

BW - _____

**GENERAL
CORRESPONDENCE**

YEAR(S):

2006-1996

Price, Wayne, EMNRD

From: Price, Wayne, EMNRD
Sent: Tuesday, July 25, 2006 3:18 PM
To: 'eugene@plateautel.net'
Cc: Gum, Tim, EMNRD
Subject: Brine well Permit ~~BW-06~~ has expired
Attachments: DP_BEF.rtf

Dear Mr. Irby:

Please complete the attached form and submit with a \$100 filing fee made out to the Water Quality Management fund. In addition, please make arrangements to pressure test your brine well and cavern using nitrogen during the week of August 14, 2006. Sufficient nitrogen shall be placed in the well to displace all of the water to below the casing shoe. The test pressure shall be 300 psig held for 4 hours. The nitrogen shall be injected at approximately formation temperature i.e. 60 F. A pressure gauge and recently calibrated pressure recording chart shall be provided on the casing. The pressure recorder shall be calibrated for a maximum range of 500 psig and a 500 psig chart shall be used. The clock on the recorder shall be set at 8 or 12 hours.

Please note, it is the responsibility of the operator to make sure test pressures will not fracture or damage the salt formation. OCD used a conservative frac gradient of .7 psi/ft x 456 feet = 319 psi. If the operator is concerned about the proposed test pressure please notify OCD immediately.

Please submit the brine well renewal application within 10 days and notify this office 3 working days in advance of the test so OCD may witness.

7/26/2006

Price, Wayne, EMNRD

From: Price, Wayne, EMNRD
Sent: Tuesday, July 25, 2006 3:18 PM
To: 'eugene@plateautel.net'
Cc: Gum, Tim, EMNRD
Subject: Brine well Permit BW-06 has expired
Attachments: DP_BEF.rtf

Dear Mr. Irby:

Please complete the attached form and submit with a \$100 filing fee made out to the Water Quality Management fund. In addition, please make arrangements to pressure test your brine well and cavern using nitrogen during the week of August 14, 2006. Sufficient nitrogen shall be placed in the well to displace all of the water to below the casing shoe. The test pressure shall be 300 psig held for 4 hours. The nitrogen shall be injected at approximately formation temperature i.e. 60 F. A pressure gauge and recently calibrated pressure recording chart shall be provided on the casing. The pressure recorder shall be calibrated for a maximum range of 500 psig and a 500 psig chart shall be used. The clock on the recorder shall be set at 8 or 12 hours.

Please note, it is the responsibility of the operator to make sure test pressures will not fracture or damage the salt formation. OCD used a conservative frac gradient of .7 psi/ft x 456 feet = 319 psi. If the operator is concerned about the proposed test pressure please notify OCD immediately.

Please submit the brine well renewal application within 10 days and notify this office 3 working days in advance of the test so OCD may witness.

**ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH**

I hereby acknowledge receipt of check No. [REDACTED] dated 12/20/01
 or cash received on _____ in the amount of \$ 100⁰⁰
 from I & W INC.

for EUGENIE #1 BRINE WELL BW-06

Submitted by: (Family Name) WAYNE PRICE . Data: (DP No.) 1/11/02

Submitted to ASD by: [Signature] Data: "

Received in ASD by: _____ Data: _____

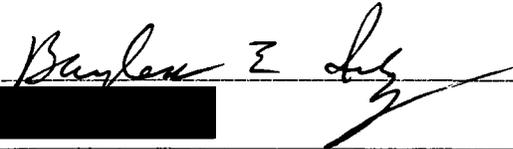
Filing Fee New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2002

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

 Western Bank ARTESIA, NEW MEXICO 88210	I. & W, INC. P.O. BOX 98 505-677-2111 LOCO HILLS, NM 88255	95-198/1122 DATE <u>December 20, 2001</u>						
	PAY TO THE ORDER OF <u>Oil Conservation Commission</u> \$**100.00**							
	I & W HOT OIL SERVICE 10000 N. MEXICO AVE. SUITE 100 ALBUQUERQUE, NM 87112							
	DOLLARS  Security Features Included. Details on Back.							
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Renewal Application</td> <td style="width: 50%;"></td> </tr> <tr> <td>Eugenie #1</td> <td></td> </tr> <tr> <td><u>BW-06</u></td> <td></td> </tr> </table>	Renewal Application		Eugenie #1		<u>BW-06</u>		
Renewal Application								
Eugenie #1								
<u>BW-06</u>								
THIS CHECK IS DELIVERED FOR PAYMENT ON THE ACCOUNTS LISTED								

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

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Revised March 17, 1999
Submit Original
Plus 1 Copy
to Santa Fe
1 Copy to Appropriate
District Office

**DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES,
GAS PLANTS, REFINERIES, COMPRESSOR, AND CRUDE OIL PUMP STATIONS**
(Refer to the OCD Guidelines for assistance in completing the application)

New Renewal Modification

1. Type: Discharge Application

2. Operator: I & W, Inc.

Address: P.O. Box 98 Loco Hills, NM 88255

Contact Person: Bayless E. Irby Phone: (505) 885-6663

3. Location SW /4 SW /4 Section 17 Township 22S Range 27E
Submit large scale topographic map showing exact location.

- 4. Attach the name, telephone number and address of the landowner of the facility site.
- 5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.
- 6. Attach a description of all materials stored or used at the facility.
- 7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.
- 8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.
- 9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.
- 10. Attach a routine inspection and maintenance plan to ensure permit compliance.
- 11. Attach a contingency plan for reporting and clean-up of spills or releases.
- 12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.
- 13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

RECEIVED
JAN 10 2002
Environmental Bureau
Oil Conservation Division

14. CERTIFICATION

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Bayless E. Irby Title: Manager

Signature: *Bayless E. Irby* Date: December 20, 2001

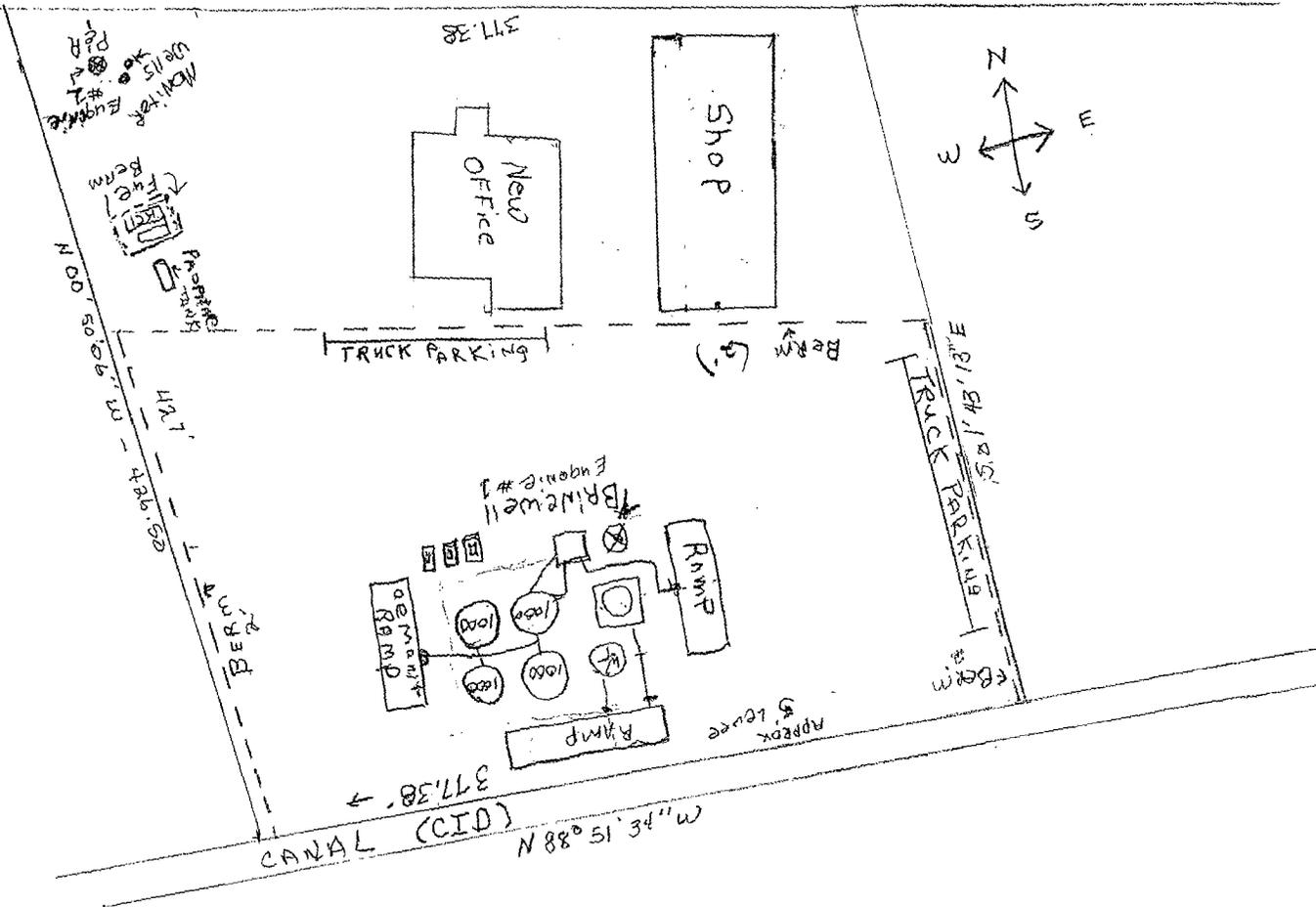
??
WHY DID THEY
SUBMIT ??

OWNER & LAND OWNER OF BRINE EXTRACTION FACILITY

EUGENIE #1

LOWELL IRBY
505-746-6681
P.O. BOX 98
LOCO HILLS, NM 88255

May 285





HALLIBURTON
 CENTRAL OPERATIONS LABORATORY
 WATER ANALYSIS REPORT
 HOBBS, NEW MEXICO

COMPANY I & W
F/W & Carlsbad

REPORT W01-121
 DATE December 4, 2001
 DISTRICT Hobbs

SUBMITTED BY _____

WELL Carlsbad DEPTH _____ FORMATION _____
 COUNTY _____ FIELD _____ SOURCE _____

SAMPLE	_____	_____	_____	_____
Sample Temp.	<u>70</u> °F	_____ °F	_____ °F	_____ °F
RESISTIVITY	<u>15.8</u>	_____	_____	_____
SPECIFIC GR.	<u>1.001</u>	_____	_____	_____
pH	<u>7.79</u>	_____	_____	_____
CALCIUM	<u>450</u> mpl	_____ mpl	_____ mpl	_____ mpl
MAGNESIUM	<u>390</u> mpl	_____ mpl	_____ mpl	_____ mpl
CHLORIDE	<u>101</u> mpl	_____ mpl	_____ mpl	_____ mpl
SULFATES	<u>0</u> mpl	_____ mpl	_____ mpl	_____ mpl
BICARBONATES	<u>30</u> mpl	_____ mpl	_____ mpl	_____ mpl
SOLUBLE IRON	<u>0</u> mpl	_____ mpl	_____ mpl	_____ mpl
Sodium	<u>-1177</u> mpl	<u>0</u> mpl	<u>0</u> mpl	<u>0</u> mpl
TDS	<u>-206</u> mpl	<u>0</u> mpl	<u>0</u> mpl	<u>0</u> mpl
OIL GRAVITY	<u>@</u> °F	<u>@</u> °F	<u>@</u> °F	<u>@</u> °F

REMARKS _____

MPL = Milligrams per liter
 Resistivity measured in Ohm/m2/m

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

ANALYST: James Bonner, Mike Armstrong



HALLIBURTON

CENTRAL OPERATIONS LABORATORY
WATER ANALYSIS REPORT
HOBBS, NEW MEXICO

COMPANY I & W
Brine
Euenie # 1 Extraction Facility S. # 17 T.S. 225R27E

REPORT W01-122
DATE December 4, 2001
DISTRICT Hobbs

SUBMITTED BY _____

WELL Eugenie # 1 DEPTH _____ FORMATION _____
COUNTY _____ FIELD _____ SOURCE _____

SAMPLE

	_____	_____	_____	_____
Sample Temp.	<u>70</u> °F	_____ °F	_____ °F	_____ °F
RESISTIVITY	_____	_____	_____	_____
SPECIFIC GR.	<u>1.201</u>	_____	_____	_____
pH	<u>6.49</u>	_____	_____	_____
CALCIUM	<u>2,100</u> mpl	_____ mpl	_____ mpl	_____ mpl
MAGNESIUM	<u>1,050</u> mpl	_____ mpl	_____ mpl	_____ mpl
CHLORIDE	<u>281,385</u> mpl	_____ mpl	_____ mpl	_____ mpl
SULFATES	<u>0</u> mpl	_____ mpl	_____ mpl	_____ mpl
BICARBONATES	<u>30</u> mpl	_____ mpl	_____ mpl	_____ mpl
SOLUBLE IRON	<u>0</u> mpl	_____ mpl	_____ mpl	_____ mpl
Sodium	<u>178122</u> mpl	<u>0</u> mpl	<u>0</u> mpl	<u>0</u> mpl
TDS	<u>462,687</u> mpl	<u>0</u> mpl	<u>0</u> mpl	<u>0</u> mpl
OIL GRAVITY	<u>@</u> °F	<u>@</u> °F	<u>@</u> °F	<u>@</u> °F

REMARKS

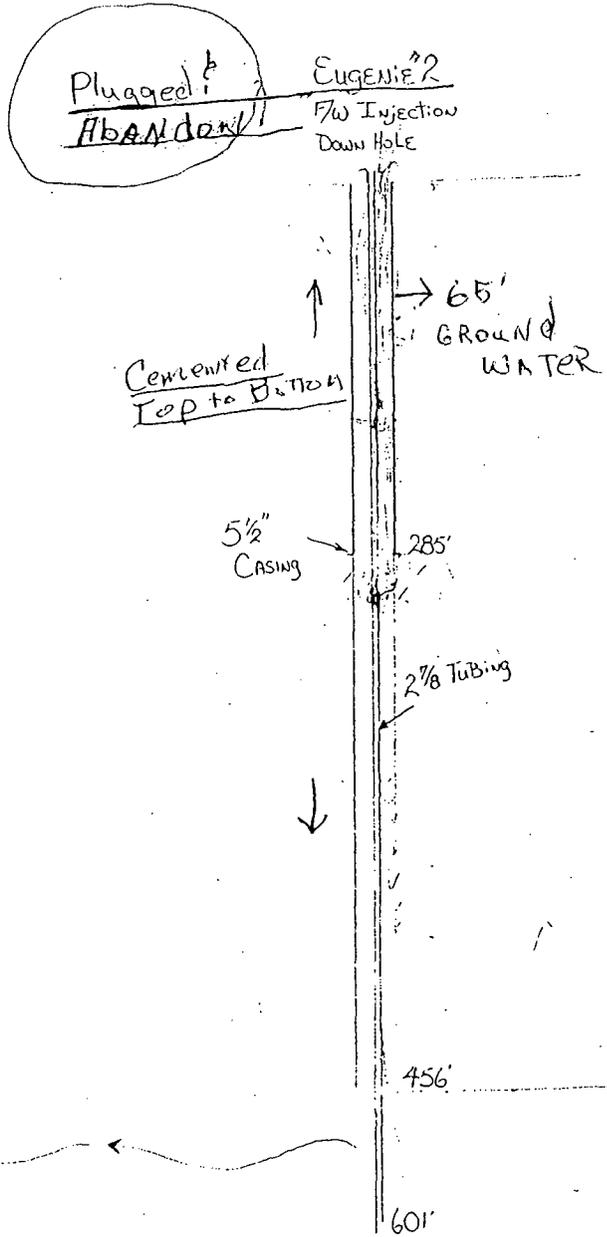
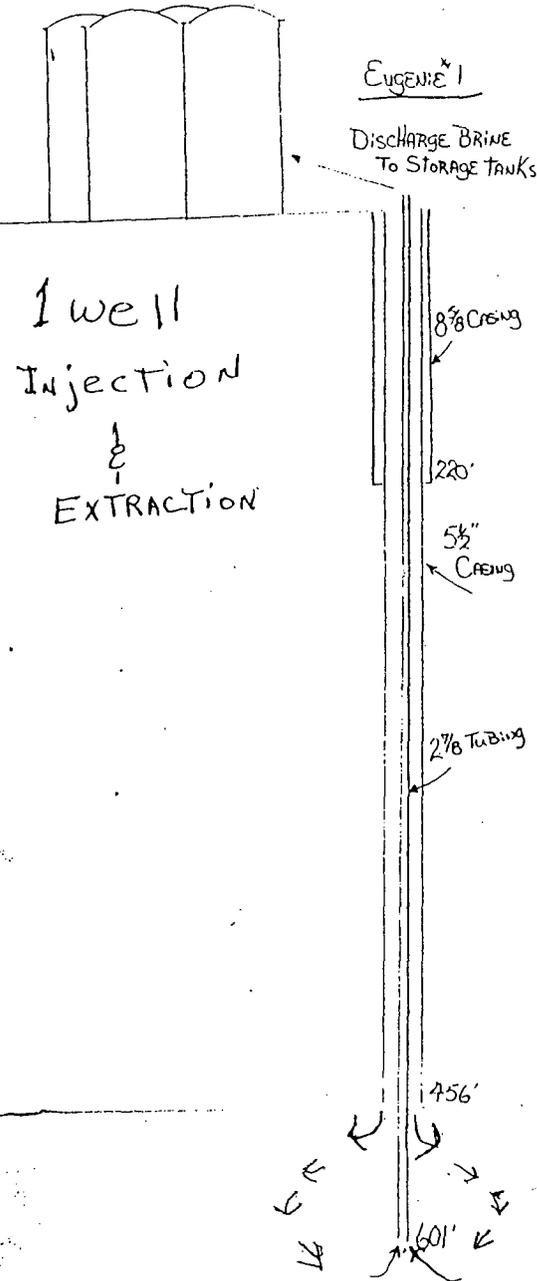
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ANALYST: James Bonner, Mike Armstrong

3991

4 - 1000 BBL BRINE STORAGE TANKS



663'

Depth, Diameter
Casing & Tubing
Specs
Map B

Sub-Surface Schematic Drawing
of Eugenie #1 &
South Y Carlsbad N.M. 88220

DATE
1/30/00

I & W Inc

QUANTITIES

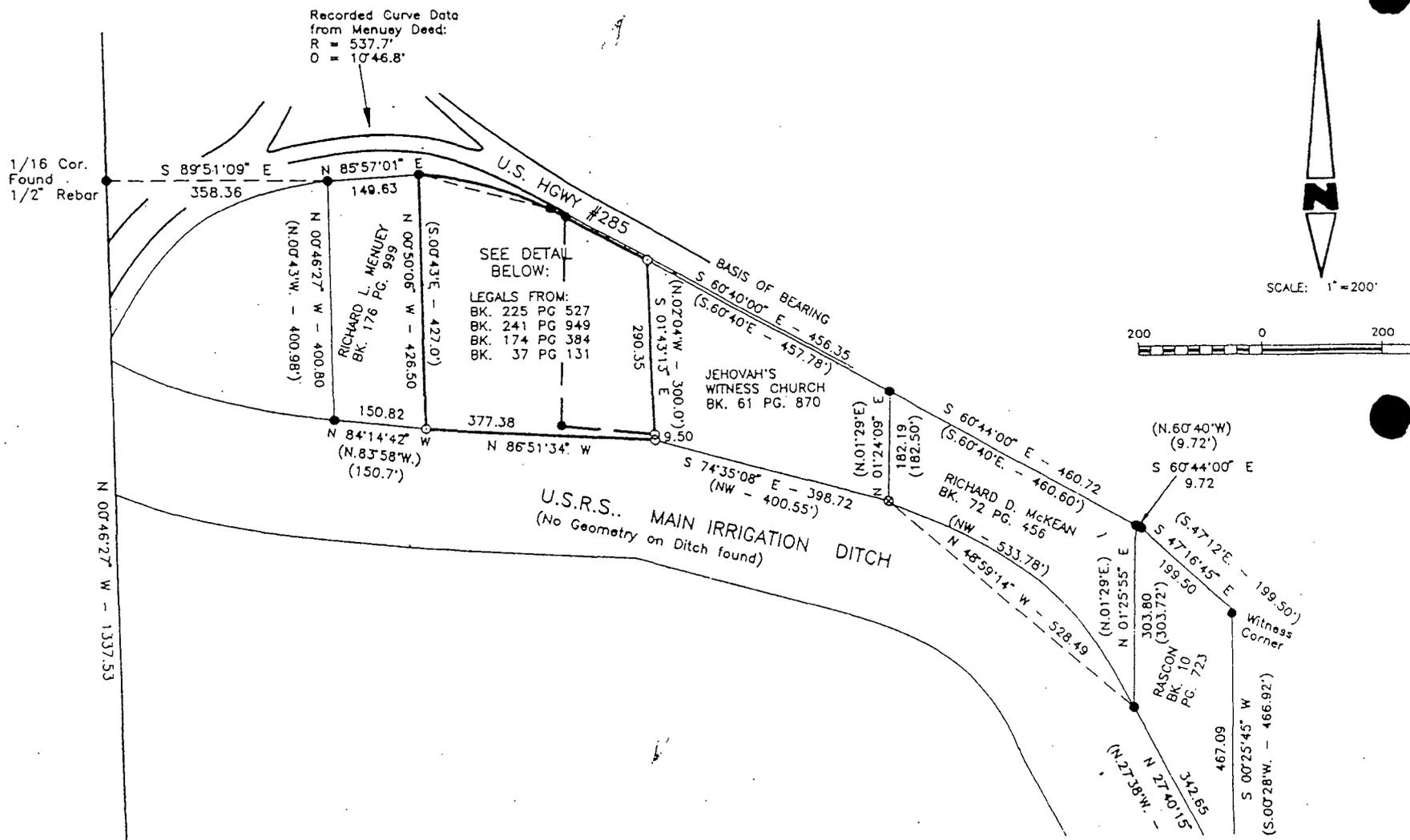
SOURCE: EUGENIE #1 EXTRACTION FACILITY

AVERAGE DAILY VOLUME PRODUCED: 200 BBL/DAY

ESTIMATED VOLUME STORED: 4000 BBL

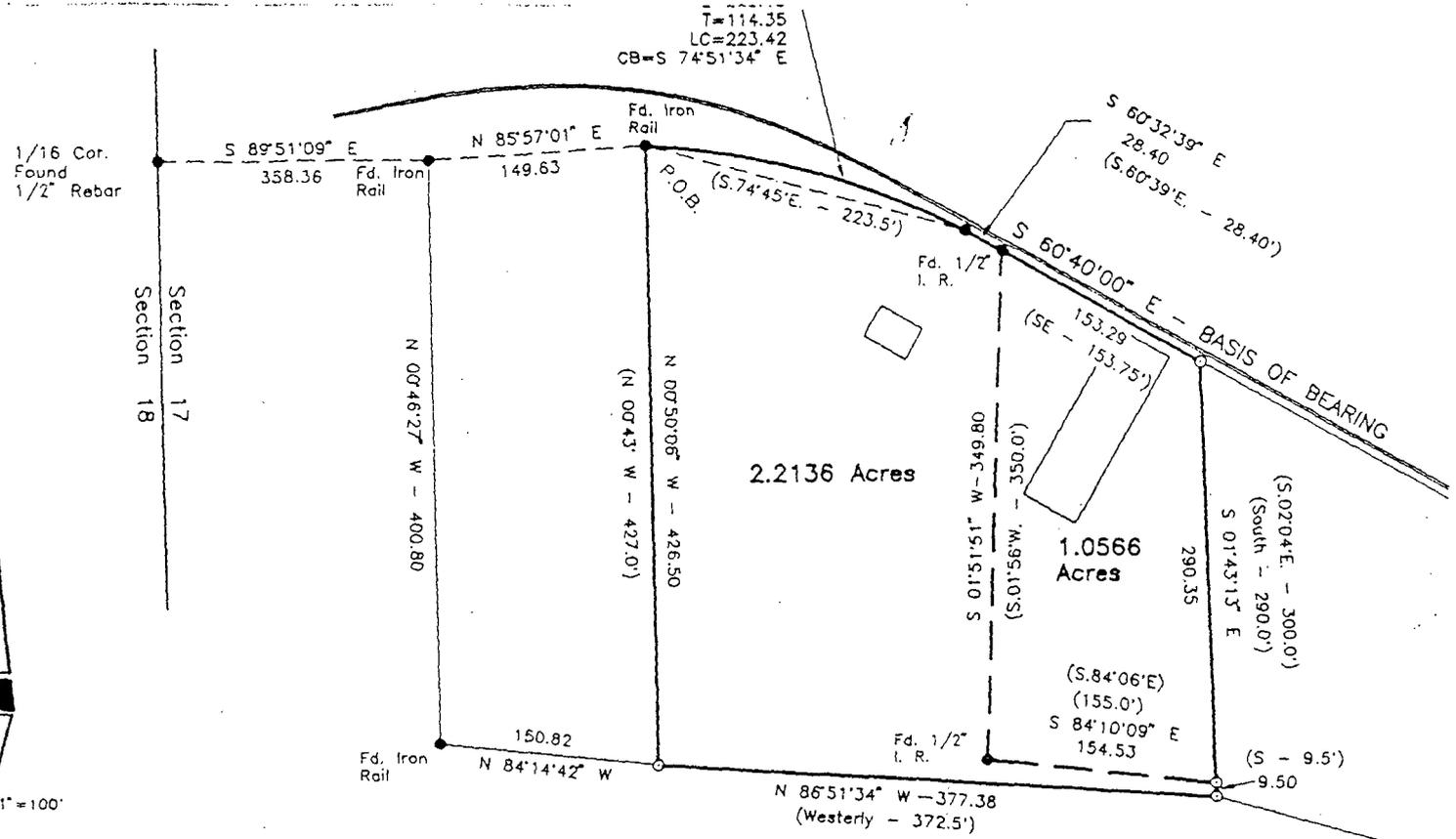
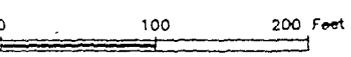
TYPE OF CONTAINERS: 4 X 1000 BBL-STEEL TANKS

SECTION 17, TOWNSHIP 22 SOUTH, RANGE 27 EAST, N.M.P.M.
 EDDY COUNTY, NEW MEXICO





SCALE: 1"=100'



LEGAL DESCRIPTION:

A tract of land located in the Southwest quarter of the Southwest quarter of Section 17, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico and being more particularly described as follows:

Beginning at the Northwest corner of this tract, a point being on the South Right of Way line of State Highway No. 285 and a point being S.89°51'09"E., 358.36 feet and N.85°57'01"E., 149.63 feet from a half inch rebar accepted as the Northwest corner of

LEGEND:

- ⊗ Calculated Corner (Not found or set)
- Found Corner

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

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Revised March 17, 1999

Submit Original
Plus 1 Copy
to Santa Fe
1 Copy to Appropriate
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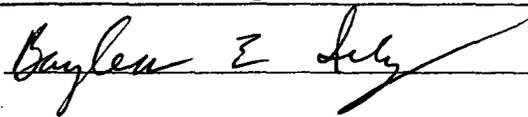
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Submit large scale topographic map showing exact location.

