAL DELIVERY TICKET NO. **B-851142**

EUNICE, NM 88231

WELL TYPE **Water well** CODE **WW**

TYPE AND PURPOSE OF JOB **7" intermediate**

TERMS: **NET** DUE BY THE 20TH OF FOLLOWING MONTH. INTEREST CHARGED AFTER 60 DAYS FROM DATE OF INVOICE.

PRICE REFERENCE	SECONDARY REF. OR PART NO.	CODE		DESCRIPTION	UNITS 1		UNITS 2		UNIT PRICE	AMOUNT	
		L	D		QTY.	MEAS.	QTY.	MEAS.			
000-117		1	C	MILEAGE	25	mi			165	41	25
001-016		1	C	Pump Chg	1331	"				737	78
030-015		1	C	5 wp top plug 7"	1	EA				40	00
24A	815.19401	1	S	Insert Float	1	EA				101	00
12A	825.212	1	S	Guide shoe	1	EA				112	00
350	890.10802	1	S	Weld A	1	#				8	95
504-050		1	B	Class C Cmt	350	SK			485	1697	50
509-406		1	B	CaCl ₂ m 2%	7	SK			1900	126	00
500-207		1	B	SERVICE CHARGE	364	CU. FT.			176	276	64
500-306		1	B	TOTAL WEIGHT 25 LOADED MILES 418.8		TON MILES			158	212	33

TAX REFERENCES

800029 _____ 1 _____
 800045 _____ _____

SUB TOTAL **3383 45**
 nm TAX **126 88**
 City TAX **130**

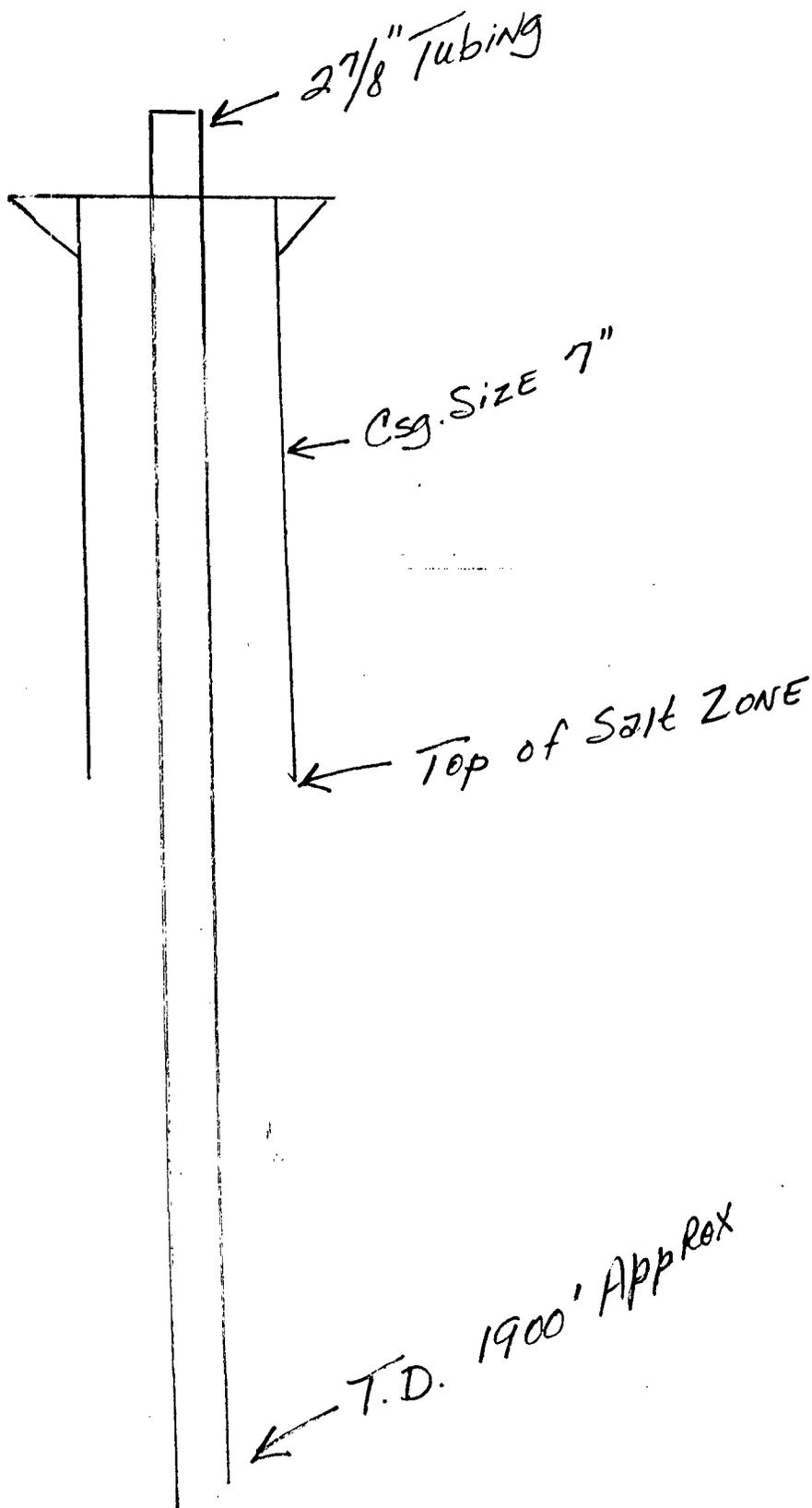
WAS JOB SATISFACTORILY COMPLETED? _____
 WAS OPERATION OF EQUIPMENT SATISFACTORY? _____
 WAS PERFORMANCE OF PERSONNEL SATISFACTORY? _____

Paul Walker Customer of His Agent
J.M. FUQUA Halliburton Operator

TOTAL **3511 63**

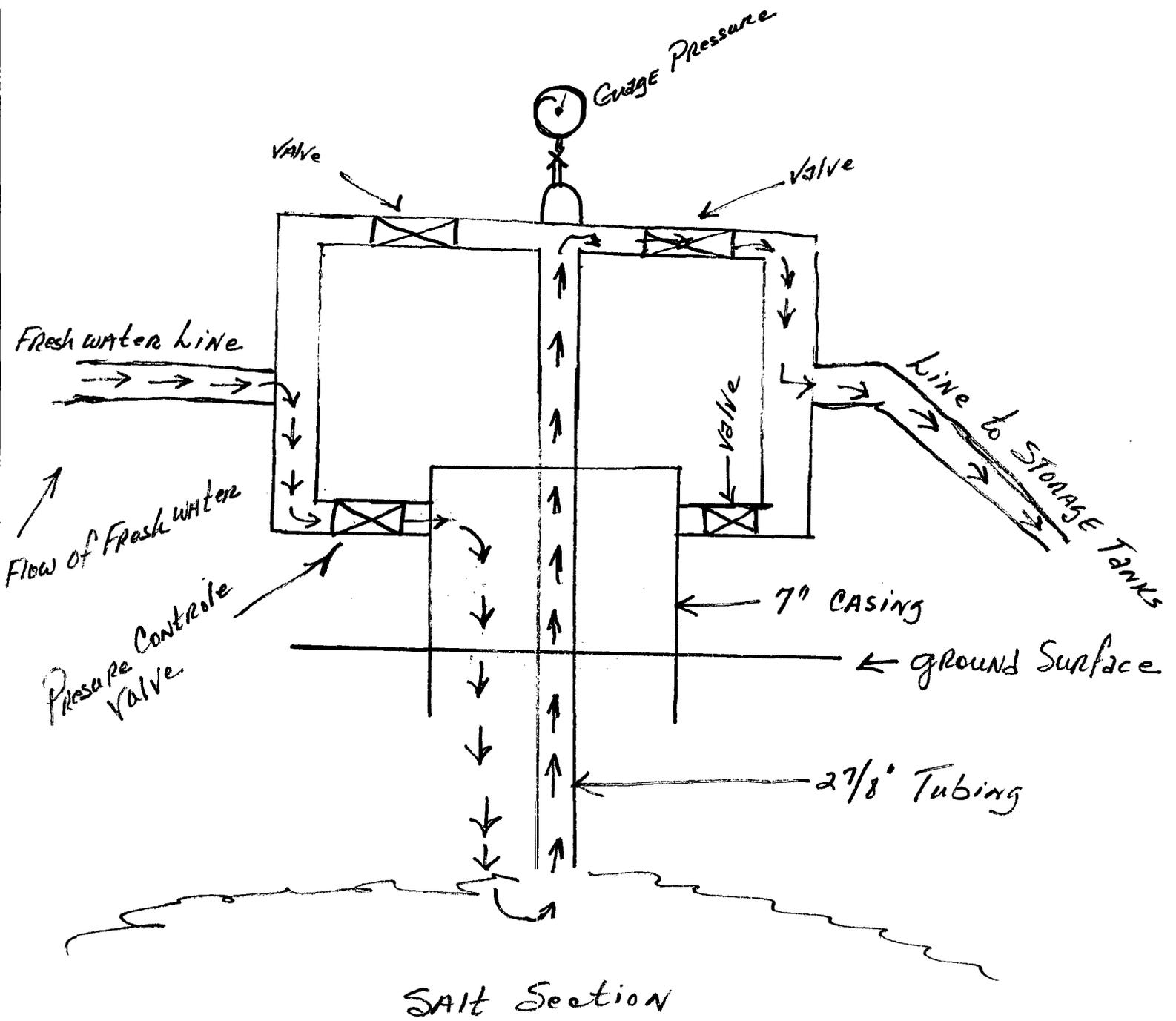
P+S. BRINE-SALE

Well #1



PLS BRINE SALES

Well #1





TRETOLITE DIVISION

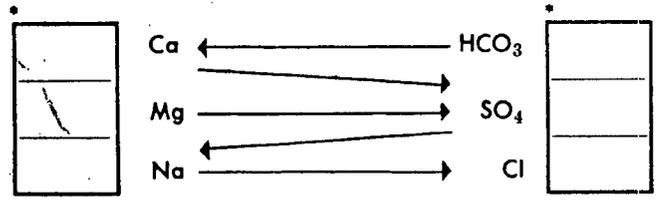
369 Marshall Avenue / Saint Louis, Missouri 63119
(314) WO 1-3500/TWX 910-760-1660/Telex 44-2417

WATER ANALYSIS REPORT

COMPANY P&S Bure SALE ADDRESS _____ DATE: 7/15/82
 SOURCE Calcium ("CA") DATE SAMPLED _____ ANALYSIS NO. _____
 Analysis Mg/L *Meq/L

1. pH _____
 2. H₂S (Qualitative) _____
 3. Specific Gravity _____
 4. Dissolved Solids _____
 5. Suspended Solids _____
 6. Phenolphthalein Alkalinity (CaCO₃) _____
 7. Methyl Orange Alkalinity (CaCO₃) _____
 8. Bicarbonate (HCO₃) HCO₃ _____ ÷ 61 _____ HCO₃
 9. Chlorides (Cl) Cl _____ ÷ 35.5 _____ Cl
 10. Sulfates (SO₄) SO₄ _____ ÷ 48 _____ SO₄
 11. Calcium (Ca) Ca 3200 ÷ 20 _____ Ca
 12. Magnesium (Mg) Mg 2065 ÷ 12.2 _____ Mg
 13. Total Hardness (CaCO₃) 16500 _____
 14. Total Iron (Fe) _____
 15. Barium (Qualitative) _____
 16. Strontium _____
- *Milli equivalents per liter

PROBABLE MINERAL COMPOSITION



Saturation Values	Distilled Water 20°C
Ca CO ₃	13 Mg/L
Ca SO ₄ • 2H ₂ O	2,090 Mg/L
Mg CO ₃	103 Mg/L