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Name: Bayless E. Irby Title: Manager

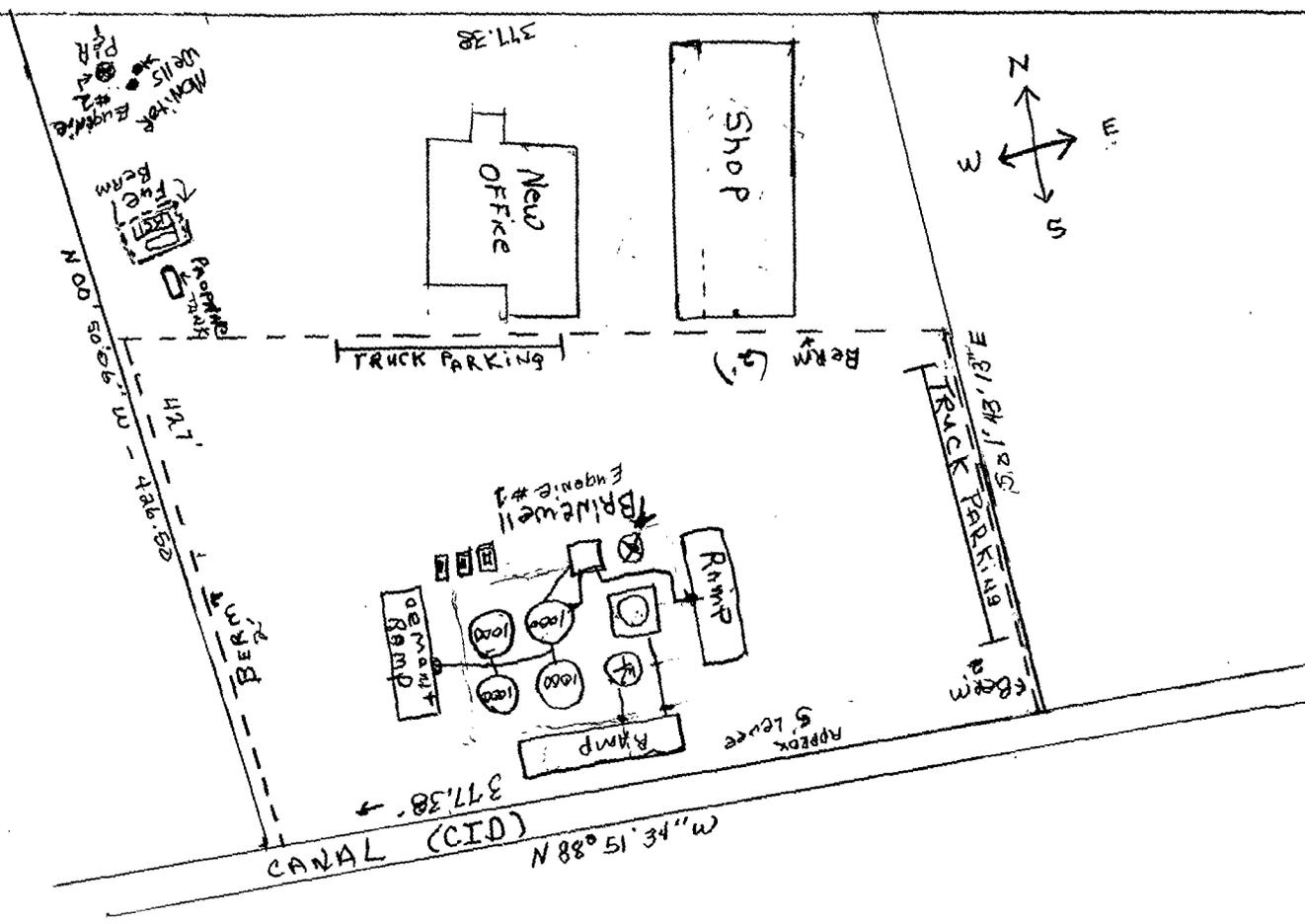
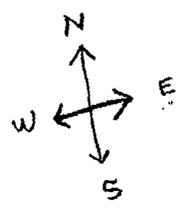
Signature:  Date: December 20, 2001

OWNER & LAND OWNER OF BRINE EXTRACTION FACILITY

EUGENIE #1

LOWELL IRBY
505-746-6681
P.O. BOX 98
LOCO HILLS, NM 88255

July 28 5

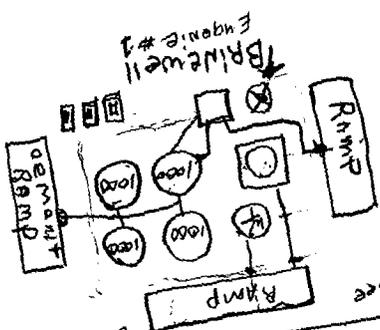


New Office

Shop

TRUCK PARKING

BERM (5')



Monitor Wells
 Prognosis
 42.1' BERM
 42.1' BERM

N 00° 50' 26" W - 426.50

TRUCK PARKING
 51' 43' 13" E
 68.8' BERM

CANAL (CID) 377.38' W
 M, 42.15 0.88 N



HALLIBURTON

CENTRAL OPERATIONS LABORATORY
WATER ANALYSIS REPORT
HOBBS, NEW MEXICO

COMPANY I & W
F/W & Carlsbad

REPORT W01-121
DATE December 4, 2001
DISTRICT Hobbs

SUBMITTED BY _____

WELL Carlsbad DEPTH _____ FORMATION _____
COUNTY _____ FIELD _____ SOURCE _____

SAMPLE _____

	_____	_____	_____	_____
Sample Temp.	<u>70</u> °F	_____ °F	_____ °F	_____ °F
RESISTIVITY	<u>15.8</u>	_____	_____	_____
SPECIFIC GR.	<u>1.001</u>	_____	_____	_____
pH	<u>7.79</u>	_____	_____	_____
CALCIUM	<u>450</u> mpl	_____ mpl	_____ mpl	_____ mpl
MAGNESIUM	<u>390</u> mpl	_____ mpl	_____ mpl	_____ mpl
CHLORIDE	<u>101</u> mpl	_____ mpl	_____ mpl	_____ mpl
SULFATES	<u>0</u> mpl	_____ mpl	_____ mpl	_____ mpl
BICARBONATES	<u>30</u> mpl	_____ mpl	_____ mpl	_____ mpl
SOLUBLE IRON	<u>0</u> mpl	_____ mpl	_____ mpl	_____ mpl
Sodium	<u>-1177</u> mpl	<u>0</u> mpl	<u>0</u> mpl	<u>0</u> mpl
TDS	<u>-206</u> mpl	<u>0</u> mpl	<u>0</u> mpl	<u>0</u> mpl
OIL GRAVITY	<u>@</u> °F	<u>@</u> °F	<u>@</u> °F	<u>@</u> °F

REMARKS _____

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Resitivity measured in: Ohm/m2/m

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ANALYST: James Bonner, Mike Armstrong



CENTRAL OPERATIONS LABORATORY
 WATER ANALYSIS REPORT
 HOBBS, NEW MEXICO

COMPANY I & W
Brine
Euenie # 1 Extraction Facility S. # 17 T.S. 225R27E

REPORT W01-122
 DATE December 4, 2001
 DISTRICT Hobbs

SUBMITTED BY _____

WELL Euqenie # 1 DEPTH _____ FORMATION _____
 COUNTY _____ FIELD _____ SOURCE _____

SAMPLE							
Sample Temp.	<u>70</u>	°F		°F		°F	°F
RESISTIVITY							
SPECIFIC GR.	<u>1.201</u>						
pH	<u>6.49</u>						
CALCIUM	<u>2,100</u>	mpl		mpl		mpl	mpl
MAGNESIUM	<u>1,050</u>	mpl		mpl		mpl	mpl
CHLORIDE	<u>281,385</u>	mpl		mpl		mpl	mpl
SULFATES	<u>0</u>	mpl		mpl		mpl	mpl
BICARBONATES	<u>30</u>	mpl		mpl		mpl	mpl
SOLUBLE IRON	<u>0</u>	mpl		mpl		mpl	mpl
Sodium	<u>178122</u>	mpl	<u>0</u>	mpl	<u>0</u>	mpl	<u>0</u> mpl
TDS	<u>462,687</u>	mpl	<u>0</u>	mpl	<u>0</u>	mpl	<u>0</u> mpl
OIL GRAVITY	<u>@</u>	°F	<u>@</u>	°F	<u>@</u>	°F	<u>@</u> °F

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ANALYST: James Bonner, Mike Armstrong

3991

4-1000 BBL BRINE STORAGE TANKS

EUGENIE 1

DISCHARGE BRINE TO STORAGE TANKS

GROUND SURFACE

Well Injection & EXTRACTION

8 7/8" CASING

1220'

5 1/2" CASING

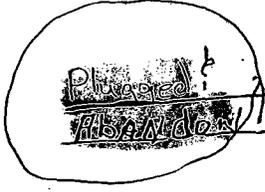
2 7/8" TUBING

456'

Top of SALT

SALT FORMATION

601'



EUGENIE 2

FW Injection Down Hole

Cemented Top to Bottom

65' GROUND WATER

5 1/2" CASING

285'

2 7/8" TUBING

456'

601'

663'

Depth, Diameter Casing & Tubing Specs Map B

Sub-Surface Schematic Drawing of Eugenie 1 &

SOUTH Y CARLSBAD N.711. 88220

Date

1/30/00

I & W, Inc

QUANTITIES

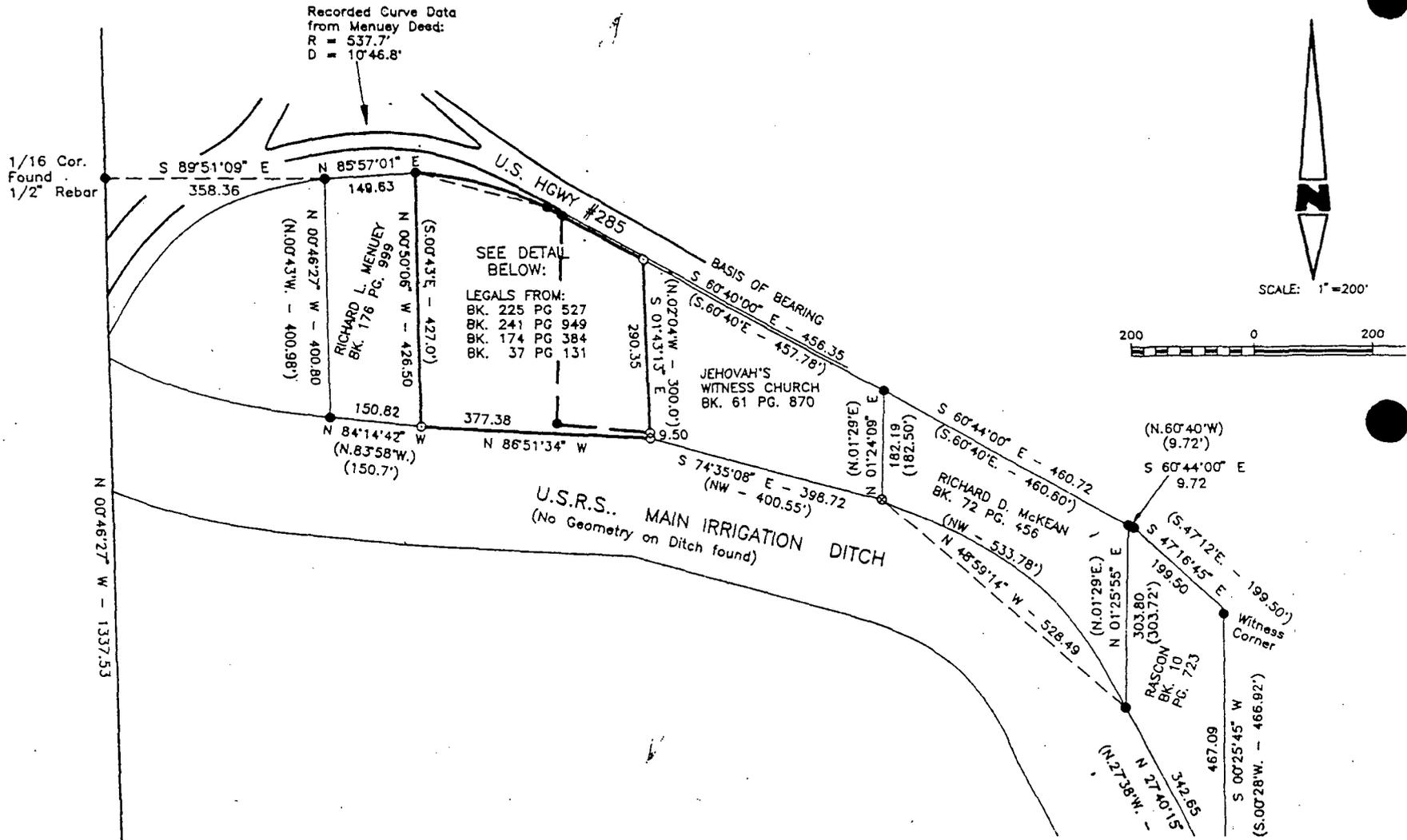
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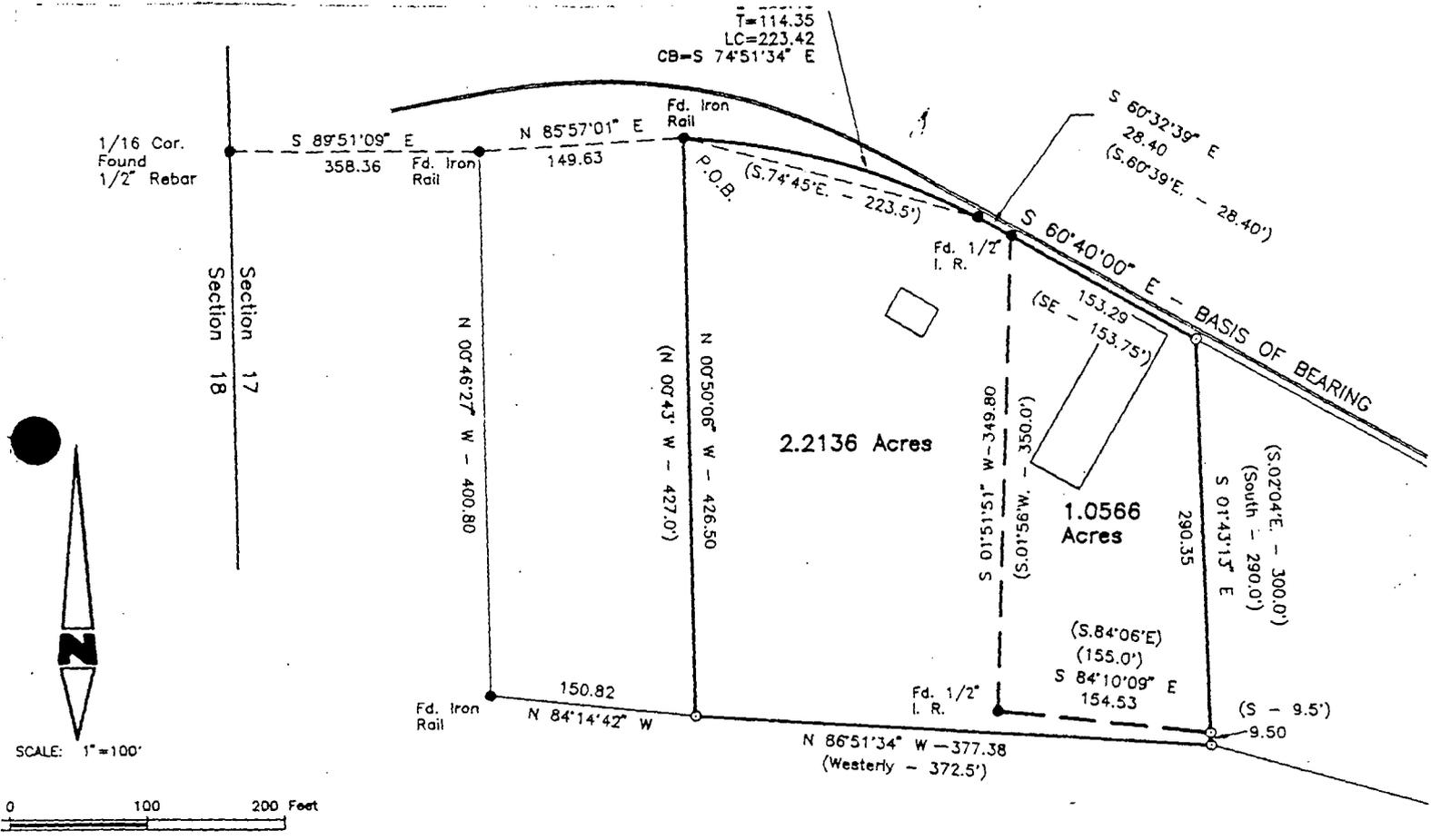
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ESTIMATED VOLUME STORED: 4000 BBLs

TYPE OF CONTAINERS: 4 X 1000 BBL-STEEL TANKS

SECTION 17, TOWNSHIP 22 SOUTH, RANGE 27 EAST, N.M.P.M.
 EDDY COUNTY, NEW MEXICO





LEGAL DESCRIPTION:

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ARTESIA
(505) 746-4214
1 (800) 748-1972

CARLSBAD
(505) 885-6663
1 (800) 658-2739

P.O. BOX 98
LOCO HILLS, NEW MEXICO 88255

LOCO HILLS
(505) 677-2111
1 (800) 748-1972

LOVINGTON
(505) 396-3331
1 (800) 748-2084

Mailed

10/3/01

TO SANTA FE

October 2, 2001

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87504

ATTN: Wayne Price

Dear Mr. Price:

Enclosed you will find a city map of Carlsbad, with the location of four (4) wells around the I & W, Inc's Eugenie. Also, there is the test results of the samples from the two (2) monitor wells at the Eugenie. These samples were taken after the wells were purged.

The OCD representative present was Mike Stubblefield. Samples were taken September 20, 2001.

Witness:

Mike Stubblefield

Mike Stubblefield

Larry Dade

Larry Dade

George Parchman

George Parchman

Respectfully,

George Parchman

George Parchman
General Manager



ARDINAL LABORATORIES

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

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

ANALYTICAL RESULTS FOR
I&W INC.
ATTN: GEORGE PARCHMAN
P.O. BOX 1685
CARLSBAD, NM 88220
FAX TO: (505) 885-8477

Receiving Date: 08/22/00
Reporting Date: 08/25/00
Project Number: NOT GIVEN
Project Name: NOT GIVEN
Project Location: NOT GIVEN

Sampling Date: 08/22/00
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: AH
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (μ S/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:	Depth	08/24/00	08/24/00	08/24/00	08/24/00	08/24/00	08/24/00
H5117-1	L STREET 92'	192	363	91	4.40	3458	156
H5117-2	TIDWELL 70'	496	484	308	4.44	6690	240
H5117-3	CALVANI 203'	0	292	303	4.52	3896	102
H5117-4	WHITES ZOO 42'	0	500	253	6.94	4330	195
Quality Control		NR	42.0	45.0	5.05	1368	NR
True Value QC		NR	50.0	50.0	5.00	1413	NR
% Recovery		NR	84.0	90.9	101	96.7	NR
Relative Percent Difference		NR	0	2.4	0	0.1	NR

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
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LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:		08/24/00	08/24/00	08/24/00	08/24/00	08/24/00	08/24/00
H5117-1	L STREET	621	648	0	190	7.01	2778
H5117-2	TIDWELL	1770	796	0	293	6.98	5878
H5117-3	CALVANI	640	807	0	102	7.22	3238
H5117-4	WHITES ZOO	691	655	0	195	7.22	3300
Quality Control		1070	51.51	NR	1088	6.99	NR
True Value QC		1000	50.00	NR	1000	7.00	NR
% Recovery		107	103	NR	109	99.9	NR
Relative Percent Difference		6.4	1.5	NR	8.1	0	NR

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
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Amy Hill
Chemist

8/25/00
Date

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(505) 677-2111
1 (800) 748-1972

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(505) 396-3331
1 (800) 748-2084

Water Samples taken from existing water wells in the surrounding area of the Eugenie water well.

1. L Street : NE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec.19, T22S, R27E
a. 92' Deep & 50 years old
2. Tidwell: NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 27, T22S, R27E
a. 57' Deep & 3 1/2 years old
3. Calvani : N $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 20, T22S, R27E
a. 200' Deep & 40 Years old
4. Whites Zoo : SW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec.8 T22S, R27E
a. 42' Deep & 2 Years old

These samples were witnessed & pulled at 10:00 am on August 22, 2000 .

Mike Stubblefield

Mike Stubblefield of Artesia OCD
Clint Taylor of Taylor Well Service
Lawrence Dade of I & W, Inc.



ARDINAL LABORATORIES

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

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

ANALYTICAL RESULTS FOR
I & W, INC.
ATTN: GEORGE PARCHMAN
P.O. BOX 1685
CARLSBAD, NM 88220
FAX TO: (505) 885-8477

Receiving Date: 09/21/01
Reporting Date: 09/25/01
Project Owner: I & W, INC.
Project Name: EUGENIE SHALLOW MONITOR WELL
Project Location: CARLSBAD, NM

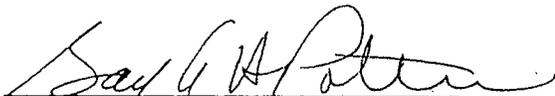
Sampling Date: 09/20/01
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (uS/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:		09/25/01	09/24/01	09/24/01	09/24/01	09/24/01	09/24/01
H6170-1	MONITOR WELL #1	840	902	620	12	12277	274
Quality Control		NR	55	46	5.29	1489	NR
True Value QC		NR	50	50	5.00	1413	NR
% Recovery		NR	110	92.0	106	105	NR
Relative Percent Difference		NR	1.6	4.0	0.4	0.3	NR

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
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	Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)	
ANALYSIS DATE:	09/24/01	09/24/01	09/24/01	09/24/01	09/24/01	09/24/01	
H6170-1	MONITOR WELL #1	4100	575	0	334	6.87	9580
Quality Control		950	50.95	NR	944	7.02	NR
True Value QC		1000	50.00	NR	1000	7.00	NR
% Recovery		95.0	102	NR	94.4	100	NR
Relative Percent Difference		3.0	2.7	NR	5.9	0.1	NR

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
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Gayle A. Potter, Chemist

09/26/2001
Date

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ANALYTICAL RESULTS FOR
I & W, INC.
ATTN: GEORGE PARCHMAN
P.O. BOX 1685
CARLSBAD, NM 88220
FAX TO: (505) 885-8477

Receiving Date: 09/21/01
Reporting Date: 09/27/01
Project Owner: I & W, INC.
Project Name: EUGENIE DEEP MONITOR WELL #2
Project Location: CARLSBAD, NM

Sampling Date: 09/21/01
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (μ S/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:		09/25/01	09/26/01	09/26/01	09/26/01	09/24/01	09/24/01
H6171-1	MONITOR WELL #2	208	551	24	201	3656	119
Quality Control		2.209	55	46	5.29	1489	NR
True Value QC		2.000	50	50	5.00	1413	NR
% Recovery		110	110	92.0	106	105	NR
Relative Percent Difference		9.5	1.6	4.0	0.4	0.3	NR

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
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	Cl ⁻ (mg/L)	SO ₄ (mg/L)	OH (mg/L)	CO ₃ , HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:		09/24/01	09/24/01	09/24/01	09/24/01	09/24/01
H6171-1	MONITOR WELL #2	152	621	55.6	0	11.58
Quality Control		950	50.95	NR	944	7.02
True Value QC		1000	50.00	NR	1000	7.00
% Recovery		95.0	102	NR	94.4	100
Relative Percent Difference		3.0	2.7	NR	5.9	0.1

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
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Gayle A. Potter, Chemist

09/27/2001
Date

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ANALYTICAL RESULTS FOR
I&W INC.
ATTN: GEORGE PARCHMAN
P.O. BOX 1685
CARLSBAD, NM 88220
FAX TO: (505) 885-8477

Receiving Date: 08/22/00
Reporting Date: 08/25/00
Project Number: NOT GIVEN
Project Name: NOT GIVEN
Project Location: NOT GIVEN

Sampling Date: 08/22/00
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: AH
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (μ S/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:		08/24/00	08/24/00	08/24/00	08/24/00	08/24/00	08/24/00
H5117-1	L STREET	192	363	91	4.40	3458	156
H5117-2	TIDWELL	496	484	308	4.44	6690	240
H5117-3	CALVANI	0	292	303	4.52	3896	102
H5117-4	WHITES ZOO	0	500	253	6.94	4330	195
Quality Control		NR	42.0	45.0	5.05	1368	NR
True Value QC		NR	50.0	50.0	5.00	1413	NR
% Recovery		NR	84.0	90.9	101	96.7	NR
Relative Percent Difference		NR	0	2.4	0	0.1	NR

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
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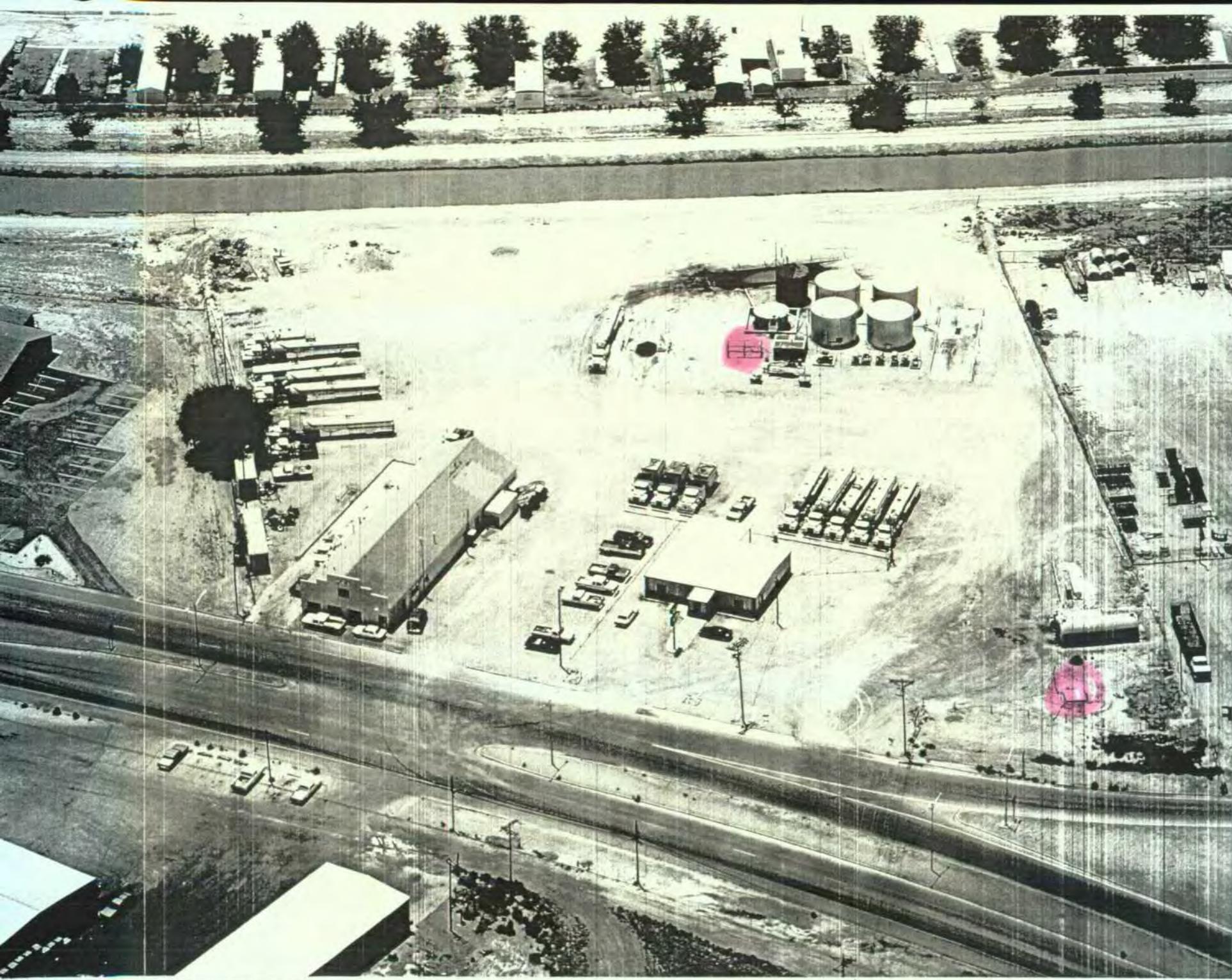
	Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)	
ANALYSIS DATE:		08/24/00	08/24/00	08/24/00	08/24/00	08/24/00	
H5117-1	L STREET	621	648	0	190	7.01	2778
H5117-2	TIDWELL	1770	796	0	293	6.98	5878
H5117-3	CALVANI	640	807	0	102	7.22	3238
H5117-4	WHITES ZOO	691	655	0	195	7.22	3300
Quality Control		1070	51.51	NR	1088	6.99	NR
True Value QC		1000	50.00	NR	1000	7.00	NR
% Recovery		107	103	NR	109	99.9	NR
Relative Percent Difference		6.4	1.5	NR	8.1	0	NR

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
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Amy Hill
Chemist

8/25/00
Date

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1 (800) 748-2084

Oil Commission Department
1220 S. Frances Dr.
Santa Fe, New Mexico 87504

November 26, 2002

Attn: Wayne Price

In regards to our conversation concerning the monitor wells for I & W, Inc.. I have been in contact with Mr. Clint Taylor of Taylor Water Well Services. He was able to locate a producing fresh water well just to the north, northwest of I & W approximately $\frac{1}{2}$ to $\frac{3}{4}$ miles up from our facility. This well is located at Emmitt Smith Elementary School. Enclosed is a map of the area with the previously sampled wells marked in blue. The red marked well would be the well proposed for your consideration. In regards to this matter we are hopeful that this will satisfy the needs of your department. We will be waiting to hear from you.

Legals: Sec.18 , T22S, R27E

Sincerely

A handwritten signature in cursive script that reads "George E. Parchman".

George E. Parchman

GP/lr

12/4/02
Called OK To
SAMPLE
w.p.



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Water samples taken from existing water wells in the surrounding area of the Eugenie water well.

1. L Street: NE ¼ SW ¼ NW ¼ Sec. 19, T22S, R27E
a. 92' Deep & 50 years old
2. Tidwell: NE ¼ NE ¼ NE ¼ NE ¼ Sec. 27, T22S, R27E
a. 57' Deep & 3 ½ years old
3. Calvani: N1/4 NE ¼ NW ¼ SW ¼ Sec. 20, T22S, R27E
a. 200' Deep & 40 years old
4. Whites Zoo: SW ¼ NW ¼ SW ¼ NW ¼ Sec. 8, T22s, R27E
a. 42' Deep & 2 years old
5. Dr. Emmitt Smith Elementary School: Sec.18, T22S, R27E
a. 200' Deep and appr. 30 years old

These samples 1-4 were witnessed & pulled at 10:00 am August 22, 2000.

Witnesses: Mike Stublefield of Artesia OCD _____
Clint Taylor of Taylor Water Well Services _____
Lawrence Dade of I & W, Inc. _____

Sample 5 was witnessed & pulled at 1:30 pm December 19, 2002

Witnesses: Mike Stublefield of Artesia OCD _____
George Parchman of I & W, Inc. George Parchman
Gene Pruitt of I & W, Inc. Gene Pruitt



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ANALYTICAL RESULTS FOR
I&W, INC.

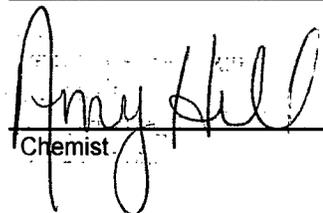
ATTN: GEORGE PARCHMAN
P.O. BOX 98
LOCO HILLS, NM 88255
FAX TO:

Receiving Date: 01/02/03
Reporting Date: 01/06/03
Project Number: 5
Project Name: DR. EMMITT SMITH SCHOOL
Project Location: SE18 T22S R27E

Sampling Date: NOT GIVEN
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (mS/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:		01/03/03	01/03/03	01/03/03	01/03/03	01/03/03	01/03/03
H7366-1	-	507	316	100	3.27	3215	140
Quality Control		NR	42	41	4.67	1322	NR
True Value QC		NR	50	50	5.00	1413	NR
% Recovery		NR	84.0	82.0	93.4	93.6	NR
Relative Percent Difference		NR	0.8	1.4	1.0	0.7	NR
METHODS:		SM3500-Ca-D	3500-Mg E		8049	120.1	310.1

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:		01/03/03	01/03/03	01/03/03	01/03/03	01/03/03	01/06/03
H7366-1	-	708	1123	0	171	7.13	2876
Quality Control		1000	50.20	NR	1068	6.98	NR
True Value QC		1000	50.00	NR	1000	7.00	NR
% Recovery		100.0	100	NR	107	99.7	NR
Relative Percent Difference		3.0	0.7	NR	7.7	0.1	0.4
METHODS:		SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1


Chemist

1-6-03
Date

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ANALYTICAL RESULTS FOR
I&W, INC.
ATTN: GEORGE PARCHMAN
P.O. BOX 1685
CARLSBAD, NM 88220
FAX TO: (505) 885-8477

Receiving Date: 12/23/02
Reporting Date: 12/26/02
Project Number: DEEP #2
Project Name: EUGENIE DEEP MONITOR WELL #1 & #2
Project Location: CARLSBAD, NM

Sampling Date: 12/20/02
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (mS/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:		12/23/02	12/23/02	12/23/02	12/23/02	12/23/02	12/23/02
H7351-1	MW #1	1953	481	314	4.92	7519	265
H7351-2	MW #2	209	346	157	4.42	3113	80
Quality Control		NR	42	41	4.67	1322	NR
True Value QC		NR	50	50	5.00	1413	NR
% Recovery		NR	84.0	82.0	93.4	93.6	NR
Relative Percent Difference		NR	0.8	1.4	1.0	0.7	NR
METHODS:		SM3500-Ca-D		3500-Mg E	8049	120.1	310.1

LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:		12/23/02	12/23/02	12/23/02	12/23/02	12/23/02	12/26/02
H7351-1	MW #1	3599	1357	0	323	6.81	7376
H7351-2	MW #2	148	1615	0	98	7.88	2920
Quality Control		1000	50.20	NR	1068	6.76	NR
True Value QC		1000	50.00	NR	1000	7.00	NR
% Recovery		100.0	100	NR	107	96.6	NR
Relative Percent Difference		3.0	0.7	NR	7.7	0.4	0.4
METHODS:		SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1

Amy Hill

Chemist

12-26-02

Date

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Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87504

February 26, 2002

Attn: Wayne Price

I & W Inc. has come up with a proposal that we hope will meet with your approval on the Eugenie brine water station located at our Carlsbad yard.

In going with a version of the picture you sent on February 4th 2002 we will be installing a similar version. This packet will include a drawing, as well as the location of the installation. 220' being the best we can do in accordance with the lot and still maintain a safe distance from highway 285. Encountering the 1st ground water in the monitor wells was at 62'. So in using this method, we would need to use some type of oil, such as peanut oil into the PVC pipe. We feel this should work fine.

As I will be away until the month of April, I ask that you send your reply to Eugene Irby Manager/Owner, or Kevin Wilson Operation Manager.

We appreciate your time and concern in this matter and will waiting to hear from you. Thank you.

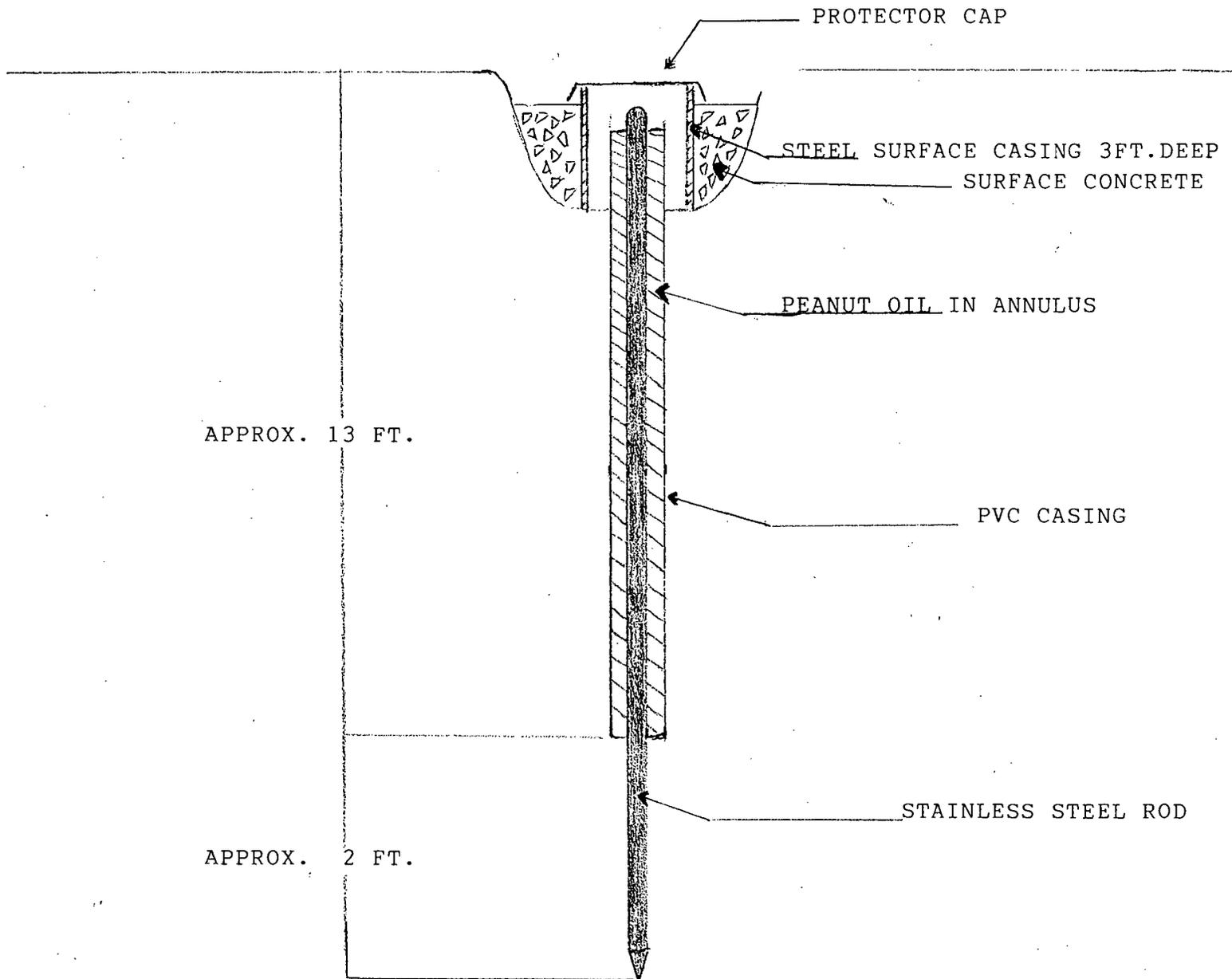
Sincerely,

A handwritten signature in cursive script that reads 'George E. Parchman'.

George E. Parchman

GEP/lr

MARKER INSTALLATION



I & W, INC.
CARLSBAD, NM.
EUGENIE BRINE STATION

2.26.02

Hwy 28

monitor location



PARKING

TRUCK PARKING

DETAIL

NOT TO SCALE

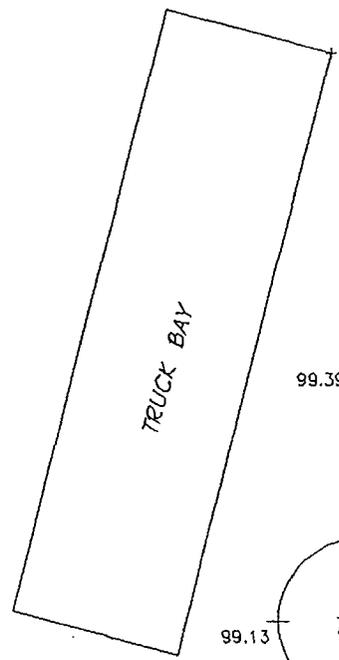
+ GR. ELEV. 97.80

+ GR. ELEV. 97.80

+ GR. ELEV. 98.10

+ GR. 98.1

+ GR. ELEV. 97.60



TBM3 98.50

99.39

TANK

99.37

99.38

TANK

99.29



WELL 99.80

99.13

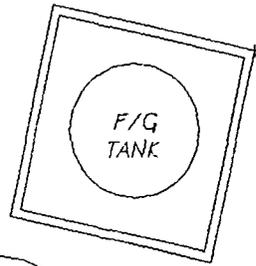
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99.29