Compound	Equiv. Wt.	X	Meq/L	=	Mg/L
Ca (HCO ₃) ₂	81.04	_____	_____	_____	_____
Ca SO ₄	68.07	_____	_____	_____	_____
Ca Cl ₂	55.50	_____	_____	_____	_____
Mg (HCO ₃) ₂	73.17	_____	_____	_____	_____
Mg SO ₄	60.19	_____	_____	_____	_____
Mg Cl ₂	47.62	_____	_____	_____	_____
Na HCO ₃	84.00	_____	_____	_____	_____
Na ₂ SO ₄	71.03	_____	_____	_____	_____
Na Cl	58.46	_____	_____	_____	_____

REMARKS _____

Respectfully submitted
TRETOLITE COMPANY

397
3044



TRETOLITE DIVISION
369 Marshall Avenue / Saint Louis, Missouri 63119
(314) WO 1-3500/TWX 910-760-1660/Telex 44-2417

WATER ANALYSIS REPORT

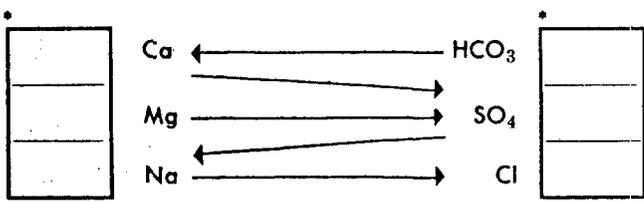
COMPANY P+BRINE SALE ADDRESS _____ DATE: 7/15/82
SOURCE Magnesium "MG" ANALYSIS NO. _____
Analysis Mg/L *Meq/L

1. pH _____
2. H₂S (Qualitative) _____
3. Specific Gravity _____
4. Dissolved Solids _____
5. Suspended Solids _____
6. Phenolphthalein Alkalinity (CaCO₃) _____
7. Methyl Orange Alkalinity (CaCO₃) _____
8. Bicarbonate (HCO₃) _____
9. Chlorides (Cl) _____
10. Sulfates (SO₄) _____
11. Calcium (Ca) _____
12. Magnesium (Mg) _____
13. Total Hardness (CaCO₃) _____
14. Total Iron (Fe) _____
15. Barium (Qualitative) _____
16. Strontium _____

HCO ₃	_____ ÷ 61	_____ HCO ₃
Cl	_____ ÷ 35.5	_____ Cl
SO ₄	_____ ÷ 48	_____ SO ₄
Ca	<u>3200</u> ÷ 20	_____ Ca
Mg	<u>121</u> ÷ 12.2	_____ Mg
	<u>8500</u>	

*Milli equivalents per liter

PROBABLE MINERAL COMPOSITION



Saturation Values	Distilled Water 20°C
Ca CO ₃	13 Mg/L
Ca SO ₄ • 2H ₂ O	2,090 Mg/L
Mg CO ₃	103 Mg/L

Compound	Equiv. Wt.	X	Meq/L	=	Mg/L
Ca (HCO ₃) ₂	81.04	_____	_____		_____
Ca SO ₄	68.07	_____	_____		_____
Ca Cl ₂	55.50	_____	_____		_____
Mg (HCO ₃) ₂	73.17	_____	_____		_____
Mg SO ₄	60.19	_____	_____		_____
Mg Cl ₂	47.62	_____	_____		_____
Na HCO ₃	84.00	_____	_____		_____
Na ₂ SO ₄	71.03	_____	_____		_____
Na Cl	58.46	_____	_____		_____

REMARKS _____

Respectfully submitted
TRETOLITE COMPANY

OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.O.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.

1a. TYPE OF WELL
OIL WELL GAS WELL DRY OTHER Brine Well

b. TYPE OF COMPLETION
NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RESVR. OTHER

7. Unit Agreement Name
P+S BRINE Sales

8. Farm or Lease Name
EUNICE

2. Name of Operator
P+S BRINE Sales

9. Well No.
#1

3. Address of Operator
Box 1075 Eunice, N.M. 88231

10. Field and Pool, or Wildcat

4. Location of Well
UNIT LETTER 0 LOCATED 630' FEET FROM THE South LINE AND 2427' FEET FROM

12. County

THE EAST LINE OF SEC. 34 TWP. 21 RGE. 37 NMPM

15. Date Spudded 7/1/80 16. Date T.D. Reached 7/7/80 17. Date Compl. (Ready to Prod.) 7/17/80 18. Elevations (DF, RKB, RT, GR, etc.) 3426.5 19. Elev. Casinghead 2'6"

20. Total Depth 1816' 21. Plug Back T.D. 22. If Multiple Compl., How Many 23. Intervals Drilled By Rotary Tools X Cable Tools

24. Producing Interval(s), of this completion - Top, Bottom, Name
SALT section

25. Was Directional Survey Made
Yes

26. Type Electric and Other Logs Run
NONE

27. Was Well Cored
NO

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
<u>7"</u>	<u>23#</u>	<u>1200'</u>	<u>8 3/4"</u>	<u>Halliburton</u>	

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET

31. Perforation Record (Interval, size and number)

RECEIVED
SEP 21 1982

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED

33. OIL CONSERVATION DIVISION PRODUCTION

Date First Production 7/21/80 Production Method SANTA FE Pumping BRINE WATER Well Status (Prod. or Shut-in) Prod

Date of Test Hours Tested Choke Size Prod'n. For Test Period Oil - Bbl. Gas - MCF Water - Bbl. Gas - Oil Ratio

Flow Tubing Press. Casing Pressure Calculated 24-Hour Rate Oil - Bbl. Gas - MCF Water - Bbl. Oil Gravity - API (Corr.)

34. Disposition of Gas (Sold, used for fuel, vented, etc.) Test Witnessed By

35. List of Attachments

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED Lane Patton TITLE Partner DATE 12/2/80

INVENTORY OF SOLUTION MINING WELLS OIL CONSERVATION DIVISION, 1981

*.= please attach pertinent documents

I. OPERATOR / LOCATION INFORMATION

EVNICE #1

Operator P+S BRINE SALES

Address BOX 1075

EVNICE NM 88231 Phone _____

Well unit # 0 Location 670/S 2427/E

T. 21 R. 37 Sec. 34 SE 1/4 SW 1/4 SW 1/4

County LEA

.334

Purpose of well (brine supply, LPG storage, potash dissolution) _____

BRINE SUPPLY

II. DRILLING / SITING INFORMATION

Contractor Baker Well Service

Date drilling started 7-1-80 Date drilling completed 7-17-80

Drilling method Rotary Rig-

Elevation of ground surface 3426.5 How measured _____

Date measured 6-12-1980 Order of survey _____

Name of surveyor John W. West

Total depth of hole 1816'

Attach schematic of well ,include open hole interval, perforations, etc. *

Type of drilling fluid Fresh water

Type of drilling mud if used (brand if known) NO MUD-

List any additives to the drilling mud, or any other chemicals put down well:

none

Describe casing tests performed 7" 23"

Other tests _____

Photo 100

* = please attach pertinent documents

II. DRILLING / SITING (continued)

Casing, tubing, and cementing record (please attach copy)*

Note: if a copy is not available detail casing record on back of this sheet using the following format. Include brand or type of cement if known.

From	To	Size of Hole	Size of Casing	Weight per Foot	Sacks of Cement	Estimated Top of cmt.
------	----	--------------	----------------	-----------------	-----------------	-----------------------

Was mudcake on bore wall removed before cementing production casing? yes

Was salt saturated cementing material used opposite salt formation? yes

Is site within 1/2 mile of another well? If so, use note to explain. yes

Rowland Torking Co has Brine Well due North
approx 1/2 mile

Site preparation (concrete pad, graded dirt, pit, etc) _____

Pad Built with concrete - a concrete pit

Type of surface seal or well-head (locking security cap, welded, etc.) _____

7 in well head with screw cap

Comments (include problems encountered while drilling, loss of circulation, deviation of hole from vertical, centralizers used, tools lost or stuck, fracturing techniques used, etc.) NONE

(use back of sheet if more space is required)

From	To	Size of Hole	Size of Casing	Weight per Foot	Sacks of Cement	Estimated Top of cmt.
------	----	--------------	----------------	-----------------	-----------------	-----------------------

<i>Tubing</i>	0 - 1200	8 ³ / ₄	7	23	?	<i>Surface</i>
	- 1700	6 ¹ / ₄				

* = please attach pertinent documents

III. FORMATION INFORMATION

Formation Record			
From	To	Thickness	Formation (name, description)
0'	1816'		Red Bed, Gritstone, part

Logs (specify type) NONE

Identify where logs are on file _____

* = please attach pertinent documents

IV. AQUIFER INFORMATION

Aquifers encountered during drilling

From	To	Aquifer Description	Amount of Water entering hole	Quality of Water
------	----	---------------------	-------------------------------	------------------

Note: if water quality analyses are available please attach.*

Source of aquifer description _____

Depth at which water was first encountered _____

Depth to which water rose _____

Source of water level data _____

Comments (include information regarding determination of piezometric level and method of sealing off water zone) _____

* = please attach pertinent documents

V. PRODUCTION / BRINE STORAGE INFORMATION

Method of production (describe fully) Pumping fresh water down
7" casing. Brine return in 2" casing

Was well used previously for some purpose other than brine supply, potash dissolution, or LPG storage. If so use note to explain. NO

Use of brine for ORG Rigs-

Source of injection water (be specific) Buying water from City
of Kansas

Attach detailed production history (include dates of production, amount of water injected, injection rates, amount of brine produced, production rates, method of gaging injection/production rates)*

Note: If the cavity was used for LPG storage include volumes of product injected and withdrawn as well as a summary of the maximum and minimum pressures during injection, storage and withdrawal.

Chemical analyses of injection water (attach)*

Note : Chemical analyses should include sampling point and method, pH, temperature, method of analysis, name and location of laboratory, etc.

Chemical analyses of water produced (attach)*

Dates of Production - almost every day
Water injected - varies -
injection Rate - 1 Bbls min @ 200#
Amount Brine Produced - varies -
Production Rate - 1 Bbls per hour
Water purchased - Brine used

* = please attach pertinent documents

V. PRODUCTION / BRINE STORAGE (continued)

Brine storage facilities (describe) 3 - 1000 BBL Tanks -

Current condition/status of brine storage pit NONE

Is brine storage pit currently being monitored for leakage? NO

Specify company or agency which is monitoring leakage _____

If pit leakage has been monitored in past use note to explain. _____

Comments on production history (note if production rates or brine concentrations have changed through time) NO

533,454 BBLs produced thru 4/82
Assume sent 8180 = 21 months

*. = please attach pertinent documents

VI. ABANDONMENT / PLUGGING RECORD

Date well abandoned/plugged well still producing

Reason for well abandonment or plugging _____

Method of Plugging (describe fully, include amounts of cement, est. top, plug type, depth, etc.) _____

VII. Further comments (subsidence noted, subsidence monitoring, leakage noted, natural subsidence features noted nearby, LPG storage data, etc.)

Recorded by P+S BRINE SALES

Date _____



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

June 27, 1980

LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Daniels Insurance
P. O. Box 1258
Hobbs, New Mexico 88240

Re: \$5,000 One-Well Plugging Bond
P & S Brine Sale, Principal
Hartford Accident & Indemnity
Company, Surety
630 feet from South line and
2427 feet from East line, Sec. 34,
T-31-S, R-38-E, Lea County
Depth: 2,000 ft.
Bond No. 4420776

Gentlemen:

The Oil Conservation Division hereby approves the
above-captioned plugging bond effective June 13, 1980.
We also acknowledge receipt of and approve the rider
changing the location of the well as follows:

630' FSL and 2427' FEL of Sec. 34, T-21-S,
R-37-E, Lea County.