99.22

TANK

99.31

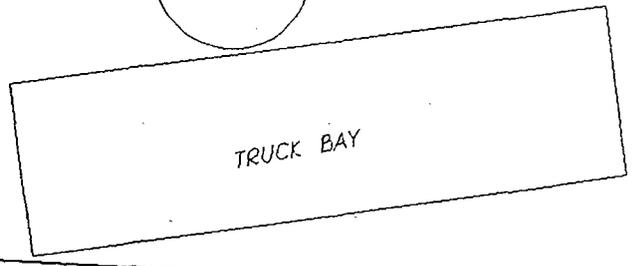


TBM1 100.00

98.70

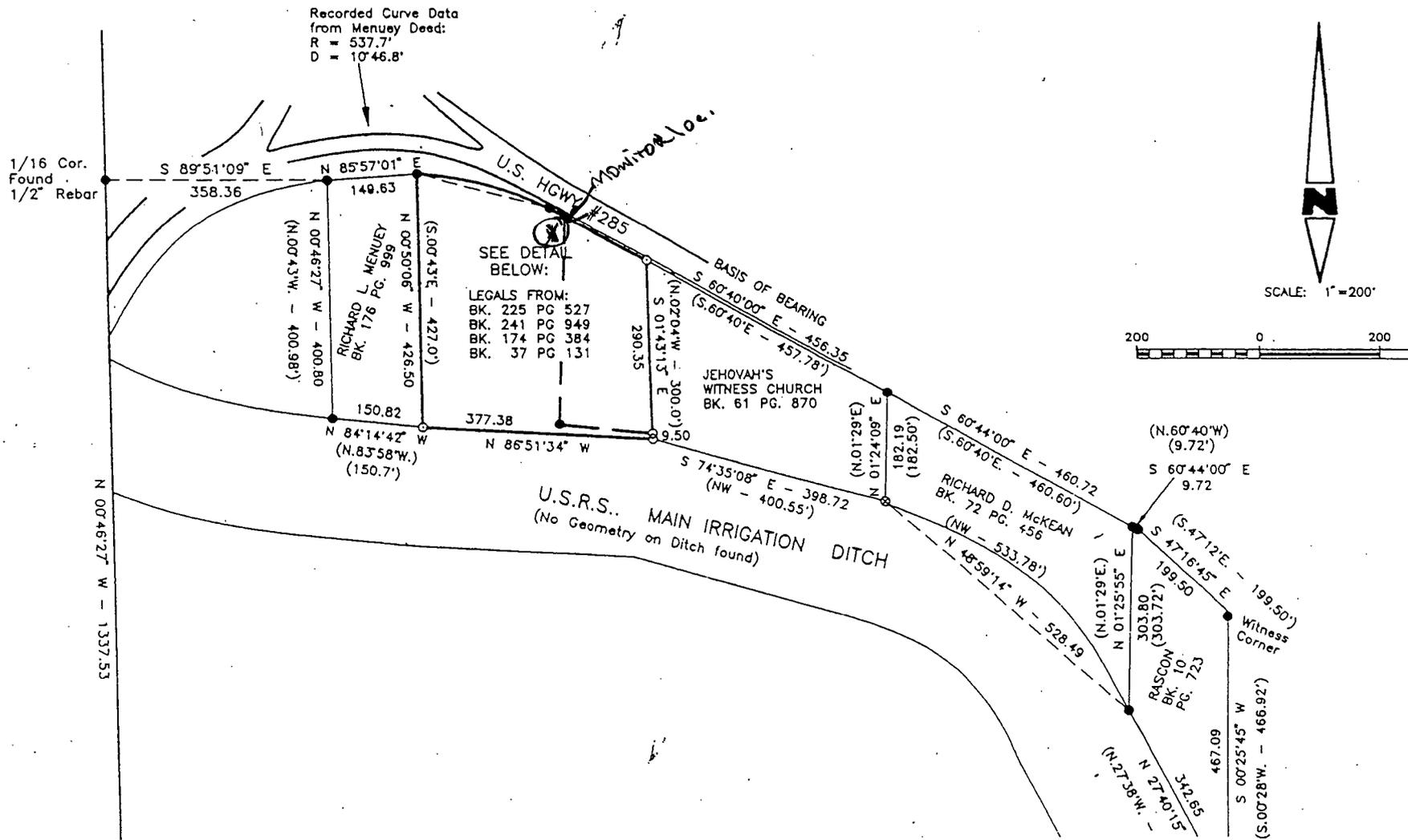
TANK

99.03



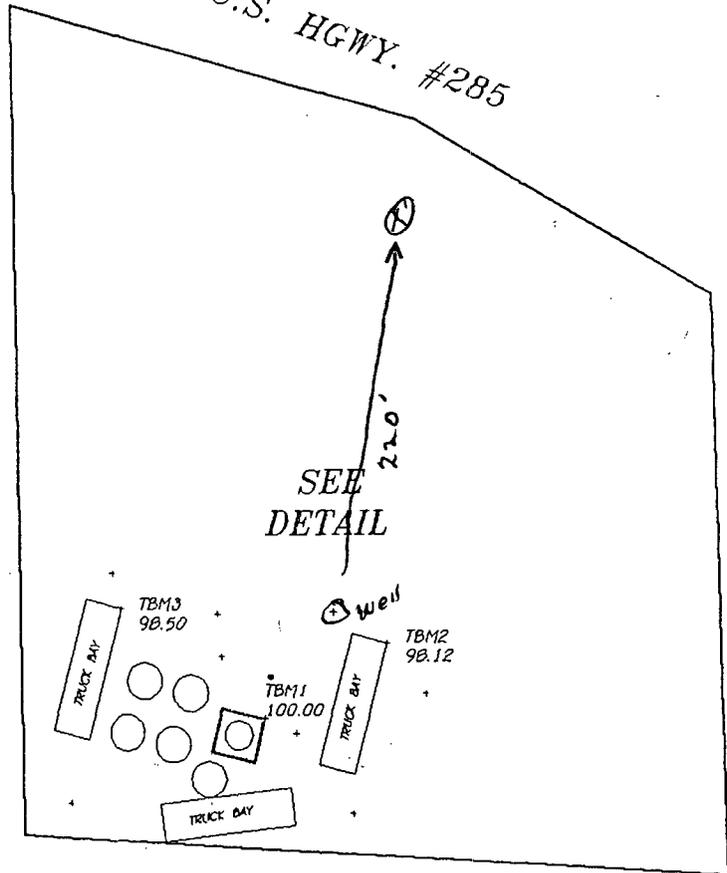
U.S.R.S. MAIN IRRIGATION DITCH

SECTION 17, TOWNSHIP 22 SOUTH, RANGE 27 EAST, N.M.P.M.
 EDDY COUNTY, NEW MEXICO

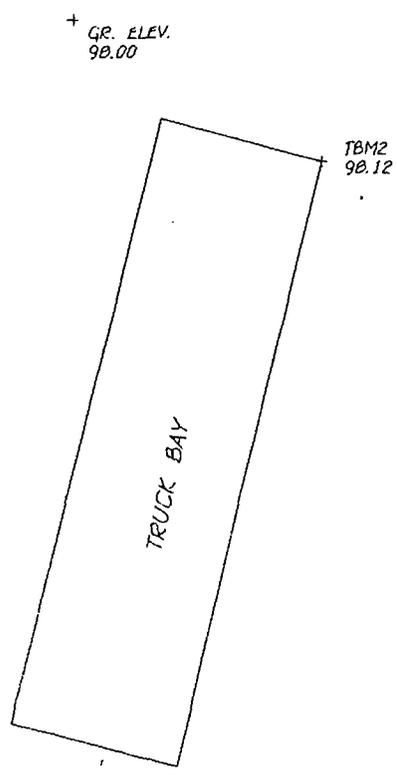




U.S. HGWY. #285



U.S.R.S. MAIN IRRIGATION DITCH



GR. ELEV. 97.50

GR. ELEV. 98.00



I.W. INC.

ELEVATIONS ON WELL PAD IN THE SOUTHWEST QUARTER OF SECTION 17, TOWNSHIP 22 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

W.O. Number: 6589 Date: 01-09-97 Drawn By: S.C. NICHOLS
Survey Date: 12-30-96 Disk: SCN #34 - IW65989A.DWG



ARTESIA
(505) 746-4214
1 (800) 748-1972

CARLSBAD
(505) 885-6663
1 (800) 658-2739

P.O. BOX 98
LOCO HILLS, NEW MEXICO 88255

LOCO HILLS
(505) 677-2111
1 (800) 748-1972

LOVINGTON
(505) 396-3331
1 (800) 748-2084

RECEIVED

OCT 5 - 2001

**OIL CONSERVATION
DIVISION**

October 2, 2001

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87504

ATTN: Wayne Price

Dear Mr. Price:

Enclosed you will find a city map of Carlsbad, with the location of four (4) wells around the I & W, Inc's Eugenie. Also, there is the test results of the samples from the two (2) monitor wells at the Eugenie. These samples were taken after the wells were purged.

The OCD representative present was Mike Stubblefield. Samples were taken September 20, 2001.

Witness:

Mike Stubblefield Mike Stubblefield

Larry Dade Larry Dade

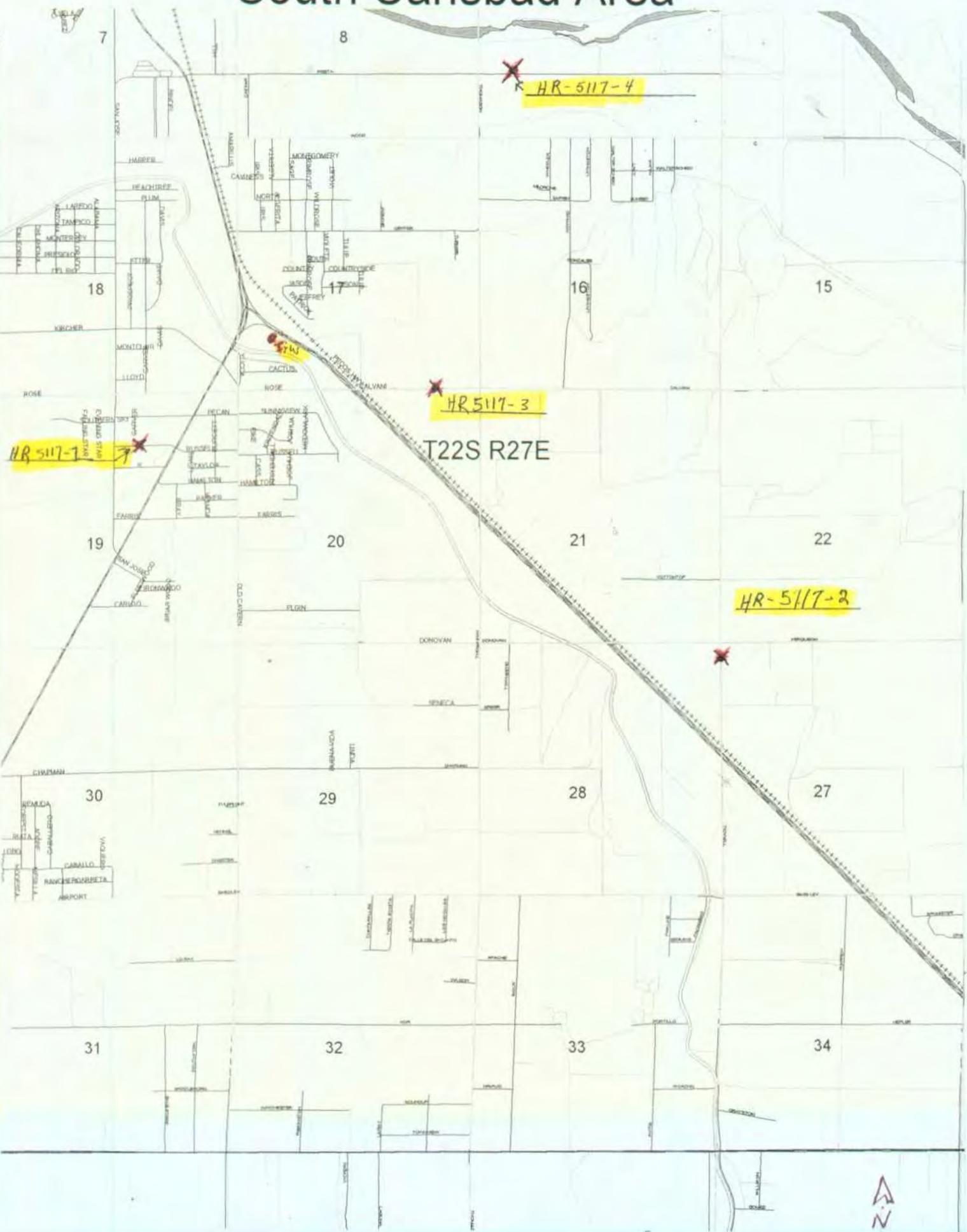
George Parchman George Parchman

Respectfully,

George Parchman

George Parchman
General Manager

South Carlsbad Area



HR-5117-1

HR-5117-3

HR-5117-4

HR-5117-2

T22S R27E





ARDINAL LABORATORIES

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

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

ANALYTICAL RESULTS FOR
I&W INC.
ATTN: GEORGE PARCHMAN
P.O. BOX 1685
CARLSBAD, NM 88220
FAX TO: (505) 885-8477

Receiving Date: 08/22/00
Reporting Date: 08/25/00
Project Number: NOT GIVEN
Project Name: NOT GIVEN
Project Location: NOT GIVEN

Sampling Date: 08/22/00
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: AH
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (μ S/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:	Depth	08/24/00	08/24/00	08/24/00	08/24/00	08/24/00	08/24/00
H5117-1	L STREET 92'	192	363	91	4.40	3458	156
H5117-2	TIDWELL 70'	496	484	308	4.44	6690	240
H5117-3	CALVANI 203'	0	292	303	4.52	3896	102
H5117-4	WHITES ZOO 42'	0	500	253	6.94	4330	195
Quality Control		NR	42.0	45.0	5.05	1368	NR
True Value QC		NR	50.0	50.0	5.00	1413	NR
% Recovery		NR	84.0	90.9	101	96.7	NR
Relative Percent Difference		NR	0	2.4	0	0.1	NR

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
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	Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)	
ANALYSIS DATE:	08/24/00	08/24/00	08/24/00	08/24/00	08/24/00	08/24/00	
H5117-1	L STREET	621	648	0	190	7.01	2778
H5117-2	TIDWELL	1770	796	0	293	6.98	5878
H5117-3	CALVANI	640	807	0	102	7.22	3238
H5117-4	WHITES ZOO	691	655	0	195	7.22	3300
Quality Control	1070	51.51	NR	1088	6.99	NR	
True Value QC	1000	50.00	NR	1000	7.00	NR	
% Recovery	107	103	NR	109	99.9	NR	
Relative Percent Difference	6.4	1.5	NR	8.1	0	NR	

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
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Amy Hill
Chemist

8/25/00
Date

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



ARTESIA
(505) 746-4214
1 (800) 748-1972

CARLSBAD
(505) 885-6663
1 (800) 658-2739

P.O. BOX 98
LOCO HILLS, NEW MEXICO 88255

LOCO HILLS
(505) 677-2111
1 (800) 748-1972

LOVINGTON
(505) 396-3331
1 (800) 748-2084

Water Samples taken from existing water wells in the surrounding area of the Eugenie water well.

1. L Street : NE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec.19, T22S, R27E
a. 92' Deep & 50 years old
2. Tidwell: NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 27, T22S, R27E
a. 57' Dccp & 3 1/2 years old
3. Calvani : N $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 20, T22S, R27E
a. 200' Deep & 40 Years old
4. Whites Zoo : SW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec.8 T22S, R27E
a. 42' Deep & 2 Years old

These samples where witnessed & pulled at 10:00 am on August 22, 2000 .

Mike Stubblefield

Mike Stubblefield of Artesia OCD
Clint Taylor of Taylor Well Service
Lawrence Dade of I & W, Inc.



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

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

ANALYTICAL RESULTS FOR
I & W, INC.
ATTN: GEORGE PARCHMAN
P.O. BOX 1685
CARLSBAD, NM 88220
FAX TO: (505) 885-8477

Receiving Date: 09/21/01
Reporting Date: 09/25/01
Project Owner: I & W, INC.
Project Name: EUGENIE SHALLOW MONITOR WELL
Project Location: CARLSBAD, NM

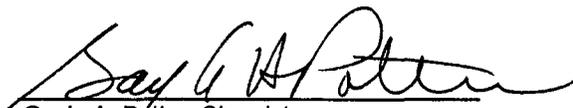
Sampling Date: 09/20/01
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (uS/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:		09/25/01	09/24/01	09/24/01	09/24/01	09/24/01	09/24/01
H6170-1	MONITOR WELL #1	840	902	620	12	12277	274
Quality Control		NR	55	46	5.29	1489	NR
True Value QC		NR	50	50	5.00	1413	NR
% Recovery		NR	110	92.0	106	105	NR
Relative Percent Difference		NR	1.6	4.0	0.4	0.3	NR

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
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	Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:		09/24/01	09/24/01	09/24/01	09/24/01	09/24/01
H6170-1	MONITOR WELL #1	4100	575	0	334	6.87
Quality Control		950	50.95	NR	944	7.02
True Value QC		1000	50.00	NR	1000	7.00
% Recovery		95.0	102	NR	94.4	100
Relative Percent Difference		3.0	2.7	NR	5.9	0.1

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
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Gayle A. Potter, Chemist

09/26/2001
Date

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



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

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

ANALYTICAL RESULTS FOR
I & W, INC.
ATTN: GEORGE PARCHMAN
P.O. BOX 1685
CARLSBAD, NM 88220
FAX TO: (505) 885-8477

Receiving Date: 09/21/01
Reporting Date: 09/27/01
Project Owner: I & W, INC.
Project Name: EUGENIE DEEP MONITOR WELL #2
Project Location: CARLSBAD, NM

Sampling Date: 09/21/01
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: BC
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (μ S/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:		09/25/01	09/26/01	09/26/01	09/26/01	09/24/01	09/24/01
H6171-1	MONITOR WELL #2	208	551	24	201	3656	119
Quality Control		2.209	55	46	5.29	1489	NR
True Value QC		2.000	50	50	5.00	1413	NR
% Recovery		110	110	92.0	106	105	NR
Relative Percent Difference		9.5	1.6	4.0	0.4	0.3	NR

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
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	Cl ⁻ (mg/L)	SO ₄ (mg/L)	OH (mg/L)	CO ₃ , HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:		09/24/01	09/24/01	09/24/01	09/24/01	09/24/01
H6171-1	MONITOR WELL #2	152	621	55.6	0	11.58
Quality Control		950	50.95	NR	944	7.02
True Value QC		1000	50.00	NR	1000	7.00
% Recovery		95.0	102	NR	94.4	100
Relative Percent Difference		3.0	2.7	NR	5.9	0.1

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
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Gayle A. Potter, Chemist

09/27/2001
Date

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

H6171.XLS

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 8/20/01
or cash received on _____ in the amount of \$ 1700⁰⁰
from I & W, INC.

for EUGENIE BRINE WELL BW-006

Submitted by: ^(Family Name) WAYNE PRICE . Date: ^(DP No.) 8/30/01

Submitted to ASD by: [Signature] Date: "

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal
Modification _____ Other _____

Organization Code 521.07 Applicable FY 2002

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____

 Western Bank ARTESIA, NEW MEXICO 88210	I. & W, INC. P.O. BOX 98 505-677-2111 LOCO HILLS, NM 88255		[REDACTED]
	PAY TO THE ORDER OF <u>Water Quality Management Fund</u>		DATE <u>8/20/01</u>
		\$ **1700.00**	
One Thousand Seven Hundred Dollars and 00/100-----			
	<u>Eugenie Permit</u>		DOLLARS 
THIS CHECK IS DELIVERED FOR PAYMENT ON THE ACCOUNTS LISTED			
		<u>[Signature]</u>	

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [redacted] dated 8/22/01
or cash received on _____ in the amount of \$ 50⁰⁰
from I & W INC

for EUGENIE BRINE ST BW-006

Submitted by: WAYNE PRICE (Facility Name) Data: 8/30/01 (CIP No.)

Submitted to ASD by: [Signature] Data: "

Received in ASD by: _____ Data: _____

Filing Fee New Facility _____ Renewal _____

Modification _____ Other _____

Organization Code 521.07 Applicable FY 2002

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____

Western Bank
ARTESIA, NEW MEXICO 88210

I. & W, INC.
P.O. BOX 98 505-677-2111
LOCO HILLS, NM 88255

95-198/1122

DATE 8/22/01

PAY TO THE ORDER OF Water Quality Management Fund \$ 50⁰⁰

Fifty and 00/100

DOLLARS  Security Features Included. Details on back.

<u>Eugenie</u>				

THIS CHECK IS DELIVERED FOR PAYMENT ON THE ACCOUNTS LISTED

A. Deans

NP



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

August 17, 2001

Lori Wrotenberg
Director
Oil Conservation Division

CERTIFIED MAIL
RETURN RECEIPT NO. 5357 7645

George Parchman
I&W, Inc.
P.O. Box 98
Loco Hills, New Mexico, 88255

Re: Ground Subsidence Monitors
Discharge Plan BW-006 Brine Well
Carlsbad Eugenie Brine Extraction Facility
Eddy County, New Mexico

Dear Mr. Parchman:

The Discharge Plan BW-006 condition #25 required I&W, Inc. to submit for OCD approval a plan to detect long-term subsidence. Since OCD presently does not have a standard for such installations, OCD is hereby extending your deadline for plan submittal until January 31, 2002 when your first annual report is due. Please make sure I&W, Inc. addresses all of the deadlines mentioned in the approval conditions. In order to assist you, OCD has enclosed technical information pertaining to Ground Subsidence Monitors.

Please be advised that NMOCD granting of this extension does not relieve I&W, Inc. of responsibility should their operations pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD approval does not relieve I&W, Inc. of responsibility for compliance with any other federal, state, or local laws and/or regulations.

If you have any questions please do not hesitate to contact me at 505-476-3487 or E-mail at WPRICE@state.nm.us.

Sincerely,

Wayne Price-Pet. Engr. Spec.

cc: OCD Artesia Office

Attachments-2

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

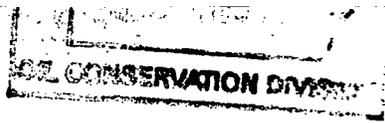
June 15	2001
	2001
	2001
	2001
	2001
	2001

That the cost of publication is \$ 61.19 and that payment thereof has been made and will be assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this 19 day of June, 2001
Lorraine Depoite

My commission expires 5/25/03
Notary Public



mexico. water quality Control Commission Regulations, the following discharge plan applications has been submitted to the Director of the Oil Conservation Division, 1220 S. Saint Francis Drive, Santa Fe, New Mexico 87505, Telephone (505) 476-3440:

(BW-006) - I&W Incorporated, George Parchman, P.O. Box 98, Loco Hills, New Mexico 88255, has submitted a discharge plan renewal application for their Carlsbad Eugenie Brine Extraction Facility located in the SW/4SW/4 of Section 17, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. Fresh water is injected down annulas of the No. 1 well to an approximate depth of 550 feet and brine is produced through the tubing. The brine has an average total dissolved solids content of 300,000 mg/l. Groundwater most likely to be affected by any accidental discharge is at a depth of 50 feet with a total dissolved solids concentration of about 1,000 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

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

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 7th day of June 2001.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
LORI WROTENBERY
Director

*Approved 7/6/01
W. [Signature]*

NOTICE OF PUBLICATION

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

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

(BW-004) - Gandy Corporation., Larry Gandy, Vice-President, P.O. Box 827, Tatum, New Mexico, 88267 has submitted an application for renewal of its previously approved discharge plan for its brine well facility. The brine extraction facility is located in the SW/4 SW/4 of Section 31, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico. Fresh water is injected to an approximate depth of 2,000 feet and brine is extracted with an average total dissolved solids concentration of 313,000 mg/l. Groundwater most likely to be affected by any accidental discharge is at a depth of approximately 120 feet and has a total dissolved solids content of approximately 325 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(BW-006) - I&W Incorporated, George Parchman, P.O. Box 98, Loco Hills, New Mexico 88255, has submitted a discharge plan renewal application for their Carlsbad Eugenie Brine Extraction Facility located in the SW/4 SW/4 of Section 17, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. Fresh water is injected down annulus of the the No. 1 well to an approximate depth of 550 feet and brine is produced through the tubing. The brine has an average total dissolved solids content of 300,000 mg/l. Groundwater most likely to be affected by any accidental discharge is at a depth of 50 feet with a total dissolved solids concentration of about 1,000 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

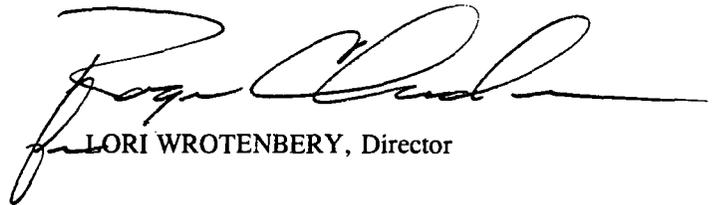
(BW-028) - Gold Star SWD Ltd. Co., Royce Crowell, Manager/Partner, P.O. Box 1480, Eunice, New Mexico, 88231 has submitted an application for their proposed Eunice Brine Station, located in the NW/4 NW/4 of Section 15, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. Fresh water will be injected to an approximate depth of 2,000 feet. Approximately 1,000 barrels per day of brine water will be extracted with an average total dissolved solids concentration of 300,000 mg/l. The brine water will be stored in three 500 barrel aboveground closed top fiberglass tanks. Ground water most likely to be affected by any accidental discharge is at a depth of approximately 80 feet and has a total dissolved solids content of approximately 1,200 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

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

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 7 Th. day of June 2001.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY, Director

S E A L

ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 1/30/01,
or cash received on _____ in the amount of \$ 50⁰⁰
from I + W INC.

for EUGENIO - CARLSBAD BRINE WELL BW-006

Submitted by: ^(Family Name) WAYNE PRICE Date: ^(DP No.) 2/16/01

Submitted to ASD by: [Signature] Date: 2/16/01

Received in ASD by: _____ Date: _____

Filing Fee New Facility _____ Renewal _____
Modification _____ Other _____
(Quantity)

Organization Code 521.07 Applicable FY 2001

To be deposited in the Water Quality Management Fund.