Sincerely,

JOE D. RAMEY,
Director

JDR/dr

cc: Oil Conservation Division
Hobbs, New Mexico

P & S Brine Sales
P. O. Box 1075
Eunice, New Mexico 88231



HALLIBURTON SERVICES

**FRACTURING
CEMENTING
CHEMICAL
SERVICE**

PROPOSAL

June 17, 1980

PROCEDURE ANALYSIS Cementing

For: Mr. Dink Prather
CHAPARRAL SERVICE, INC.
Eunice, New Mexico 88231

Re: Brine water well

The purpose of this analysis is to recommend a cement blend and cost estimate for cementing the above captioned well.

WELL DATA: Surface

Depth - 2000 feet
Hole - 8 1/2"
Casing - 7"
Excess - 100%
Cement to circulate

RECOMMENDATION:

It is recommended to set the 7" surface casing with 400 sacks of Halliburton Light containing 15 lb. salt and 1/4 lb. Flocele followed by 300 sacks of Class "C" with 2% CaCl₂. Cement to circulate back to surface.

Floating equipment should include a 7" Guide Shoe, insert float, and 1 lb. Weld-A.

PROCEDURE:

1. Run casing to TD with floating equipment consisting of a 7" Guide Shoe, a 7" Insert Float, and 1 lb. of Weld-A.
2. Cement with 400 sacks of Halliburton Light with 15 lb. salt and 1/4 lb. Flocele per sack, followed by 300 sacks of Class "C" with 2% CaCl₂.

*8 9 1/4" Bore to 9" Bore
cellar 7 5/8" = 1*

Page 2
Mr. Dink Prather
CHAPARRAL SERVICE, INC.
June 17, 1980

COST ESTIMATE:

Pump service	\$ 757.00
Mileage	75.00
Plug	38.00
400 sks. HLC W/additives + 300 sks. "C" W/2% CaCl ₂	4,850.25
Guide shoe	102.00
Insert Float	92.00
Weld-A	8.15
	<hr/>
TOTAL	\$ 5,922.40

The unit prices in this proposal are estimates only, based on current published prices. At the time materials are delivered and/or services performed, the unit prices may be changed by field operations depending upon the then current published prices, availability of equipment and materials, time factors or changes in well conditions.

We are pleased to have this opportunity to present this proposal for your consideration. If you accept our proposal, all materials and equipment furnished and services performed will be under our General Terms and Conditions and pursuant to our applicable Work Order Contract (whether or not executed by you). Copies of our General Terms and Conditions and applicable Work Order Contract will be furnished on request.

Prepared by *H. D. Foster*
Harold Foster
Assistant District Superintendent
Hobbs, New Mexico

HF/bh

cc: Earl Stanley
Leo Brown
Norman Criswell
Marvin Manley
Phil Browning
Byron Sprawls
Buddy Redden
Hobbs Sales



THE REPRODUCTION OF

THE

FOLLOWING

DOCUMENT (S)

CANNOT BE IMPROVED

DUE TO

THE CONDITION OF

THE ORIGINAL



A DIVISION OF HALLIBURTON COMPANY

REMIT TO
P. O. BOX 84737
DALLAS, TEXAS 75284

DIRECT ANY CORRESPONDENCE TO
P. O. DRAWER 1431
DUNCAN, OKLAHOMA 73533

PAGE

PAGES

NO.

FIELD TICKET
820804

WELL NO. AND FARM #1 Beane Water well	COUNTY LEA	STATE D. Mex	DATE 7-3-80
CHARGE TO P. Sabine Sales Inc	OWNER Chaparral	DUNCAN USE ONLY	
ADDRESS P.O. Box 1075	CONTRACTOR Baker Well Serv	LOCATION 1 Hobbs	CODE 20740
CITY, STATE, ZIP Eunice N. Mex	SHIPPED VIA Co Veh	LOCATION 2	CODE
DUNCAN USE ONLY	DELIVERED TO location	LOCATION 3	CODE
	ORDER NO.	BULK MATERIAL DELIVERY TICKET NO. B-	
	TOTAL ACID-30 DAYS	WELL TYPE Water well	CODE WW
	TYPE AND PURPOSE OF JOB 7" intermediate		
TERMS: NET DUE BY THE 20TH OF FOLLOWING MONTH. INTEREST CHARGED AFTER 60 DAYS FROM DATE OF INVOICE.			

PRICE REFERENCE	SECONDARY REF. OR PART NO.	CODE		DESCRIPTION	UNITS 1		UNITS 2		UNIT PRICE	AMOUNT	
		L	D		QTY.	MEAS.	QTY.	MEAS.			
000-117		1	C	MILEAGE	25	mi			163	41	25
001-016		1	C	Pump Chg	1331	"				737	38
030-015		1	C	Swp Top plug 7"	1	EA				40	00
24A	815.FM01	1	S	Insert Float	1	EA				92	00
12A	825.212	1	S	Weld shoe	1	EA				102	00
350	890.10702	1	S	Weld A	1	"				815	
504-050		1	B	Class C Pmt	350	cu			435	11692	50
509-406		1	B	CaCl ₂ ml 2%	7	SK			1700	126	00
				SERVICE CHARGE ON MATERIALS RETURNED		CU. FT.					
500-207		1	B	SERVICE CHARGE	264	CU. FT.			76	276	64
500-306		1	B	55424 TOTAL WEIGHT 25 LOADED MILES	418.2	TON MILES			158	212	33

WAS JOB SATISFACTORILY COMPLETED? WAS OPERATION OF EQUIPMENT SATISFACTORY? WAS PERFORMANCE OF PERSONNEL SATISFACTORY? x Paul Prather Customer or His Agent	TAX REFERENCES I M FULDA Halliburton Operator	SUB TOTAL TAX TAX TAX TOTAL
--	--	---

THIS IS NOT AN INVOICE

TAXES, PRICE CHANGES, AND OTHER APPLICABLE DATA WILL BE SHOWN ON OUR INVOICE TO BE SUBMITTED FOR PAYMENT AT A LATER DATE.