Full Payment _____ or Annual Increment _____



I & W INC.
P.O. BOX 98 (505) 677-2111
LOCO HILLS, NM 88255

95-198
1122

WESTERN BANK
ARTESIA, NEW MEXICO 88210

CHECK NO.	CHECK DATE	VENDOR NO.
[REDACTED]	01/30/01	OCD

PAY FIFTY AND 00/100 DOLLARS*****

CHECK AMOUNT
\$*****50.00

TO THE OIL CONSERVATION DIVISION
ORDER 1220 S. ST. FRANCIS DRIVE
OF SANTA FE NM 87504
USA

[Signature]

ACCOUNT NO.			VENDOR	CHECK NO.		CHECK DATE	
			OCD OIL CONSERVATION DIVISION	029869		1/30/01	
VOUCHER	INVOICE NUMBER	INV. DATE	REFERENCE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
58042	FILING FEE	1/30/01	DISCHARGE PLAN APPL	50.00	50.00	.00	50.00
						CHECK TOTAL	50.00

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

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Revised March 17, 1999

Submit Original
Plus 1 Copy
to Santa Fe
1 Copy to Appropriate
District Office

**DISCHARGE PLAN APPLICATION FOR SERVICE COMPANIES,
GAS PLANTS, REFINERIES, COMPRESSOR, AND CRUDE OIL PUMP STATIONS**
(Refer to the OCD Guidelines for assistance in completing the application)

New Renewal Modification

1. Type: Brine Water Discharge

2. Operator: I & W, Inc.

Address: P.O. Box 98 Loco Hills, New Mexico

Contact Person: Eugene Irby/George Parchman Phone: (505) 748-1138

3. Location: SW /4 SW /4 Section 17 Township 22 Range 27

Submit large scale topographic map showing exact location.

4. Attach the name, telephone number and address of the landowner of the facility site.

5. Attach the description of the facility with a diagram indicating location of fences, pits, dikes and tanks on the facility.

6. Attach a description of all materials stored or used at the facility.

7. Attach a description of present sources of effluent and waste solids. Average quality and daily volume of waste water must be included.

8. Attach a description of current liquid and solid waste collection/treatment/disposal procedures.

9. Attach a description of proposed modifications to existing collection/treatment/disposal systems.

10. Attach a routine inspection and maintenance plan to ensure permit compliance.

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

12. Attach geological/hydrological information for the facility. Depth to and quality of ground water must be included.

13. Attach a facility closure plan, and other information as is necessary to demonstrate compliance with any other OCD rules, regulations and/or orders.

14. CERTIFICATION

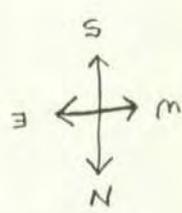
I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: George E. Parchman Title: Manager

Signature:  Date: January 29, 2001

N 88° 51' 31" W

CANAL (CID) 74' x 10'



Hwy 285

377.38

New
 Existing
 Plot

887-3991



4-1000 BBL BRINE STORAGE TANKS

EUGENIE 1

DISCHARGE BRINE TO STORAGE TANKS

GROUND SURFACE

1 well
Injection
&
EXTRACTION

8 7/8" CASING

220'

5 1/2" CASING

2 7/8" TUBING

456'

Top of SALT

SALT FORMATION

601'

Plugged &
Abandoned

EUGENIE 2

F/W Injection
Down Hole

Cemented
Top to Bottom

5 1/2" CASING

285'

2 7/8" TUBING

456'

601'

663'

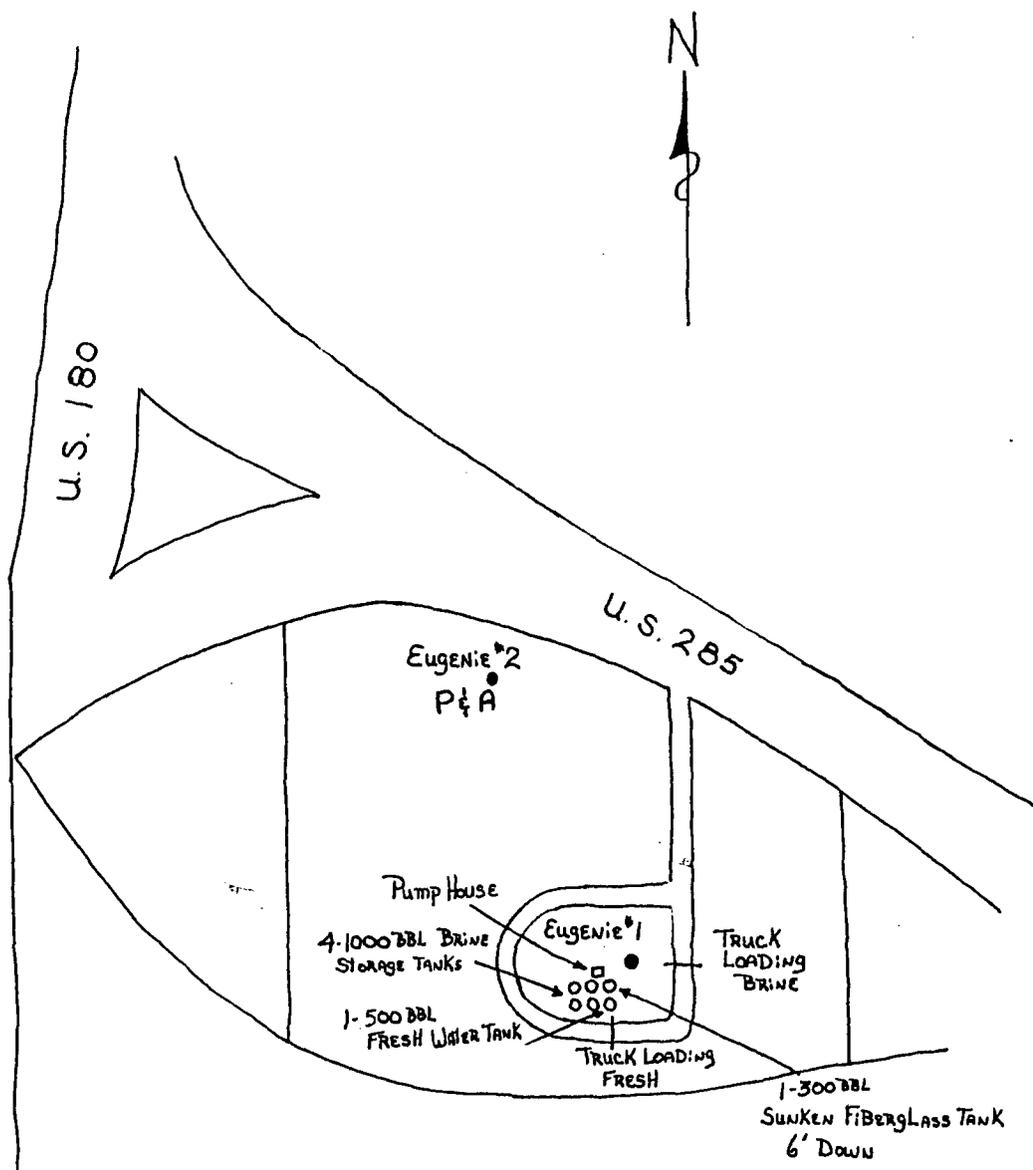
Depth, Diameter
Casing & Tubing
Specs
Map B

SUB-SURFACE SCHEMATIC DRAWING
of Eugenie 1 & 2

SOUTH Y CARLSBAD N.M. 88220

DATE
1/30/00

I & W, Inc

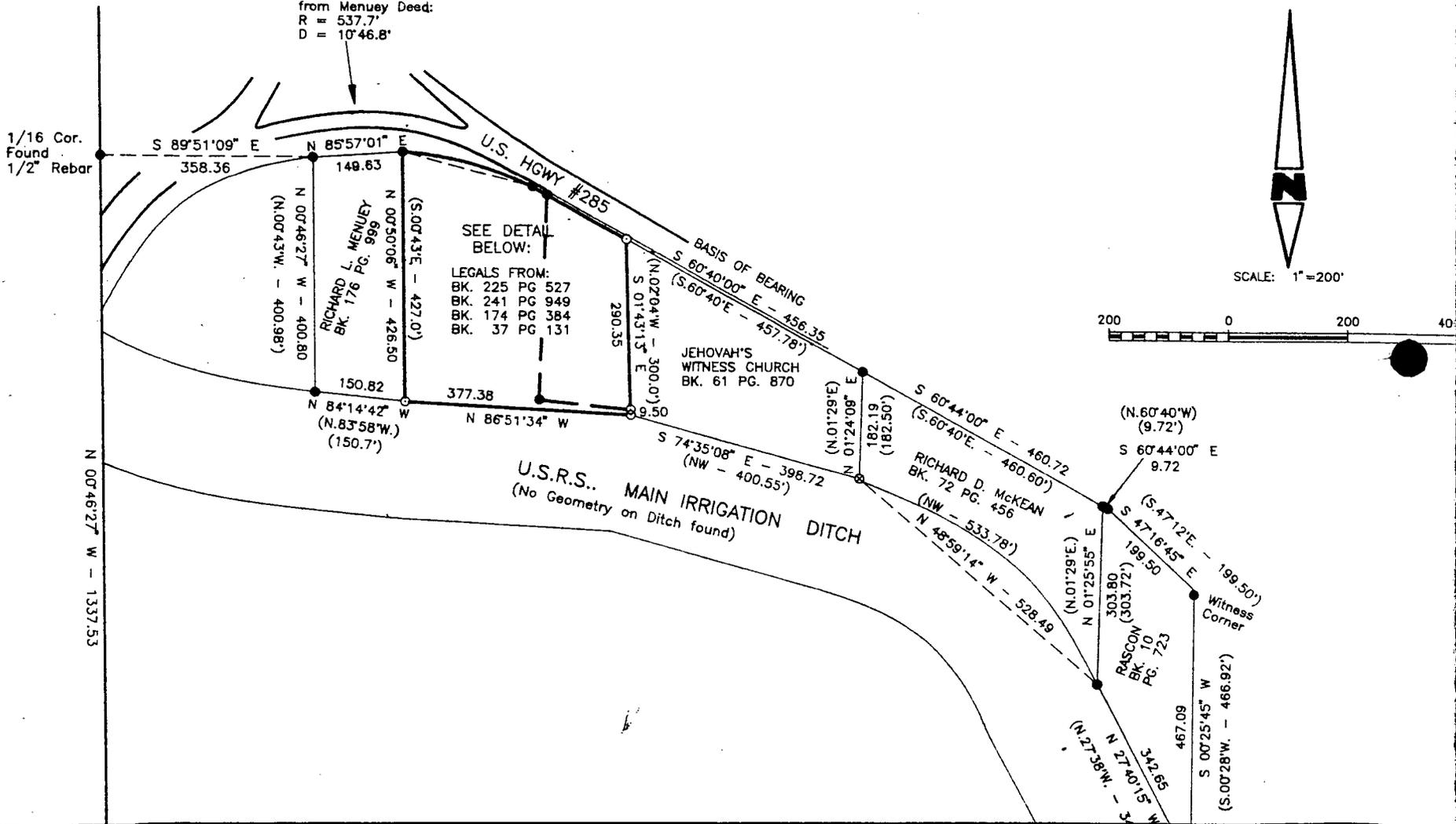


Facility Plot Plan
Map A

I & W Inc.		
EUGENIE #1 - EUGENIE #2 BRINE STATION		
SW/4 - SW/4 SEC. 17 RGE. 27E TWP. 22S		
DATE 1/29/01	GENE PRUITT	REVISED DRAWING #2

SECTION 17, TOWNSHIP 22 SOUTH, RANGE 27 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO

Recorded Curve Data
 from Menuey Deed:
 R = 537.7'
 D = 10°46.8'



T=114.35
 LC=223.42
 CB=S 74°51'34" E

1/16 Cor.
 Found
 1/2" Rebar

Section 17
 Section 18

S 89°51'09" E
 358.36

Fd. Iron Rail

N 85°57'01" E
 149.63

Fd. Iron Rail

P.O.B.

(S.74°45'E. - 223.5')

S 60°32'39" E
 28.40
 (S.60°39'E. - 28.40')

Fd. 1/2" I. R.

S 60°40'00" E - BASIS OF BEARING

2.2136 Acres

1.0566 Acres

N 00°46'27" W - 400.80

N 00°50'06" W - 426.50
 (N 00°43' W - 427.0')

(SE - 153.29)
 (SE - 153.75')

(S.02°04'E. - 300.0')
 (South - 290.0')

S 01°43'15" E
 290.35

(S.84°06'E)
 (155.0')

S 84°10'09" E
 154.53

(S - 9.5')

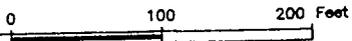
Fd. Iron Rail

N 84°14'42" W
 150.82

Fd. 1/2" I. R.

N 86°51'34" W - 377.38
 (Westerly - 372.5')

SCALE: 1"=100'



LEGAL DESCRIPTION:

A tract of land located in the Southwest quarter of the Southwest quarter of Section 17, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico and being more particularly described as follows:

Beginning at the Northwest corner of this tract, a point being on the South Right of Way line of State Highway No. 285 and a point being S.89°51'09"E., 358.36 feet and N.85°57'01"E., 149.63 feet from a half inch rebar accepted as the Northwest corner of

LEGEND:

- ⊗ Calculated Corner (Not found or set)
- Found Corner



HALLIBURTON

CENTRAL OPERATIONS LABORATORY WATER ANALYSIS REPORT HOBBS, NEW MEXICO

COMPANY I & W Incorporated

REPORT W01-010
 DATE January 24, 2001
 DISTRICT Artesia

SUBMITTED BY _____

WELL Eugenie DEPTH _____ FORMATION _____
 COUNTY _____ FIELD _____ SOURCE _____

SAMPLE	Carlsbad Fresh	Eugenie Salt		
Sample Temp.	68 °F	68 °F		
RESISTIVITY				
SPECIFIC GR.	1.001	1.210		
pH	8.17	6.79		
CALCIUM	400 mpl	1,550 mpl		
MAGNESIUM	570 mpl	1,230 mpl		
CHLORIDE	131 mpl	223,000 mpl		
SULFATES	light mpl	Moderate mpl		
BICARBONATES	264 mpl	103 mpl		
SOLUBLE IRON	0 mpl	0 mpl		
Sodium	- mpl	- mpl	0 mpl	0 mpl
TDS	- mpl	- mpl	0 mpl	0 mpl
OIL GRAVITY	@ °F	@ °F	@ °F	@ °F

REMARKS Salt Water Weight of 10.1 ppg

MPL = Milligrams per liter
 Resitivity measured in: Ohm/m2/m

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

ANALYST: _____

QUANTITIES

SOURCE: EUGENIE #1 EXTRACTION FACILITY

AVERAGE DAILY VOLUME PRODUCED: 200 BBL/DAY

ESTIMATED VOLUME STORED: 4000 BBL

TYPE OF CONTAINERS: 4 X 1000 BBL-STEEL TANKS



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

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

ANALYTICAL RESULTS FOR
 I & W, INC.
 ATTN: GEORGE PARCHMAN
 P.O. BOX 1685
 CARLSBAD, NM 88220
 FAX TO: (505) 885-8477

Receiving Date: 04/14/00
 Reporting Date: 04/20/00
 Project Number: SHALLOW #1
 Project Name: EUGENIE SHALLOW MONITER WELL
 Project Location: CARLSBAD, NM

Sampling Date: 04/14/00
 Sample Type: GROUNDWATER
 Sample Condition: COOL & INTACT
 Sample Received By: GP
 Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (mS/cm)	T-Alkalinity (mgCaCO ₃ /L)
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ANALYSIS DATE:	04/20/00	04/17/00	04/17/00	04/17/00	04/17/00	04/17/00	04/17/00
H4796-1 125' WELL #1	880	573	243	12	8020	468	
Quality Control	NR	44	58	5.19	1392	NR	
True Value QC	NR	50	50	5.00	1413	NR	
% Accuracy	NR	88	116	103.8	98.5	NR	
Relative Percent Difference	NR	1.8	8.6	3.1	0.2	NR	

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
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Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
---------------------------	---------------------------	---------------------------	----------------------------	--------------	---------------

ANALYSIS DATE:	04/17/00	04/17/00	04/17/00	04/17/00	04/17/00	04/17/00
H4796-1 125' WELL #1	1947	1096	226	0	7.19	5890
Quality Control	1001	47.47	112	971	6.96	NR
True Value QC	1000	50.00	124	1000	7.00	NR
% Accuracy	100	94.9	90.3	97.1	99.4	NR
Relative Percent Difference	2.4	4.0	-	-	0	-

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
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NOTE: Sample also contains 34 mg/L Hydroxide (OH) ion.

Amy Hill
 Chemist

4/20/00
 Date

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

I+W #1

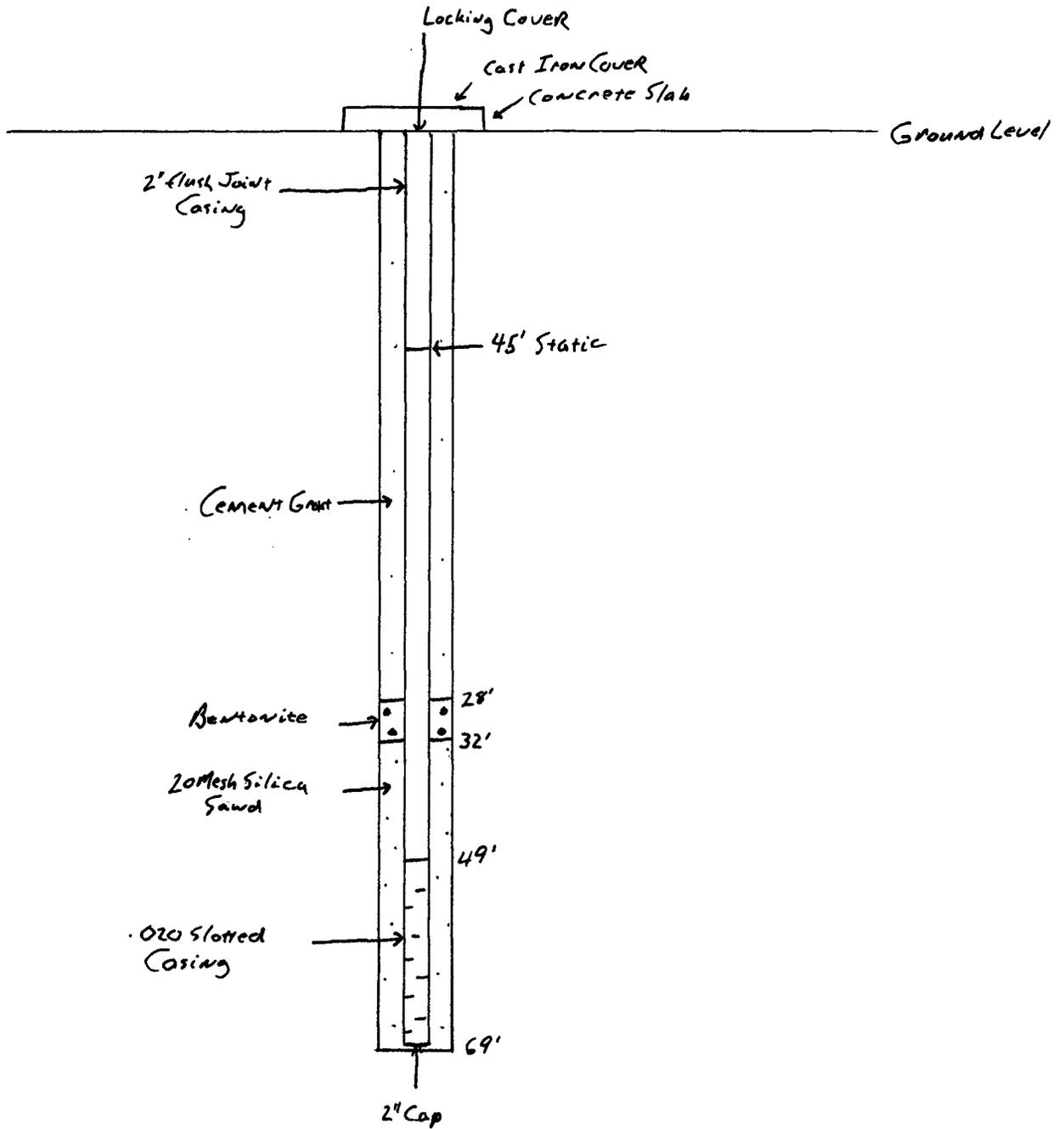
DRILL RATE (MIN/FT)

SAMPLE DESCRIPTION

Drill 3' conductor hole and set 8 5/8" hole collar. Rig up flow line and steel mud pit. Mix bentonite mud and begin drilling 6 1/2" hole.

0-2	3	3/27/00	
4	2-	0-4'	Rocky Soil
6	1-	4-8'	Clay:gry-brn,stky
8	1-	8-17'	Caliche
10	1		
2	1		
4	2		
6	2		
8	4	17-29'	Conglomerate:wht,pnk,yel brn,off wht,sme crs sand
20	9-		Note:Lost about 100 gallons of mud when pulled off of bottom to make
2	8		connection. Probably due to mud ring.
4	6-		
6	13		
8	13	3/28/00	
30	13	29-36'	Layers of rd.clay and conglomerate:pnk,th,gry,yel brn,sndy,calc
2	3		
4	7		
6	13	36-45'	Conglomerate:wht,pnk,brk rd,yel brn,vry sndy,calc
8	13		
40	5-		
2	8		
4	5		
6	8	45-58'	Clay:rd,sndy,sme fn gravel
8	1-		
50	2		
2	1-		
4	1		
6	6-		
8	5-	55-59'	Conglomerate:yel brn,gry,off wht,lmy,sndy
60	4-		
2	3	59-62'	Sand:clr,frstd,med-crs grn,lsly consl,mod wl srted,sb rnd,rnd
4	15		Gravel:fn (1/16"-1/8") limestone,chert,yel brn,brn,pnk,off wht,water zone
6	19-	62-67'	Conglomerate:wht,pnk,yel brn,sndy,lmy,vry hrd
8	17	67-69'	Clay:rd,smth
70	1		

Trip out of hole. Run in with test pump. Pump until mud thins. Trip pump out and run 2" casing. Place sand pack and cement with 1" tremie pipe. Develop well with air for 1 1/2 hours.





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

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

ANALYTICAL RESULTS FOR
I & W, INC.
ATTN: GEORGE PARCHMAN
P.O. BOX 1685
CARLSBAD, NM 88220
FAX TO: (505) 885-8477

Receiving Date: 04/14/00
Reporting Date: 04/20/00
Project Number: DEEP #2
Project Name: EUGENIE DEEP MONITER WELL #2
Project Location: CARLSBAD, NM

Sampling Date: 04/14/00
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: GP
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (mS/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:		04/20/00	04/17/00	04/17/00	04/17/00	04/17/00	04/17/00
H4796-2	225' WELL #2	242	457	24	754	6420	832
Quality Control		NR	44	58	5.19	1392	NR
True Value QC		NR	50	50	5.00	1413	NR
% Accuracy		NR	88	116	103.8	98.5	NR
Relative Percent Difference		NR	1.8	8.6	3.1	0.2	NR

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
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	Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:		04/17/00	04/17/00	04/17/00	04/17/00	04/17/00
H4796-2	225' WELL #2	402	1282	0	0	11.54
Quality Control		1001	47.47	112	971	6.96
True Value QC		1000	50.00	124	1000	7.00
% Accuracy		100	94.9	90.3	97.1	99.4
Relative Percent Difference		2.4	4.0	-	-	0

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
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NOTE: Sample also contains 283 mg/L Hydroxide (OH) ion.

Amy Hill
Chemist

4/20/00
Date

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

H4796-2.XLG

I+W #2

DRILL RATE (MIN/FT)

SAMPLE DESCRIPTION

Drill 3' conductor hole and set 8 5/8" hole collar. Rig up flow line and steel mud pit. Mix bentonite mud and begin drilling 6 1/2" hole.