CUSTOMER

DISTRICT Hobbs DATE 2-3-80

TO: HALLIBURTON SERVICES YOU ARE HEREBY REQUESTED TO FURNISH EQUIPMENT AND SERVICEMEN TO DELIVER AND OPERATE THE SAME AS AN INDEPENDENT CONTRACTOR TO: P. S. Bennett Sales (CUSTOMER) AND DELIVER AND SELL PRODUCTS, SUPPLIES, AND MATERIALS FOR THE PURPOSE OF SERVICING

WELL NO. 1 LEASE Brine Water Well SEC _____ TWP _____ RANGE _____
FIELD Zunice COUNTY LEA STATE N.Mex OWNED BY Ch. Marshall Service

THE FOLLOWING INFORMATION WAS FURNISHED BY THE CUSTOMER OR HIS AGENT

FORMATION NAME	TYPE	NEW USED	WEIGHT	SIZE	FROM	TO	MAX. ALLOW. P.S.I.
CASING		U		7"	0	1521'	
LINER							
TUBING							
OPEN HOLE							SHOTS/FT.
PERFORATIONS							
PERFORATIONS							
PERFORATIONS							

PREVIOUS TREATMENT: DATE _____ TYPE _____ MATERIALS _____

TREATMENT INSTRUCTIONS: TREAT THRU TUBING ANNULUS CASING TUBING/ANNULUS HYDRAULIC HORSEPOWER ORDERED _____
7' intermediate 750 sv 'C' with 2% CaCl₂

CUSTOMER OR HIS AGENT STATES THE WELL IS IN PROPER CONDITION TO RECEIVE THE PRODUCTS, SUPPLIES, MATERIALS, AND SERVICES

THIS CONTRACT MUST BE SIGNED BEFORE WORK IS COMMENCED

As consideration, the above-named Customer agrees:

- (a) To pay Halliburton in accord with the rates and terms stated in Halliburton's current price lists.
- (b) Halliburton shall not be responsible for and Customer shall secure Halliburton against any liability for damage to property of Customer and of the well owner (if different from Customer), unless caused by the willful misconduct or gross negligence of Halliburton, this provision applying to but not limited to subsurface damage and surface damage arising from subsurface damage.
- (c) Customer shall be responsible for and secure Halliburton against any liability for reservoir loss or damage, or property damage resulting from subsurface pressure, losing control of the well and/or a well blowout, unless such loss or damage is caused by the willful misconduct or gross negligence of Halliburton.
- (d) Customer shall be responsible for and secure Halliburton against any and all liability of whatsoever nature for damages as a result of subsurface trespass, or an action in the nature thereof, arising from a service operation performed by Halliburton hereunder.
- (e) Customer shall be responsible for and secure Halliburton against any liability for injury to or death of persons, other than employees of Halliburton, or damage to property (including, but not limited to, injury to the well), or any damages whatsoever, irrespective of cause, growing out of or in any way connected with the use of radioactive material in the well hole, unless such damage shall be caused by the willful misconduct or gross negligence of Halliburton.
- (f) Halliburton makes no guarantee of the effectiveness of the products, supplies or materials, nor of the results of any treatment or service.
- (g) Customer shall, at its risk and expense, attempt to recover any Halliburton equipment, tools or instruments which are lost in the well and if such equipment tools or instruments are not recovered, Customer shall pay Halliburton its replacement cost unless such loss is due to the sole negligence of Halliburton. If Halliburton equipment, tools or instruments are damaged in the well, Customer shall pay Halliburton the lesser of its replacement cost or the cost of repairs unless such damage is caused by the sole negligence of Halliburton. In the case of equipment, tools or instruments for marine operations, Customer shall, in addition to the foregoing, be fully responsible for loss of or damage to any of Halliburton's equipment, tools or instruments which occurs at any time after delivery to Customer at the landing until returned to the landing, unless such loss or damage is caused by the sole negligence of Halliburton.
- (h) Because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, Halliburton is unable to guarantee the accuracy of any chart interpretation, research analysis, job recommendation or other data furnished by Halliburton. Halliburton personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but Customer agrees that Halliburton shall not be responsible for any damages arising from the use of such information except where due to Halliburton's gross negligence or willful misconduct in the preparation or furnishing of it.
- (i) Halliburton warrants only title to the products, supplies and materials and that the same are free from defects in workmanship and materials. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. Halliburton's liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale or use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on their return to Halliburton or, at Halliburton's option, to the allowance to the Customer of credit for the cost of such items. In no event shall Halliburton be liable for special, incidental, indirect, punitive or consequential damages.
- (j) Upon Customer's default in the payment of Customer's account 60 days after date of invoice, such account will thereafter be subject to interest until paid. In the event it becomes necessary to employ an attorney to enforce collection of such account, Customer agrees to pay all collection costs and attorney fees in the amount of 20 per cent of the amount of the unpaid account.
- (k) Halliburton shall not be bound by any changes or modifications in this contract, except where such change or modification is made in writing by a duly authorized executive officer of Halliburton.

I HAVE READ AND UNDERSTAND THIS CONTRACT AND REPRESENT THAT I AM AUTHORIZED TO SIGN THE SAME AS CUSTOMER'S AGENT.

SIGNED [Signature] CUSTOMER

DATE _____

TIME _____ A.M. P.M.

HALLIBURTON SERVICES JOB SUMMARY

HALLIBURTON DIVISION
HALLIBURTON LOCATION

M. H. Hobb
Hobbs

BILLED ON TICKET NO. **920904**

FORM 2012 R-2

WELL DATA

FIELD **EUNICE** SEC. _____ TWP. _____ RNO. _____ COUNTY **LEA** STATE **TEX**

FORMATION NAME _____ TYPE _____

FORMATION THICKNESS _____ FROM _____ TO _____

INITIAL PROD: OIL _____ SPD. WATER _____ SPD. GAS _____ MCFD

PRESENT PROD: OIL _____ SPD. WATER _____ SPD. GAS _____ MCFD

COMPLETION DATE _____ MUD TYPE _____ MUD WT. _____

PACKER TYPE _____ SET AT _____

BOTTOM HOLE TEMP. _____ PRESSURE _____

MISC. DATA _____ TOTAL DEPTH _____

	NEW USED	WEIGHT	SIZE	FROM	TO	MAXIMUM PSI ALLOWABLE
CASING	U		7"	0	1351	
LINER						
TUBING						
OPEN HOLE						SHOTS/FT.
PERFORATIONS						
PERFORATIONS						
PERFORATIONS						

TOOLS AND ACCESSORIES

TYPE AND SIZE	QTY.	MAKE
FLOAT COLLAR INSERT	15 A	Howell
GUIDE SHOE 12A 7'	"	"
CENTRALIZERS		
BOTTOM PLUG		
TOP PLUG		
HEAD		
PACKER		
OTHER		

JOB DATA

CALLED OUT	ON LOCATION	JOB STARTED	JOB COMPLETED
DATE 8-3, 90	DATE 7-3, 90	DATE 7-3, 90	DATE 7-3, 90
TIME 12:00	TIME 2:30	TIME 8:00	TIME 10:00

PERSONNEL AND SERVICE UNITS

NAME	UNIT NO. & TYPE	LOCATION
J. FUQUA	HT 400	Hobbs
B. MORGAN	3548	Hobbs
D. SUMMERS	Bulk	"

MATERIALS

TREAT. FLUID _____ DENSITY _____ LB/GAL. API

DISPL. FLUID _____ DENSITY _____ LB/GAL. API

PROP. TYPE _____ SIZE _____ LB.

PROP. TYPE _____ SIZE _____ LB.

ACID TYPE _____ GAL. _____ %

ACID TYPE _____ GAL. _____ %

ACID TYPE _____ GAL. _____ %

SURFACTANT TYPE _____ GAL. _____ IN

HE AGENT TYPE _____ GAL. _____ IN

FLUID LOSS ADD. TYPE _____ GAL.-LB. _____ IN

GELLING AGENT TYPE _____ GAL.-LB. _____ IN

FRIC. RED. AGENT TYPE _____ GAL.-LB. _____ IN

BREAKER TYPE _____ GAL.-LB. _____ IN

BLOCKING AGENT TYPE _____ GAL.-LB. _____

PERFPAC BALLS TYPE _____ QTY. _____

OTHER _____

OTHER _____

DEPARTMENT **Cement**

DESCRIPTION OF JOB **7" int**

JOB DONE THRU: TUBING CASING ANNULUS TBS./ANN.

CUSTOMER REPRESENTATIVE **X. J. Patten**

HALLIBURTON OPERATOR **J. M. FUQUA** COPIES REQUESTED _____

CEMENT DATA

STAGE	NUMBER OF BAGS	TYPE	API CLASS	BRAND	BULK SACKED	ADDITIVES	YIELD CU.FT./SK.	MIXED LB./GAL.
1	350		C		350	2% CaCl₂	1.32	14.8

PRESSURES IN PSI

SUMMARY

VOLUMES

CIRCULATING _____ DISPLACEMENT _____ PRESUR: BBL-GAL. **10** TYPE **H₂O**

BREAKDOWN _____ MAXIMUM _____ LOAD & BKDN: BBL-GAL. _____ PAD: BBL-GAL. _____

AVERAGE _____ FRACTURE GRADIENT _____ TREATMENT: BBL-GAL. _____ DISPL: BBL-GAL. **51.5**

SHUT-IN: INSTANT _____ 5-MIN. _____ 10-MIN. _____ CEMENT SLURRY: BBL-GAL. **82.5**

HYDRAULIC HORSEPOWER _____ TOTAL VOLUME: BBL-GAL. **1.13**

ORDERED _____ AVAILABLE _____ USED _____ REMARKS **Circ 10 SK cmt**

AVERAGE RATES IN BPM _____

TREATING _____ DISPL. _____ OVERALL _____

CEMENT LEFT IN PIPE _____

FEET **30'** REASON **shot point**

CUSTOMER

CUSTOMER: P. S. BRINE SALES
 DATE: 7-3-90
 TIME: 7:30

HALLIBURTON SERVICES JOB LOG

WELL NO. 1 LEASE Ben Water Well TICKET NO. 920904
 CUSTOMER Chaparral Service Inc PAGE NO. _____
 JOB TYPE 7" intmsol. DATE 7-3-80

FORM 2012 R-2

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	2:30							on location
	2:00	10	30		✓		300	1/2" PREFLUSH to BREAK CIRC.
	8:15	8			✓			START MY CMT
	8:25	8	82		✓		300	CMT MY SHUT DOWN RELEASE plug
	8:27	6			✓			start displ.
	8:40	6	51		✓		300	plug down RELEASE PRESSURE plug holding
								JOB complete
								Thank you J M Lique & crew Z

CUSTOMER

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-120
Effective 1-4-85

All distances must be from the outer boundaries of the Section.