0-2	2	4/5/00	
4	2	0-4'	Rocky Soil
6	2	4-8'	Clay:gry-brn,stky
8	2	8-17'	Caliche
10	1-		
2	5		
4	3		
6	8		
8	10	17-29'	Conglomerate:wht,pnk,yel brn,off wht,sme crs sand
20	15		
2	14		
4	12		
6	16		
8	16-	4/6/00	
30	11	29-36'	Layers of rd clay and conglomerate:pnk,th,gry,yel brn,sndy,calc
2	2		
4	17-		
6	17-	36-45'	Conglomerate:wht,pnk,brk rd,yel brn,vry sndy,calc
8	16		
40	9-		
2	8-		
4	7		
6	1-	45-58'	Clay:rd,sndy,sme fn gravel
8	1-		
50	1-		
2	1-		
4	1-		
6	1		
8	4	58-59'	Conglomerate:yel brn,gry,off wht,lmy,sndy
60	7-	4/7/00	
2	1-	59-62'	Sand:clr,frstd,med-crs grn,lsly consl,mod wl srted,sb rnd,rnd
4	19		Gravel:fn (1/16"-1/8") limestone,chert,yel brn,brn,pnk,off wht,water zone
6	24	62-67'	Conglomerate:wht,pnk,yel brn,sndy,lmy,vry hrd
8	8-	67-130'	Clay:rd,sndy
70	1-		

70-2 1/2
4 1/2
6 1/2
8 1/2
80 1/2
2 1/2
4 1/2
6 1/2
8 1-
90 4
2 3
4 4
6 6
8 1-
100 1
2 1
4 1/2
6 1/2
8 1
10 1
2 2
4 1-
6 2-
8 3
20 4
2 1/2
4 1/2
6 1/2
8 1/2
30 4
2 4
4 4
6 2-
8 3-
40 6-
2 4-
4 4-
6 3-
8 2-
50 1-
2 1-
4 2
6 2
8 1-
60 1

Note:sme gravel mixed with rd sndy clay

4/8/00 CHANGE TO 6" DRAG BIT

4/9/00 CHANGE TO 6" TRICONE BIT

130-148' Conglomerate:pnk,rd,yel,brn,off wht,lmy,chr,t,sme med crs sand,
sme lsly consl sand+gravel,possible water zone

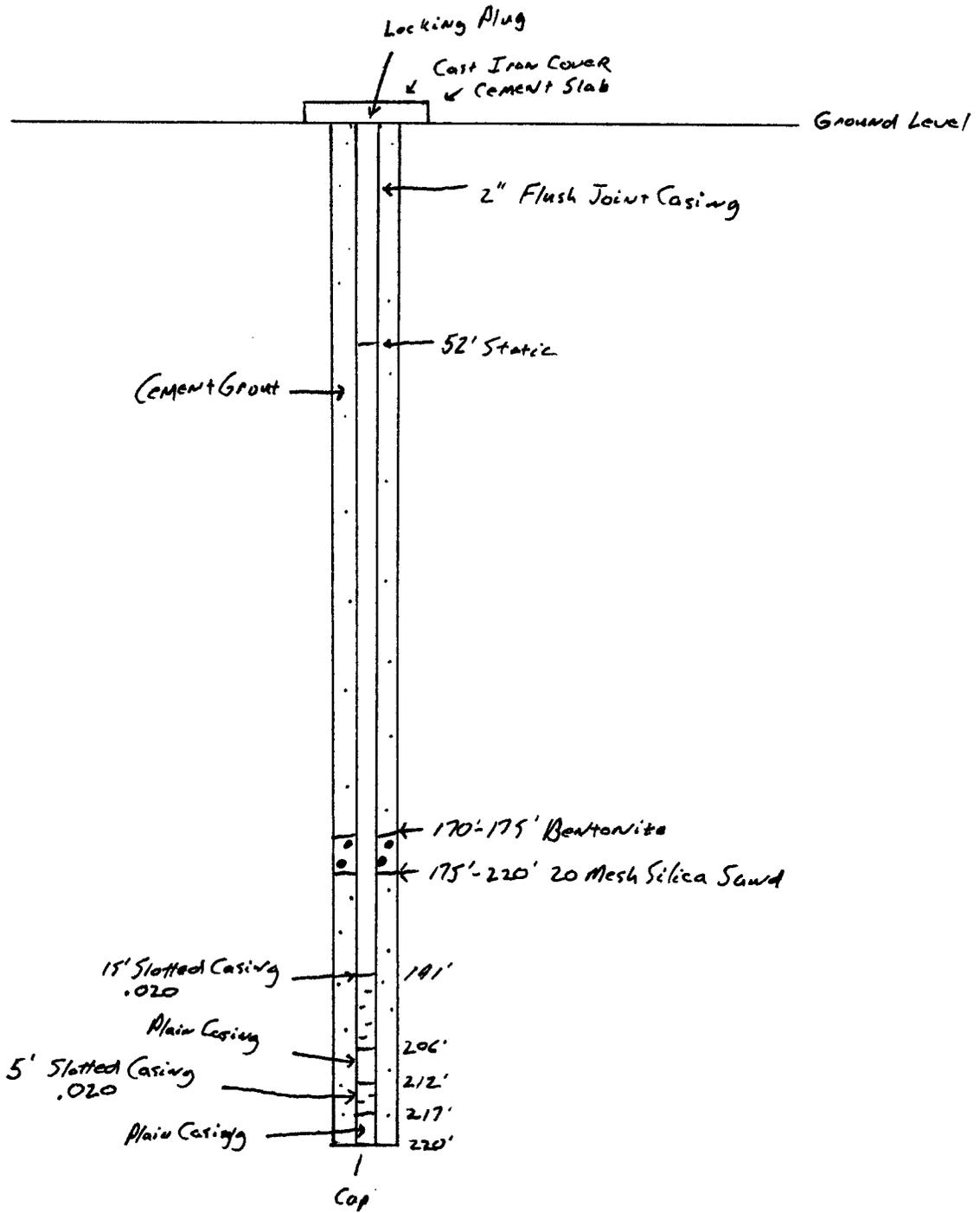
148-156' Clay:rd,smth,sft

156-170' Clay:rd,sndy,sme fn grvl

160-2	1-		
4	1		
6	1-		
8	1		
70	1	170-188'	Clay:lt yel-lt gn gry,smth
2	3		
4	3		
6	4-		
8	4-	188-200'	Clay:lt gry gm,sme yel,smth,sme fn gravel
80	5		
2	3-		
4	4		
6	4-		
8	5-		
90	5		
2	7		
4	9		
6	9		
8	8-		
200	8	4/11/00	
2	10	200-203'	Limestone:yel brn,vfn-micxln,drilled smoothly,no obv. fractures, micro sucro,possible water zone
4	4		
6	3-	203-215'	Clay:rd,smth-slty
8	10		
10	7		
2	1		
4	1	215-217'	Anhy:wht,pnk,plty,vfn xln,sme gyp
6	4		
8	4-	217-220'	Clay:rd,smth,stky
220	7		

Trip out of hole. Run casing. Sand pack with 1 1/4" tremie pipe. Cement through 1 1/4" tremie.
 Trip into 2" casing with 1" pipe and develop well with air for 4 hours.
 Static water level: 52'
 Pull samples from #1+#2 well.

I + W # 2





ARDINAL LABORATORIES

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

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

ANALYTICAL RESULTS FOR
I&W INC.
ATTN: GEORGE PARCHMAN
P.O. BOX 1685
CARLSBAD, NM 88220
FAX TO: (505) 885-8477

Receiving Date: 08/22/00
Reporting Date: 08/25/00
Project Number: NOT GIVEN
Project Name: NOT GIVEN
Project Location: NOT GIVEN

Sampling Date: 08/22/00
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: AH
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (μ S/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:		08/24/00	08/24/00	08/24/00	08/24/00	08/24/00	08/24/00
H5117-1	L STREET	192	363	91	4.40	3458	156
H5117-2	TIDWELL	496	484	308	4.44	6690	240
H5117-3	CALVANI	0	292	303	4.52	3896	102
H5117-4	WHITES ZOO	0	500	253	6.94	4330	195
Quality Control		NR	42.0	45.0	5.05	1368	NR
True Value QC		NR	50.0	50.0	5.00	1413	NR
% Recovery		NR	84.0	90.9	101	96.7	NR
Relative Percent Difference		NR	0	2.4	0	0.1	NR

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
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LAB NUMBER	SAMPLE ID	Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:		08/24/00	08/24/00	08/24/00	08/24/00	08/24/00	08/24/00
H5117-1	L STREET	621	648	0	190	7.01	2778
H5117-2	TIDWELL	1770	796	0	293	6.98	5878
H5117-3	CALVANI	640	807	0	102	7.22	3238
H5117-4	WHITES ZOO	691	655	0	195	7.22	3300
Quality Control		1070	51.51	NR	1088	6.99	NR
True Value QC		1000	50.00	NR	1000	7.00	NR
% Recovery		107	103	NR	109	99.9	NR
Relative Percent Difference		6.4	1.5	NR	8.1	0	NR

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
----------	-------------	-------	-------	-------	-------	-------

Amy Hill
Chemist

8/25/00
Date

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



ARTESIA
(505) 746-4214
1 (800) 748-1972

CARLSBAD
(505) 885-6663
1 (800) 658-2739

P.O. BOX 98
LOCO HILLS, NEW MEXICO 88255

LOCO HILLS
(505) 677-2111
1 (800) 748-1972

LOVINGTON
(505) 396-3331
1 (800) 748-2084

Water Samples taken from existing water wells in the surrounding area of the Eugenie water well.

1. L Street : NE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec.19, T22S, R27E
a. 92' Deep & 50 years old
2. Tidwell: NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 27, T22S, R27E
a. 57' Deep & 3 1/2 years old
3. Calvani : N $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 20, T22S, R27E
a. 200' Deep & 40 Years old
4. Whites Zoo : SW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec.8 T22S, R27E
a. 42' Deep & 2 Years old

These samples where witnessed & pulled at 10:00 am on August 22, 2000 .

Mike Stublefield

Mike Stublefield of Artesia OCD
Clint Taylor of Taylor Well Service
Lawrence Dade of I & W, Inc.



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

Jennifer A. Salisbury
CABINET SECRETARY

Oil Conservation Div.
Environmental Bureau
2040 S. Pacheco
Santa Fe, NM 87505

Memorandum of Meeting or Conversation

Telephone X
Personal _____
E-Mail _____
FAX: X 505-677-2240

12/21/00 2:59 PM

Originating Party: Wayne Price-OCD

Other Parties: George Parchman- I&W

Subject: Discharge Plan Renewal Notice for the following Facilities:

BW- 006 I&W Carlsbad Brine St. expires 6/19/01
GW- _____ Name expires

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

Discussion: Discussed WQCC 3106F and gave notice to submit Discharge Plan renewal application with \$50.00 filing fee for the above listed facilities.

Conclusions or Agreements:

I&W brine well test has been waived during the December schedule since they had tested earlier in the year.

Signed: _____

CC:



ARTESIA
(505) 746-4214
1 (800) 748-1972

CARLSBAD
(505) 885-6663
1 (800) 658-2739

P.O. BOX 98
LOCO HILLS, NEW MEXICO 88255

LOCO HILLS
(505) 677-2111
1 (800) 748-1972

LOVINGTON
(505) 396-3331
1 (800) 748-2084

NOV 17 2000

New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

November 15, 2000

Attn: Wayne Price

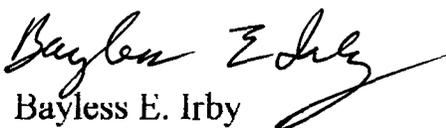
Re: Eugenie Brine Extraction Facility
Discharge Plan BW-006
SW/4 SW/4 Section 17, T22S, R27E
Eddy County, New Mexico

Upon receipt of a letter from the NMOCD on October 20, 2000 I & W was informed of a requirement for brine well operators to perform a mechanical integrity test on the brine extraction facilities. I & W, Inc. brine facility Eugenie was included in the group to be tested on December 13, 2000.

However I&W had problems with the facility in December of 1999, which had delayed the original cavern test until May 31, 2000 which was then completed.

I & W is requesting an exemption to a later date due to the time frame only being 5 months between the dates at this point. I appreciate your assistance in this matter, if you have any further questions please contact us at (505)885-6663 or (505)677-2111.

Sincerely,


Bayless E. Irby
Manager

BI/lr



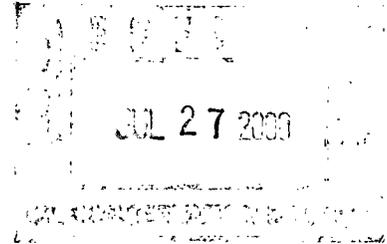
ARTESIA
(505) 746-4214
1 (800) 748-1972

CARLSBAD
(505) 885-6663
1 (800) 658-2739

P.O. BOX 98
LOCO HILLS, NEW MEXICO 88255

LOCO HILLS
(505) 677-2111
1 (800) 748-1972

LOVINGTON
(505) 396-3331
1 (800) 748-2084



Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

July 25, 2000

Attn: Wayne Price

Re: Eugenie Brine Extraction Facility
Discharge Plan BW-006
SW/4 SW/4 Section 17, T22S, R27E
Eddy County, New Mexico

I & W received a letter from Mr. Anderson dated June 22, 2000 with conditions for operating the Eugenie brine supply well.

- (1.) I & W, Inc. will comply with an investigation plan to monitor the two wells that we have drilled for the purpose of checking migration out of the zone. We will also sample some of the surrounding area water wells, up dip & down dip to find what area water will test.
- (2.) I & W, Inc. has never had to operate at any time with pressure over 100 PSI. I & W will not operate over the 238 PSI guidelines set. We also recovered approximately 12,000 bbls. of brine before resuming pump operations.

As of July 1st 2000, Eugene Irby will be the manager of the I & W Carlsbad & Lovington yards. However I will be available if I am needed.

Sincerely,

A handwritten signature in cursive script that reads 'George E. Parchman'.

George E. Parchman

GP/lr

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-015-23031
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Eugenie
8. Well No. #1 ? 2
9. Pool name or Wildcat

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

1. Type of Well:
OIL WELL GAS WELL , OTHER Brine Well

2. Name of Operator
I & W, Inc.

3. Address of Operator
P.O. Box 1685 Carlsbad, NM 88220

4. Well Location
Unit Letter M : 1288 Feet From The SL Line and 497 Feet From The WL Line
Section 17 Township 22S Range 27 NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: Resume Brine Production <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

- 1.) The fresh water injection well has been plugged & abandoned as directed by the OCD, EPA.
- 2.) Two monitor wells have been drilled & sampled with no indication of brine water migrating into fresh water zones.
- 3.) Would like to begin loading cavern & run mit on well #1, in order to start producing brine water.

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

SIGNATURE George Parchman TITLE Manager DATE May 2, 2000

TYPE OR PRINT NAME George Parchman TELEPHONE NO.

(This space for State Use) (505) 885-6663

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

I+W #2

DRILL RATE (MIN/FT)

SAMPLE DESCRIPTION

Drill 3' conductor hole and set 8 5/8" hole collar. Rig up flow line and steel mud pit. Mix bentonite mud and begin drilling 6 1/2" hole.

0-2	2	4/5/00	
4	2	0-4'	Rocky Soil
6	2	4-8'	Clay:gry-brn,stky
8	2	8-17'	Caliche
10	1-		
2	5		
4	3		
6	8		
8	10	17-29'	Conglomerate:wht,pnk,yel brn,off wht,sme crs sand
20	15		
2	14		
4	12		
6	16		
8	16-	4/6/00	
30	11	29-36'	Layers of rd clay and conglomerate:pnk,th,gry,yel brn,sndy,calc
2	2		
4	17-		
6	17-	36-45'	Conglomerate:wht,pnk,brk rd,yel brn,vry sndy,calc
8	16		
40	9-		
2	8-		
4	7		
6	1-	45-58'	Clay:rd,sndy,sme fn gravel
8	1-		
50	1-		
2	1-		
4	1-		
6	1		
8	4	58-59'	Conglomerate:yel brn,gry,off wht,lmy,sndy
60	7-	4/7/00	
2	1-	59-62'	Sand:clr,frstd,med-crs grn,lsly consl,mod wl srted,sb rnd,rnd
4	19		Gravel:fn (1/16"-1/8") limestone,chert,yel brn,brn,pnk,off wht,water zone
6	24	62-67'	Conglomerate:wht,pnk,yel brn,sndy,lmy,vry hrd
8	8-	67-130'	Clay:rd,sndy
70	1-		

70-2 1/2

4 1/2

6 1/2

8 1/2

80 1/2

2 1/2

4 1/2

6 1/2

8 1-

90 4 Note:sme gravel mixed with rd sndy clay

2 3

4 4

6 6

8 1-

100 1

2 1

4 1/2

6 1/2

8 1

10 1

2 2

4 1-

6 2-

8 3

20 4 4/8/00 CHANGE TO 6" DRAG BIT

2 1/2

4 1/2

6 1/2

8 1/2

30 4 4/9/00 CHANGE TO 6" TRICONE BIT

2 4 130-148' Conglomerate:pnk,rd,yel,brn,off wht,lmy,chr,t,sme med crs sand,

4 4 sme lsly consl sand+gravel,possible water zone

6 2-

8 3-

40 6-

2 4-

4 4-

6 3-

8 2- 148-156' Clay:rd,smth,sft

50 1-

2 1-

4 2

6 2 156-170' Clay:rd,sndy,sme fn grvl

8 1-

60 1

160-2	1-		
4	1		
6	1-		
8	1		
70	1	170-188'	Clay:lt yel-lt gn gry,smth
2	3		
4	3		
6	4-		
8	4-	188-200'	Clay:lt gry gm,sme yel,smth,sme fn gravel
80	5		
2	3-		
4	4		
6	4-		
8	5-		
90	5		
2	7		
4	9		
6	9		
8	8-		
200	8	4/11/00	
2	10	200-203'	Limestone:yel brn,vfn-micxln,drilled smoothly,no obv. fractures, micro sucro,possible water zone
4	4		
6	3-	203-215'	Clay:rd,smth-slty
8	10		
10	7		
2	1		
4	1	215-217'	Anhy:wht,pnk,plty,vfn xln,sme gyp
6	4		
8	4-	217-220'	Clay:rd,smth,stky
220	7		

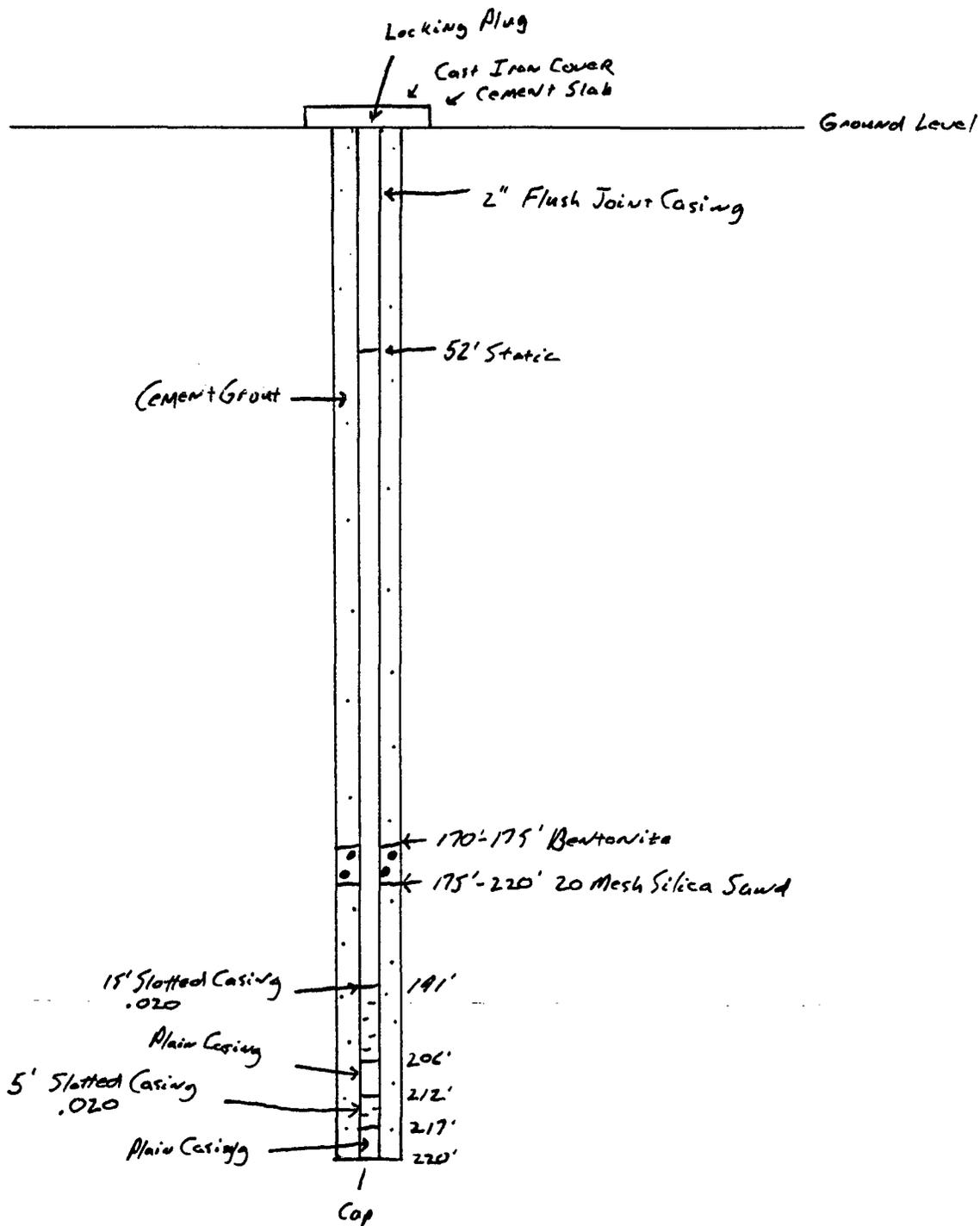
Trip out of hole. Run casing. Sand pack with 1 1/4" tremie pipe. Cement through 1 1/4" tremie.

Trip into 2" casing with 1" pipe and develop well with air for 4 hours.

Static water level: 52'

Pull samples from #1+#2 well.

I + W #2



I+W #1

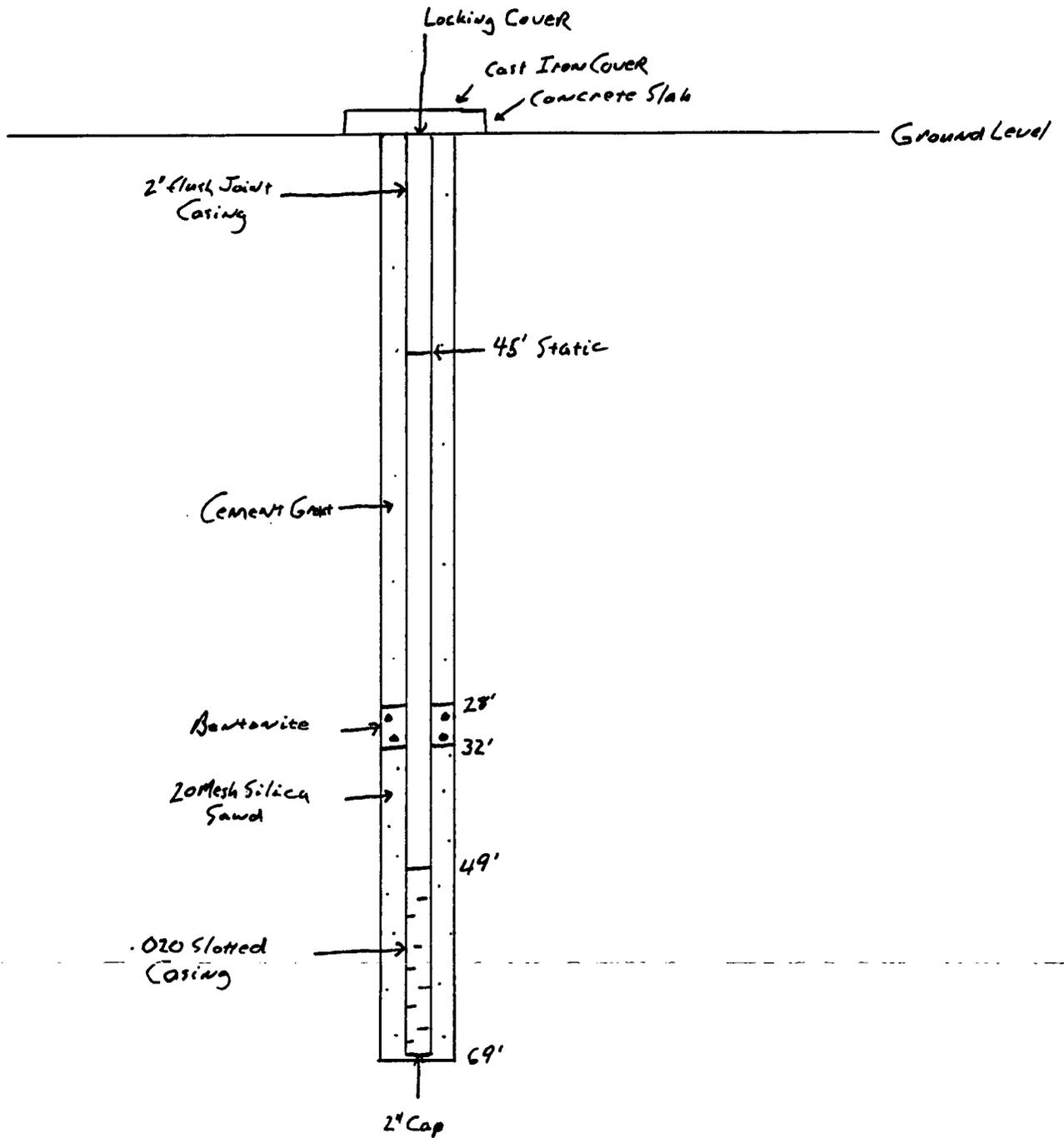
DRILL RATE (MIN/FT)

SAMPLE DESCRIPTION

Drill 3' conductor hole and set 8 5/8" hole collar. Rig up flow line and steel mud pit. Mix bentonite mud and begin drilling 6 1/2" hole.

0-2	3	3/27/00
4	2-	0-4' Rocky Soil
6	1-	4-8' Clay:gry-brn,stky
8	1-	8-17' Caliche
10	1	
2	1	
4	2	
6	2	
8	4	17-29' Conglomerate:wht,pnk,yel brn,off wht,sme crs sand
20	9-	Note:Lost about 100 gallons of mud when pulled off of bottom to make
2	8	connection. Probably due to mud ring.
4	6-	
6	13	
8	13	3/28/00
30	13	29-36' Layers of rd clay and conglomerate:pnk,th,gry,yel brn,sndy,calc
2	3	
4	7	
6	13	36-45' Conglomerate:wht,pnk,brk rd,yel brn,vry sndy,calc
8	13	
40	5-	
2	8	
4	5	
6	8	45-58' Clay:rd,sndy,sme fn gravel
8	1-	
50	2	
2	1-	
4	1	
6	6-	
8	5-	55-59' Conglomerate:yel brn,gry,off wht,lmy,sndy
60	4-	
2	3	59-62' Sand:clr,frstd,med-crs grn,lsly consl,mod wl srted,sb rnd,rnd
4	15	Gravel:fn (1/16"-1/8") limestone,chert,yel brn,brn,pnk,off wht,water zone
6	19-	62-67' Conglomerate:wht,pnk,yel brn,sndy,lmy,vry hrd
8	17	67-69' Clay:rd,smth
70	1	

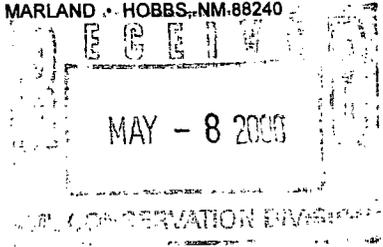
Trip out of hole. Run in with test pump. Pump until mud thins. Trip pump out and run 2" casing. Place sand pack and cement with 1" tremie pipe. Develop well with air for 1 1/2 hours.





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

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



ANALYTICAL RESULTS FOR
I & W, INC.
ATTN: GEORGE PARCHMAN
P.O. BOX 1685
CARLSBAD, NM 88220
FAX TO: (505) 885-8477

Receiving Date: 04/14/00
Reporting Date: 04/20/00
Project Number: DEEP #2
Project Name: EUGENIE DEEP MONITOR WELL #2
Project Location: CARLSBAD, NM

Sampling Date: 04/14/00
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: GP
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (mS/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:		04/20/00	04/17/00	04/17/00	04/17/00	04/17/00	04/17/00
H4796-2	225' WELL #2	242	457	24	754	6420	832
Quality Control		NR	44	58	5.19	1392	NR
True Value QC		NR	50	50	5.00	1413	NR
% Accuracy		NR	88	116	103.8	98.5	NR
Relative Percent Difference		NR	1.8	8.6	3.1	0.2	NR

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
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	Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:		04/17/00	04/17/00	04/17/00	04/17/00	04/17/00
H4796-2	225' WELL #2	402	1282	0	0	11.54
Quality Control		1001	47.47	112	971	6.96
True Value QC		1000	50.00	124	1000	7.00
% Accuracy		100	94.9	90.3	97.1	99.4
Relative Percent Difference		2.4	4.0	-	-	0

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
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NOTE: Sample also contains 283 mg/L Hydroxide (OH) ion.

Amy Hill

Chemist

4/20/00

Date

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



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

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

ANALYTICAL RESULTS FOR
I & W, INC.
ATTN: GEORGE PARCHMAN
P.O. BOX 1685
CARLSBAD, NM 88220
FAX TO: (505) 885-8477

Receiving Date: 04/14/00
Reporting Date: 04/20/00
Project Number: SHALLOW #1
Project Name: EUGENIE SHALLOW MONITER WELL
Project Location: CARLSBAD, NM

Sampling Date: 04/14/00
Sample Type: GROUNDWATER
Sample Condition: COOL & INTACT
Sample Received By: GP
Analyzed By: AH

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (mS/cm)	T-Alkalinity (mgCaCO ₃ /L)
ANALYSIS DATE:		04/20/00	04/17/00	04/17/00	04/17/00	04/17/00	04/17/00
H4796-1	125' WELL #1	880	573	243	12	8020	468
Quality Control		NR	44	58	5.19	1392	NR
True Value QC		NR	50	50	5.00	1413	NR
% Accuracy		NR	88	116	103.8	98.5	NR
Relative Percent Difference		NR	1.8	8.6	3.1	0.2	NR

METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
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	Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:		04/17/00	04/17/00	04/17/00	04/17/00	04/17/00
H4796-1	125' WELL #1	1947	1096	226	0	7.19
Quality Control		1001	47.47	112	971	6.96
True Value QC		1000	50.00	124	1000	7.00
% Accuracy		100	94.9	90.3	97.1	99.4
Relative Percent Difference		2.4	4.0	-	-	0

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
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NOTE: Sample also contains 34 mg/L Hydroxide (OH) ion.

Amy Hill
Chemist

4/20/00
Date

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

H4796-1.XLS



TRACE ANALYSIS, INC.

6701 Aberdeen Avenue, Suite 9 Lubbock, Texas 79424 800•378•1296 806•794•1296 FAX 806•794•1298
4725 Ripley Avenue, Suite A El Paso, Texas 79922 888•588•3443 915•585•3443 FAX 915•585•4944
E-Mail: lab@traceanalysis.com

Analytical and Quality Control Report

Mike Stubblefield
OCD
811 S. First Street
Artesia, NM 88210

Report Date: June 26, 2000

Order ID Number: A00061311

Project Number: Water Sample Irrigation Canal
Project Name: I & W Inc.
Project Location: Due South Brine Storage Tanks/Carlbud

Enclosed are the Analytical Results and Quality Control Data Reports for the following samples submitted to Trace Analysis, Inc.

Sample	Description	Matrix	Date Taken	Time Taken	Date Received
147972	Water Sample	Water	6/7/00	10:45	6/13/00

These results represent only the samples received in the laboratory. The Quality Control Report is generated on a batch basis. All information contained in this report is for the analytical batch(es) in which your sample(s) were analyzed.

This report consists of a total of 10 pages and shall not be reproduced except in its entirety, without written approval of TraceAnalysis, Inc.

Dr. Blair Leftwich, Director

Analytical and Quality Control Report

Sample: 147972 - Water Sample

Analysis: Alkalinity Analytical Method: E 310.1 QC Batch: QC03240 Date Analyzed: 6/16/00
 Analyst: LD Preparation Method: N/A Prep Batch: PB02794 Date Prepared: 6/16/00

Param	Flag	Result	Units	Dilution	RDL
Hydroxide Alkalinity		<1.0	mg/L as CaCo3	1	1
Carbonate Alkalinity		<1.0	mg/L as CaCo3	1	1
Bicarbonate Alkalinity		86	mg/L as CaCo3	1	1
Total Alkalinity		86	mg/L as CaCo3	1	1

Sample: 147972 - Water Sample

Analysis: Conductivity Analytical Method: SM 2510B QC Batch: QC03223 Date Analyzed: 6/15/00
 Analyst: JS Preparation Method: N/A Prep Batch: PB02775 Date Prepared: 6/15/00

Param	Flag	Result	Units	Dilution	RDL
Specific Conductance		4500	uMHOS/cm	1	

Sample: 147972 - Water Sample

Analysis: Dissolved Metals Analytical Method: E 200.7 QC Batch: QC03397 Date Analyzed: 6/20/00
 Analyst: RR Preparation Method: E 3005A Prep Batch: PB02761 Date Prepared: 6/15/00

Param	Flag	Result	Units	Dilution	RDL
Dissolved Calcium		458	mg/L	1	0.50
Dissolved Magnesium		102	mg/L	1	0.50
Dissolved Potassium		6.3	mg/L	1	0.50
Dissolved Sodium		359	mg/L	1	0.50

Sample: 147972 - Water Sample

Analysis: Ion Chromatography (IC) Analytical Method: E 300.0 QC Batch: QC03219 Date Analyzed: 6/14/00
 Analyst: JS Preparation Method: N/A Prep Batch: PB02771 Date Prepared: 6/14/00

Param	Flag	Result	Units	Dilution	RDL
CL		760	mg/L	1	0.50
Fluoride		1.6	mg/L	1	0.20
Nitrate-N	¹	<1.0	mg/L	1	0.20
Sulfate		1400	mg/L	1	0.50

Sample: 147972 - Water Sample

Analysis: TDS Analytical Method: E 160.1 QC Batch: QC03220 Date Analyzed: 6/14/00
 Analyst: JS Preparation Method: N/A Prep Batch: PB02772 Date Prepared: 6/13/00

¹Sample came in already out of holding time for NO3.

Param	Flag	Result	Units	Dilution	RDL
Total Dissolved Solids		3100	mg/L	1	10

Sample: 147972 - Water Sample

Analysis: pH Analytical Method: E 150.1 QC Batch: QC03269 Date Analyzed: 6/13/00
Analyst: RS Preparation Method: N/A Prep Batch: PB02822 Date Prepared: 6/13/00

Param	Flag	Result	Units	Dilution	RDL
pH	²	8.0	s.u.	1	1

²Out of holding time.

Quality Control Report Method Blank

Sample: Method Blank QCBatch: QC03219

Param	Flag	Results	Units	Reporting Limit
CL		<0.5	mg/L	0.50
Fluoride		<0.2	mg/L	0.20
Nitrate-N		<0.2	mg/L	0.20
Sulfate		<0.5	mg/L	0.50

Sample: Method Blank QCBatch: QC03220

Param	Flag	Results	Units	Reporting Limit
Total Dissolved Solids		<10	mg/L	10

Sample: Method Blank QCBatch: QC03223

Param	Flag	Results	Units	Reporting Limit
Specific Conductance		2.0	uMHOS/cm	

Sample: Method Blank QCBatch: QC03240

Param	Flag	Results	Units	Reporting Limit
Hydroxide Alkalinity		<1.0	mg/L as CaCo3	1
Carbonate Alkalinity		<1.0	mg/L as CaCo3	1
Bicarbonate Alkalinity		<2.0	mg/L as CaCo3	1
Total Alkalinity		<2.0	mg/L as CaCo3	1

Sample: Method Blank QCBatch: QC03397

Param	Flag	Results	Units	Reporting Limit
Dissolved Calcium		<0.50	mg/L	0.50
Dissolved Magnesium		<0.50	mg/L	0.50
Dissolved Potassium		<0.50	mg/L	0.50
Dissolved Sodium		<0.50	mg/L	0.50

Quality Control Report Lab Control Spikes and Duplicate Spikes

Sample: LCS

QC Batch: QC03397

Param	Flag	Result	Units	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit
Dissolved Calcium		1078	mg/L	1	1000	<0.50	107		75 - 125	20
Dissolved Magnesium		1010	mg/L	1	1000	<0.50	101		75 - 125	20
Dissolved Potassium		927	mg/L	1	1000	<0.50	92		75 - 125	20
Dissolved Sodium		926	mg/L	1	1000	<0.50	92		75 - 125	20

Sample: LCSD

QC Batch: QC03397

Param	Flag	Result	Units	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit
Dissolved Calcium		1072	mg/L	1	1000	<0.50	107	0.55	75 - 125	20
Dissolved Magnesium		1006	mg/L	1	1000	<0.50	100	0.39	75 - 125	20
Dissolved Potassium		921	mg/L	1	1000	<0.50	92	0.64	75 - 125	20
Dissolved Sodium		879	mg/L	1	1000	<0.50	87	5.20	75 - 125	20

Quality Control Report Matrix Spikes and Duplicate Spikes

Sample: MS QC Batch: QC03219

Param	Flag	Result	Units	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit
CL		135.14	mg/L	1	125	18	93		80 - 120	20
Fluoride		25.21	mg/L	1	25	1.8	93		80 - 120	20
Nitrate-N		49.85	mg/L	1	50	<1.0	99		80 - 120	20
Sulfate		160.33	mg/L	1	125	40	96		80 - 120	20

Sample: MSD QC Batch: QC03219

Param	Flag	Result	Units	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit
CL		133.56	mg/L	1	125	18	92	1.35	80 - 120	20
Fluoride		24.62	mg/L	1	25	1.8	91	2.55	80 - 120	20
Nitrate-N		49.46	mg/L	1	50	<1.0	98	0.78	80 - 120	20
Sulfate		158.51	mg/L	1	125	40	94	1.52	80 - 120	20

Sample: MS QC Batch: QC03397

Param	Flag	Result	Units	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit
Dissolved Calcium		1653	mg/L	1	1000	458	119		75 - 125	20
Dissolved Magnesium		1132	mg/L	1	1000	102	103		75 - 125	20
Dissolved Potassium		964	mg/L	1	1000	6.3	95		75 - 125	20
Dissolved Sodium		1228	mg/L	1	1000	359	86		75 - 125	20

Sample: MSD QC Batch: QC03397

Param	Flag	Result	Units	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit
Dissolved Calcium		1690	mg/L	1	1000	458	123	3.04	75 - 125	20
Dissolved Magnesium		1143	mg/L	1	1000	102	104	1.06	75 - 125	20
Dissolved Potassium		1012	mg/L	1	1000	6.3	100	4.88	75 - 125	20
Dissolved Sodium		1308	mg/L	1	1000	359	94	8.80	75 - 125	20

Quality Control Report Duplicate Samples

Sample: Duplicate QC Batch: QC03220

Param	Flag	Duplicate Result	Sample Result	Units	Dilution	RPD	RPD Limit
Total Dissolved Solids		3170	3100	mg/L	1	2.23	20

Sample: Duplicate QC Batch: QC03223

Param	Flag	Duplicate Result	Sample Result	Units	Dilution	RPD	RPD Limit
Specific Conductance		1291	1300	uMHOS/cm	1	0.69	20

Sample: Duplicate QC Batch: QC03240

Param	Flag	Duplicate Result	Sample Result	Units	Dilution	RPD	RPD Limit
Hydroxide Alkalinity		<1.0	<1.0	mg/L as CaCo3	1	0.00	20
Carbonate Alkalinity		<1.0	<1.0	mg/L as CaCo3	1	0.00	20
Bicarbonate Alkalinity		313	316	mg/L as CaCo3	1	0.95	20
Total Alkalinity		313	316	mg/L as CaCo3	1	0.95	20

Sample: Duplicate QC Batch: QC03269

Param	Flag	Duplicate Result	Sample Result	Units	Dilution	RPD	RPD Limit
pH		9.5	9.5	s.u.	1	0.00	20

Quality Control Report Continuing Calibration Verification Standards

Sample: CCV (1) QC Batch: QC03219

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
CL		mg/L	12.50	11.50	92	80 - 120	6/14/00
Fluoride		mg/L	2.50	2.46	98	80 - 120	6/14/00
Nitrate-N		mg/L	5	4.63	92	80 - 120	6/14/00
Sulfate		mg/L	12.50	11.90	95	80 - 120	6/14/00

Sample: ICV (1) QC Batch: QC03219

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
CL		mg/L	12.50	11.53	92	80 - 120	6/14/00
Fluoride		mg/L	2.50	2.46	98	80 - 120	6/14/00
Nitrate-N		mg/L	5	4.61	92	80 - 120	6/14/00
Sulfate		mg/L	12.50	11.90	95	80 - 120	6/14/00

Sample: CCV (1) QC Batch: QC03220

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Total Dissolved Solids		mg/L	1000	933	93	80 - 120	6/14/00

Sample: ICV (1) QC Batch: QC03220

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Total Dissolved Solids		mg/L	1000	959	95	80 - 120	6/14/00

Sample: CCV (1) QC Batch: QC03223

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Specific Conductance		uMHOS/cm	1413	1409	99	80 - 120	6/15/00

Sample: ICV (1) QC Batch: QC03223

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Specific Conductance		uMHOS/cm	1413	1390	98	80 - 120	6/15/00

Sample: CCV (1) QC Batch: QC03240

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Hydroxide Alkalinity		mg/L as CaCo3	0	<1.0	0	80 - 120	6/16/00
Carbonate Alkalinity		mg/L as CaCo3	0	198	0	80 - 120	6/16/00
Bicarbonate Alkalinity		mg/L as CaCo3	0	36	0	80 - 120	6/16/00
Total Alkalinity		mg/L as CaCo3	250	234	93	80 - 120	6/16/00

Sample: ICV (1) QC Batch: QC03240

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Hydroxide Alkalinity		mg/L as CaCo3	0	<1.0	0	80 - 120	6/16/00
Carbonate Alkalinity		mg/L as CaCo3	0	230	0	80 - 120	6/16/00
Bicarbonate Alkalinity		mg/L as CaCo3	0	17	0	80 - 120	6/16/00
Total Alkalinity		mg/L as CaCo3	250	247	98	80 - 120	6/16/00

Sample: CCV (1) QC Batch: QC03269

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
pH		s.u.	7	7.0	100	80 - 120	6/13/00

Sample: ICV (1) QC Batch: QC03269

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
pH		s.u.	7	7.0	100	80 - 120	6/13/00

Sample: CCV (1) QC Batch: QC03397

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Dissolved Calcium		mg/L	20	21	105	75 - 125	6/20/00
Dissolved Magnesium		mg/L	20	21	105	75 - 125	6/20/00
Dissolved Potassium		mg/L	20	22	110	75 - 125	6/20/00
Dissolved Sodium		mg/L	20	20	100	75 - 125	6/20/00

Sample: ICV (1)

QC Batch: QC03397

Param	Flag	Units	CCVs True Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed
Dissolved Calcium		mg/L	20	20.8	104	75 - 125	6/20/00
Dissolved Magnesium		mg/L	20	20.2	101	75 - 125	6/20/00
Dissolved Potassium		mg/L	20	19.6	98	75 - 125	6/20/00
Dissolved Sodium		mg/L	20	18.5	92	75 - 125	6/20/00

Cation-Anion Balance Sheet

Sample #

147972

MB

Date:

6/26/00

Cations

	ppm	meq/L
Calcium	458	22.8542
Magnesium	102	8.39358
Sodium	359	15.6165
Potassium	6.3	0.161154

Total Cations

47.0254 in meq/L

Anions

	ppm	meq/L
Alkalinity	86	1.72
Sulfate	1400	29.148
Chloride	760	21.4396
Nitrate as N	0	0
Fluoride	1.6	0.084224

Total Anions

52.3918 in meq/L

Percentage Error

10.7957 %

(needs to be <10%)

OTHER INFORMATION

TDS	3100
EC	4500

Measure EC and Cation Sums	4702.5434	Range should be:	4050	to	4950
Measure EC and Anion Sums	5239.1824	Range should be:	4050	to	4950
Calculated TDS/Conductivity	0.6888889	Range should be:	0.55	to	0.77
Measure TDS and Cation Sums	0.6592177	Range should be:	0.55	to	0.77
Measure TDS and Anion Sums	0.5916954	Range should be:	0.55	to	0.77



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

June 22, 2000

Lori Wrotenbery
Director
Oil Conservation Division

CERTIFIED MAIL
RETURN RECEIPT NO. 5051 5659

Mr. George Parchman
I&W, Inc.
P.O. Box 1685
Carlsbad, New Mexico 88220

Re: Eugenie Brine Extraction Facility
Discharge Plan BW-006
SW/4 SW/4 Section 17-Ts22s-R27e
Eddy County, New Mexico

Dear Mr. Parchman:

The New Mexico Oil Conservation Division (NMOCD) is in receipt of the pressure test results conducted on May 31, 2000 and the supporting documentation dated June 12, 2000. The NMOCD hereby approves I&W, Inc. to resume brine well operations for the Eugenie Brine Extraction Facility Discharge Plan BW-006 subject to the following additional conditions:

1. I&W, Inc. will submit an investigation plan for OCD approval to demonstrate that fluids have not migrated out of the permitted zone of interests.
2. I&W, Inc. operating pressure will not exceed 238 psig.

Please submit the above requested information by ~~July 15~~, 2000. *AUGUST 25, JA*

If you have any questions, please contact Wayne Price of my staff at (505-827-7155). On behalf of the staff of the OCD, I wish to thank you and your staff for your cooperation during this discharge plan review.

Sincerely,

Roger C. Anderson
Environmental Bureau Chief
RCA/lwp

xc: OCD Artesia Office



ARTESIA
(505) 746-4214
1 (800) 748-1972

CARLSBAD
(505) 885-6663
1 (800) 658-2739

P.O. BOX 98
LOCO HILLS, NEW MEXICO 88255

LOCO HILLS
(505) 677-2111
1 (800) 748-1972

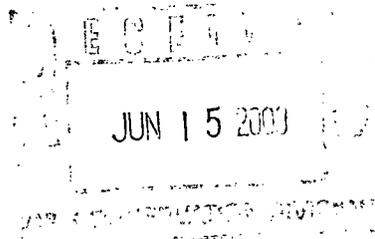
LOVINGTON
(505) 396-3331
1 (800) 748-2084

New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

June 12, 2000

Attn: Wayne Price

Re: Eugenie #1
Brine Extraction Facility
Discharge Plan # BW-006



To Whom It May Concern:

We received permission to begin loading the cavern from the OCD, for a cavern Test. We began using our own pump truck units to load the cavern putting approximately 4,000 bbls of fresh water into the cavern. Due to truck scheduling, customer service, and the loss of revenue we would have to pull the unit when needed to fill prior commitments leaving the truck off the cavern for 3 to 4 days at a time. At this time we hired Davis Tool reverse unit pump and resumed pumping, continuing for approx. 3 ½ days @ 2.5 bbls. Per minute. Pressure did not seem to be coming up after reaching a point around 240 PSI. After pumping another 2 or 3,000 bbls, we shut down and called Wayne Price in Santa Fe. Relaying to him that the well would hold about 235 to 240 PSI and would not go any further. The total amount of Barrels pumped was approximately 17,500.