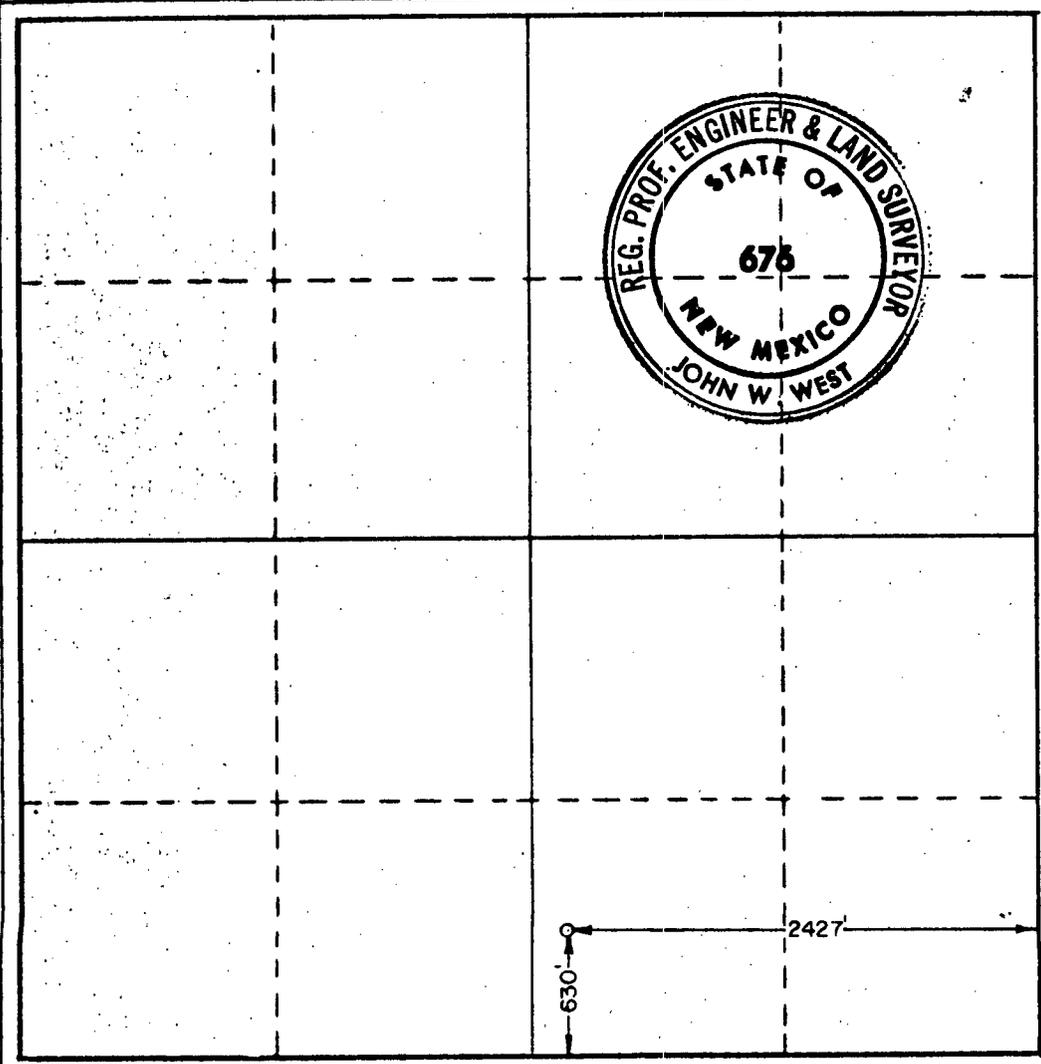
Operator P & S Brine Sales		Lease Eunice Well			Well No. 1
Unit Letter O	Section 34	Township 21 South	Range 37 East	County Lea	
Actual Footage Location of Well:					
630 feet from the South line and		2427 feet from the East line			
Ground Level Elev. 3426.5	Producing Formation	Pool	Dedicated Acreage Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

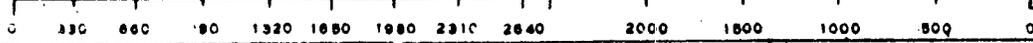
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
Position
Company
Date

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed June 12, 1980
Registered Professional Engineer and/or Land Surveyor

Certificate No **JOHN W. WEST 676**
PATRICK A. ROMERO 6463
Ronald J. Eidson 3239





Pt 5 BRINT ST

BW-02

1

2 1-1-3-3-1-1 2



#2

PE S BW. 2 4/21/94

794 0811-3-3-1-1-2



#3

RF 5 BW-2 4/21/94

794 0811-3-3-1-1 2



~~#4~~

PLS BW-2 4/21/94

794 0811-3-3-1-1 2



~~AS~~ PETS BW-2 4/21/94

793 0811-3-3-1-1 2



#6

PES BW-2 4/21/94

794 0811-3-3-1-1 2



#7 PLS BW-2 4/21/94

794 0811-3-3-1-1-2



#8

PES BW-2 4/21/94

794 0811-3-3-1-1-2



#9

PES

BW-002

4/21/94

794 0811-3-3-1-1 2



P&S Brine Sales

DP-319

Dec. 1988

Tankage



P&S Brine Sales

DP-319

Dec 1988

Tankage/Pumphouse



PE, S Brine Sales DP-319
Spill Collection Pond

Dec 1988



PRIVATE USE ONLY
CHAPARRAL SERVICE, INC.
IN CASE OF EMERGENCY
CALL: (505) 394-2545
POSTED NO TRESPASSING KEEP OUT

CHAPARRAL BRINE ST.

NOV 30, 1995
~ 3:00 PM

TAKEN BY WAYNE PRICE
NMOC A

CHAPARRAL BRINE ST. 33+01 NNN-04RU 999

BCW-02 #1



CHAPARRIL BRIB 5T

11/30/95

≈ 3:00 PM

BY WAYNE PRIES
NMACA

CH0.8FH>33+01 NNN-03AU 999

BW-02 #2

LWP



CHAPARRAL BW-02

SHOWS 3 DISCHARGE
(OVERFLOW) LINES GOING
TO PILE!

NO. 158933+01 NNN-15AU 999

BW-02 # 3

11/30/95

LWP



DW-02 # 4

11/30/95

LWP

<FIC. 1 > 33+01 NNN-15AU 000



BW-02 #5

11/30/95

LWP

<HQ. 1 P>33+01 NNN-199U 000



PW-02 #6
11/30/95
LWP

<HIO.4>33+01 NNN-17AU 000



<MO.6>33+01 NNN-17AU 000

BW-02 # 17

11/30/95

LWP



BURIED LINE DISCHARGES
LOBE OIL/WATER INTO/INTO
GROUND!

NO. 12P>33+01 NHH-SIU 888

BW-02 #8

11/30/95