Mr. Price agreed that the well was 1 ½ times the normal pump in pressure, Which is 75 to 100 PSI. He then instructed us to test the well with Mr. Mike Stubblefield As the witness for Oil Conservation Division. As Instructed we ran a chart for 4 hours, Showing no change at all. The gauge as of June 12, 2000 is setting at 233 PSI. The Chart was ran May 31, 2000.

Sincerely,

A handwritten signature in cursive script that reads 'George Parchman'.

George Parchman
Manager

GP/lr



TRACEANALYSIS, INC.

6701 Aberdeen Avenue, Suite 9 Lubbock, Texas 79424 800-378-1296 806-794-1296 FAX 806-794-1298
 4725 Ripley Avenue, Suite A El Paso, Texas 79922 888-588-3443 915-585-3443 FAX 915-585-4944
 E-Mail: lab@traceanalysis.com

Analytical and Quality Control Report

Mike Stubblefield
 OCD
 811 S. First Street
 Artesia, NM 88210

Report Date: 5/10/00

Project Number: I & W Inc.
 Project Name: I & W Monitor Well #2
 Project Location: Carshad, New Mex. I & W Inc. Yard

Order ID Number: A00041910

Enclosed are the Analytical Results and Quality Control Data Reports for the following samples submitted to TraceAnalysis, Inc. for analysis:

Sample Number	Sample Description	Matrix	Date Taken	Time Taken	Date Received
144820	Monitor Well #1 Shallow	Water	4/14/00	14:00	4/19/00

These results represent only the samples received in the laboratory. The Quality Control Report is generated on a batch basis. All information contained in this report is for the analytical batch(es) in which your sample(s) were analyzed.

This report consists of a total of 12 pages and shall not be reproduced except in its entirety, without written approval of TraceAnalysis, Inc.


 Dr. Blair Leftwich, Director

Report Date: 5/10/00

Order ID Number: A00041910

Page Number: 2 of 12

I & W Inc.

I & W Monitor Well #2

Carsbad, New Mex. I & W Inc. Yard

Analytical Results Report

Sample Number: 144820

Description: Monitor Well #1 Shallow

Param	Result	Dilution	Analytical Method	Date Prepared	Date Analyzed	Analyst	Prep Batch #	QC Batch #	RDI.
Alkalinity (mg/L as CaCO₃)									
Hydroxide Alkalinity	<1.0	1	E 310.1	4/19/00	4/19/00	JS	PB01843	QC02217	1
Carbonate Alkalinity	<1.0	1	E 310.1	4/19/00	4/19/00	JS	PB01843	QC02217	1
Bicarbonate Alkalinity	238	1	E 310.1	4/19/00	4/19/00	JS	PB01843	QC02217	1
Total Alkalinity	238	1	E 310.1	4/19/00	4/19/00	JS	PB01843	QC02217	1
Conductivity (uMHOS/cm)									
Specific Conductance	8800	1	SM 2510B	4/20/00	4/20/00	JS	PB01842	QC02215	
Dissolved Metals (mg/L)									
Dissolved Calcium	570	1	E 200.7	4/24/00	4/24/00	RR	PB01866	QC02237	0.5
Dissolved Magnesium	289	1	E 200.7	4/24/00	4/24/00	RR	PB01866	QC02237	0.5
Dissolved Potassium	6.6	1	E 200.7	4/24/00	4/24/00	RR	PB01866	QC02237	0.5
Dissolved Sodium	826	1	E 200.7	4/24/00	4/24/00	RR	PB01866	QC02237	0.5
Hg, Total (mg/L)									
Total Mercury	<0.0002	1	S 7470A	4/26/00	4/27/00	JM	PB01979	QC02360	0.0002
Ion Chromatography (IC) (mg/L)									
Cl	2400	1	E 300.0	4/19/00	4/19/00	JS	PB01899	QC02272	0.5
Fluoride	1.2	1	E 300.0	4/19/00	4/19/00	JS	PB01899	QC02272	0.2
Nitrate-N	* 7.1	1	E 300.0	4/19/00	4/19/00	JS	PB01899	QC02272	0.2
Sulfate	1200	1	E 300.0	4/19/00	4/19/00	JS	PB01899	QC02272	0.5
* Nitrate-N - Sample out of holding time for NO ₃ .									
pH (s.u.)									
pH	* 7.4	1	E 150.1	4/19/00	4/19/00	RS	PB01874	QC02240	1
* pH - Out of holding time.									
TDS (mg/L)									
Total Dissolved Solids	5400	1	E 160.1	4/21/00	4/24/00	JS	PB01889	QC02260	10
Total Metals (mg/L)									
Total Aluminum	0.19	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Arsenic	<0.01	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Barium	0.03	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Boron	0.30	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.05
Total Cadmium	<0.002	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.002
Total Chromium	0.006	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.005
Total Cobalt	<0.01	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Copper	0.04	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Iron	0.05	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.05
Total Lead	<0.01	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Manganese	0.03	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Molybdenum	<0.01	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Nickel	<0.01	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Selenium	<0.01	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Silica	7.1	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Silver	<0.005	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.005
Total Zinc	0.48	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01

Report Date: 5/10/00
I & W Inc.Order ID Number: A00041910
I & W Monitor Well #2Page Number: 3 of 12
Carsbad, New Mex. I & W Inc. Yard

Quality Control Report Method Blanks

Param	Flag	Blank Result	Reporting Limit	Date Analyzed	Prep Batch #	QC Batch #
Hydroxide Alkalinity (mg/L as CaCo3)		<1.0	1	4/19/00	PB01843	QC02217
Carbonate Alkalinity (mg/L as CaCo3)		<1.0	1	4/19/00	PB01843	QC02217
Bicarbonate Alkalinity (mg/L as CaCo3)		<4.0	1	4/19/00	PB01843	QC02217
Total Alkalinity (mg/L as CaCo3)		<4.0	1	4/19/00	PB01843	QC02217

Param	Flag	Blank Result	Reporting Limit	Date Analyzed	Prep Batch #	QC Batch #
Specific Conductance (uMHOS/cm)		3.5		4/20/00	PB01842	QC02215

Param	Flag	Blank Result	Reporting Limit	Date Analyzed	Prep Batch #	QC Batch #
Dissolved Calcium (mg/L)		<.50	0.5	4/24/00	PB01866	QC02237
Dissolved Magnesium (mg/L)		<.50	0.5	4/24/00	PB01866	QC02237
Dissolved Potassium (mg/L)		<.50	0.5	4/24/00	PB01866	QC02237
Dissolved Sodium (mg/L)		<.50	0.5	4/24/00	PB01866	QC02237

Param	Flag	Blank Result	Reporting Limit	Date Analyzed	Prep Batch #	QC Batch #
Total Mercury (mg/L)		<0.0002	0.0002	4/27/00	PB01979	QC02360

Param	Flag	Blank Result	Reporting Limit	Date Analyzed	Prep Batch #	QC Batch #
CL (mg/L)		<0.5	0.5	4/19/00	PB01899	QC02272
Fluoride (mg/L)		<0.2	0.2	4/19/00	PB01899	QC02272
Nitrate-N (mg/L)		<0.2	0.2	4/19/00	PB01899	QC02272
Sulfate (mg/L)		<0.5	0.5	4/19/00	PB01899	QC02272

Param	Flag	Blank Result	Reporting Limit	Date Analyzed	Prep Batch #	QC Batch #
Total Dissolved Solids (mg/L)		<10	10	4/24/00	PB01889	QC02260

Param	Flag	Blank Result	Reporting Limit	Date Analyzed	Prep Batch #	QC Batch #
Total Aluminum (mg/L)		<0.01	0.01	4/26/00	PB01906	QC02342
Total Arsenic (mg/L)		<0.01	0.01	4/26/00	PB01906	QC02342
Total Barium (mg/L)		<0.01	0.01	4/26/00	PB01906	QC02342
Total Boron (mg/L)		<0.05	0.05	4/26/00	PB01906	QC02342
Total Cadmium (mg/L)		<0.002	0.002	4/26/00	PB01906	QC02342
Total Chromium (mg/L)		<0.005	0.005	4/26/00	PB01906	QC02342
Total Cobalt (mg/L)		<0.01	0.01	4/26/00	PB01906	QC02342
Total Copper (mg/L)		<0.01	0.01	4/26/00	PB01906	QC02342
Total Iron (mg/L)		<0.05	0.05	4/26/00	PB01906	QC02342

Report Date: 5/10/00

Order ID Number: A00041910

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I & W Inc.

I & W Monitor Well #2

Carsbad, New Mex. I & W Inc. Yard

Total Lead (mg/L)	<0.01	0.01	4/26/00	PB01906	QC02342
Total Manganese (mg/L)	<0.01	0.01	4/26/00	PB01906	QC02342
Total Molybdenum (mg/L)	<0.01	0.01	4/26/00	PB01906	QC02342
Total Nickel (mg/L)	<0.01	0.01	4/26/00	PB01906	QC02342
Total Selenium (mg/L)	<0.01	0.01	4/26/00	PB01906	QC02342
Total Silica (mg/L)	<0.01	0.01	4/26/00	PB01906	QC02342
Total Silver (mg/L)	<0.005	0.005	4/26/00	PB01906	QC02342
Total Zinc (mg/L)	<0.01	0.01	4/26/00	PB01906	QC02342

Report Date: 5/10/00
I & W Inc.Order ID Number: A00041910
I & W Monitor Well #2Page Number: 5 of 12
Carsbad, New Mex. I & W Inc. Yard

Quality Control Report Matrix Spike and Matrix Duplicate Spike

Standard	Param	Sample Result	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit	QC Batch #
MS	Dissolved Calcium (mg/L)	33	1	1000	975	94		75 - 125	-	QC02237
MS	Dissolved Magnesium (mg/L)	6.3	1	1000	899	89		75 - 125	-	QC02237
MS	Dissolved Potassium (mg/L)	6.5	1	1000	914	91		75 - 125	-	QC02237
MS	Dissolved Sodium (mg/L)	12	1	1000	900	89		75 - 125	-	QC02237
MSD	Dissolved Calcium (mg/L)	33	1	100	1014	98	4	-	0 - 20	QC02237
MSD	Dissolved Magnesium (mg/L)	6.3	1	100	920	91	2	-	0 - 20	QC02237
MSD	Dissolved Potassium (mg/L)	6.5	1	100	930	92	2	-	0 - 20	QC02237
MSD	Dissolved Sodium (mg/L)	12	1	100	948	94	5	-	0 - 20	QC02237

Standard	Param	Sample Result	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit	QC Batch #
MS	CL (mg/L)	27	1	62.5	87.81	97		80 - 120	-	QC02272
MS	Fluoride (mg/L)	1.6	1	12.5	13.78	97		80 - 120	-	QC02272
MS	Nitrate-N (mg/L)	3.7	1	25	26.85	93		80 - 120	-	QC02272
MS	Sulfate (mg/L)	24	1	62.5	88.50	103		80 - 120	-	QC02272
MSD	CL (mg/L)	27	1	62.5	88.41	98	1	-	0 - 20	QC02272
MSD	Fluoride (mg/L)	1.6	1	12.5	14.38	102	5	-	0 - 20	QC02272
MSD	Nitrate-N (mg/L)	3.7	1	25	26.83	93	0	-	0 - 20	QC02272
MSD	Sulfate (mg/L)	24	1	62.5	88.76	104	0	-	0 - 20	QC02272

Standard	Param	Sample Result	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit	QC Batch #
MS	Total Aluminum (mg/L)	0.19	1	2	2.13	97		75 - 125	-	QC02342
MS	Total Arsenic (mg/L)	<0.01	1	2	1.74	87		75 - 125	-	QC02342
MS	Total Barium (mg/L)	0.03	1	2	1.68	83		75 - 125	-	QC02342
MS	Total Boron (mg/L)	0.30	1	2	2.52	111		75 - 125	-	QC02342
MS	Total Cadmium (mg/L)	<0.002	1	2	1.49	75		75 - 125	-	QC02342
MS	Total Chromium (mg/L)	0.006	1	2	1.57	78		75 - 125	-	QC02342
MS	Total Cobalt (mg/L)	<0.01	1	2	1.59	80		75 - 125	-	QC02342
MS	Total Copper (mg/L)	0.04	1	2	1.98	97		75 - 125	-	QC02342
MS	Total Iron (mg/L)	0.05	1	2	1.65	80		75 - 125	-	QC02342
MS	Total Lead (mg/L)	<0.01	1	2	1.56	78		75 - 125	-	QC02342
MS	Total Manganese (mg/L)	0.03	1	2	1.90	94		75 - 125	-	QC02342
MS	Total Molybdenum (mg/L)	<0.01	1	2	1.60	80		75 - 125	-	QC02342
MS	Total Nickel (mg/L)	<0.01	1	2	1.80	90		75 - 125	-	QC02342
MS	Total Selenium (mg/L)	<0.01	1	2	1.75	88		75 - 125	-	QC02342

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MS	Total Silica (mg/L)	7.1	1	2	9.2	105	75 - 125	-	QC02342	
MS	Total Silver (mg/L)	<0.005	1	0.4	0.29	72	75 - 125	-	QC02342	
MS	Total Zinc (mg/L)	0.48	1	2	2.00	76	75 - 125	-	QC02342	
MSD	Total Aluminum (mg/L)	0.19	1	2	2.08	95	3	-	0 - 20 QC02342	
MSD	Total Arsenic (mg/L)	<0.01	1	2	1.71	86	2	-	0 - 20 QC02342	
MSD	Total Barium (mg/L)	0.03	1	2	1.65	81	2	-	0 - 20 QC02342	
MSD	Total Baron (mg/L)	0.30	1	2	2.06	88	23	-	0 - 20 QC02342	
MSD	Total Cadmium (mg/L)	<0.002	1	2	1.47	74	1	-	0 - 20 QC02342	
MSD	Total Chromium (mg/L)	0.006	1	2	1.55	77	1	-	0 - 20 QC02342	
MSD	Total Cobalt (mg/L)	<0.01	1	2	1.56	78	2	-	0 - 20 QC02342	
MSD	Total Copper (mg/L)	0.04	1	2	1.92	94	3	-	0 - 20 QC02342	
MSD	Total Iron (mg/L)	0.05	1	2	1.61	78	3	-	0 - 20 QC02342	
MSD	Total Lead (mg/L)	<0.01	1	2	1.54	77	1	-	0 - 20 QC02342	
MSD	Total Manganese (mg/L)	0.03	1	2	1.64	81	15	-	0 - 20 QC02342	
MSD	Total Molybdenum (mg/L)	<0.01	1	2	1.57	79	2	-	0 - 20 QC02342	
MSD	Total Nickel (mg/L)	<0.01	1	2	1.74	87	3	-	0 - 20 QC02342	
MSD	Total Selenium (mg/L)	<0.01	1	2	1.70	85	3	-	0 - 20 QC02342	
MSD	Total Silica (mg/L)	7.1	1	2	9.3	110	5	-	0 - 20 QC02342	
MSD	Total Silver (mg/L)	<0.005	1	0.4	0.28	70	4	-	0 - 20 QC02342	
MSD	Total Zinc (mg/L)	0.48	1	2	1.97	75	2	-	0 - 20 QC02342	

Standard	Param	Sample Result	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit	QC Batch #
MS	Total Mercury (mg/L)	0.00839	1	0.001	0.00850	99	80 - 120	-	QC02360	
MSD	Total Mercury (mg/L)	0.00839	1	0.001	0.00862	97	7	-	0 - 20 QC02360	

Quality Control Report Duplicates

Standard	Param	Flag	Duplicate Result	Sample Result	Dilution	RPD	RPD Limit	QC Batch #
Duplicate	Hydroxide Alkalinity (mg/L as CaCo		<1.0	<1.0	1	0	0 - 20	QC02217
Duplicate	Carbonate Alkalinity (mg/L as CaCo		<1.0	<1.0	1	0	0 - 20	QC02217
Duplicate	Bicarbonate Alkalinity (mg/L as CaC		121	115	1	5	0 - 20	QC02217
Duplicate	Total Alkalinity (mg/L as CaCo3)		121	115	1	5	0 - 20	QC02217

Standard	Param	Flag	Duplicate Result	Sample Result	Dilution	RPD	RPD Limit	QC Batch #
Duplicate	Specific Conductance (uMHOS/cm)		127,991	130,000	1	2	0 - 20	QC02215

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Standard	Param	Flag	Duplicate Result	Sample Result	Dilution	RPD	RPD Limit	QC Batch #
Duplicate	pH (s.u.)		7.5	7.5	1	0	0 - 20	QC02240

Standard	Param	Flag	Duplicate Result	Sample Result	Dilution	RPD	RPD Limit	QC Batch #
Duplicate	Total Dissolved Solids (mg/L)		5520	5400	1	2	0 - 20	QC02260

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Quality Control Report Lab Control Spikes and Duplicate Spike

Param	Blank Result	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit	QC Batch #
LCS Dissolved Calcium (mg/L)	<.50	1	1000	998	100		75 - 125	-	QC02237
LCS Dissolved Magnesium (mg/L)	<.50	1	1000	954	95		75 - 125	-	QC02237
LCS Dissolved Potassium (mg/L)	<.50	1	1000	943	94		75 - 125	-	QC02237
LCS Dissolved Sodium (mg/L)	<.50	1	1000	950	95		75 - 125	-	QC02237
LCSD Dissolved Calcium (mg/L)	<.50	1	100	989	99	1	-	0 - 20	QC02237
LCSD Dissolved Magnesium (mg/L)	<.50	1	100	935	94	2	-	0 - 20	QC02237
LCSD Dissolved Potassium (mg/L)	<.50	1	100	939	94	0	-	0 - 20	QC02237
LCSD Dissolved Sodium (mg/L)	<.50	1	100	929	93	2	-	0 - 20	QC02237

Param	Blank Result	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit	QC Batch #
LCS Total Mercury (mg/L)	<0.0002	1	0.001	0.00104	104		80 - 120	-	QC02360
LCSD Total Mercury (mg/L)	<0.0002	1	0.001	0.00108	108	4	-	0 - 20	QC02360

Param	Blank Result	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit	QC Batch #
LCS Total Aluminum (mg/L)	<0.01	1	2	2.02	101		75 - 125	-	QC02342
LCS Total Arsenic (mg/L)	<0.01	1	2	1.93	97		75 - 125	-	QC02342
LCS Total Barium (mg/L)	<0.01	1	2	2.22	111		75 - 125	-	QC02342
LCS Total Boron (mg/L)	<0.05	1	2	1.93	97		75 - 125	-	QC02342
LCS Total Cadmium (mg/L)	<0.002	1	2	2.04	102		75 - 125	-	QC02342
LCS Total Chromium (mg/L)	<0.005	1	2	2.08	104		75 - 125	-	QC02342
LCS Total Cobalt (mg/L)	<0.01	1	2	2.20	110		75 - 125	-	QC02342
LCS Total Copper (mg/L)	<0.01	1	2	2.22	111		75 - 125	-	QC02342
LCS Total Lead (mg/L)	<0.01	1	2	2.17	109		75 - 125	-	QC02342
LCS Total Manganese (mg/L)	<0.01	1	2	2.14	107		75 - 125	-	QC02342
LCS Total Molybdenum (mg/L)	<0.01	1	2	2.05	102		75 - 125	-	QC02342
LCS Total Nickel (mg/L)	<0.01	1	2	2.10	105		75 - 125	-	QC02342
LCS Total Selenium (mg/L)	<0.01	1	2	1.90	95		75 - 125	-	QC02342
LCS Total Silica (mg/L)	<0.01	1	2	2.05	102		75 - 125	-	QC02342
LCS Total Silver (mg/L)	<0.005	1	0.4	0.33	83		75 - 125	-	QC02342
LCS Total Zinc (mg/L)	<0.01	1	2	2.08	104		75 - 125	-	QC02342
LCSD Total Aluminum (mg/L)	<0.01	1	2	2.01	100	0	-	0 - 20	QC02342
LCSD Total Arsenic (mg/L)	<0.01	1	2	1.93	97	0	-	0 - 20	QC02342
LCSD Total Barium (mg/L)	<0.01	1	2	2.22	111	0	-	0 - 20	QC02342
LCSD Total Boron (mg/L)	<0.05	1	2	1.94	97	1	-	0 - 20	QC02342
LCSD Total Cadmium (mg/L)	<0.002	1	2	2.04	102	0	-	0 - 20	QC02342

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I & W Monitor Well #2

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LCSD Total Chromium (mg/L)	<0.005	1	2	2.08	104	0	-	0 - 20	QC02342
LCSD Total Cobalt (mg/L)	<0.01	1	2	2.20	110	0	-	0 - 20	QC02342
LCSD Total Copper (mg/L)	<0.01	1	2	2.21	111	0	-	0 - 20	QC02342
LCSD Total Lead (mg/L)	<0.01	1	2	2.17	109	0	-	0 - 20	QC02342
LCSD Total Manganese (mg/L)	<0.01	1	2	2.14	107	0	-	0 - 20	QC02342
LCSD Total Molybdenum (mg/L)	<0.01	1	2	2.06	103	0	-	0 - 20	QC02342
LCSD Total Nickel (mg/L)	<0.01	1	2	2.11	106	0	-	0 - 20	QC02342
LCSD Total Selenium (mg/L)	<0.01	1	2	1.91	96	1	-	0 - 20	QC02342
LCSD Total Silica (mg/L)	<0.01	1	2	2.05	102	0	-	0 - 20	QC02342
LCSD Total Silver (mg/L)	<0.005	1	1	0.33	83	0	-	0 - 20	QC02342
LCSD Total Zinc (mg/L)	<0.01	1	2	2.09	105	0	-	0 - 20	QC02342

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I & W Monitor Well #2

Carsbad, New Mex. I & W Inc. Yard

Quality Control Report Continuing Calibration Verification Standard

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	Hydroxide Alkalinity (mg/L as CaCo3)		0	<1.0	0	80 - 120	4/19/00	QC02217
ICV	Carbonate Alkalinity (mg/L as CaCo3)		0	204	0	80 - 120	4/19/00	QC02217
ICV	Bicarbonate Alkalinity (mg/L as CaCo3)		0	25	0	80 - 120	4/19/00	QC02217
ICV	Total Alkalinity (mg/L as CaCo3)		236	229	97	80 - 120	4/19/00	QC02217
CCV 1	Hydroxide Alkalinity (mg/L as CaCo3)		0	<1.0	0	80 - 120	4/19/00	QC02217
CCV 1	Carbonate Alkalinity (mg/L as CaCo3)		0	208	0	80 - 120	4/19/00	QC02217
CCV 1	Bicarbonate Alkalinity (mg/L as CaCo3)		0	26	0	80 - 120	4/19/00	QC02217
CCV 1	Total Alkalinity (mg/L as CaCo3)		236	234	99	80 - 120	4/19/00	QC02217

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	Specific Conductance (uMHOS/cm)		1413	1461	103	80 - 120	4/20/00	QC02215
CCV 1	Specific Conductance (uMHOS/cm)		1413	1452	103	80 - 120	4/20/00	QC02215

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	Dissolved Calcium (mg/L)		20	20.4	102	75 - 125	4/24/00	QC02237
ICV	Dissolved Magnesium (mg/L)		20	20.3	102	75 - 125	4/24/00	QC02237
ICV	Dissolved Potassium (mg/L)		20	19.3	97	75 - 125	4/24/00	QC02237
ICV	Dissolved Sodium (mg/L)		20	19.8	99	75 - 125	4/24/00	QC02237
CCV 1	Dissolved Calcium (mg/L)		20	20.4	102	75 - 125	4/24/00	QC02237
CCV 1	Dissolved Magnesium (mg/L)		20	20.3	102	75 - 125	4/24/00	QC02237
CCV 1	Dissolved Potassium (mg/L)		20	19.0	95	75 - 125	4/24/00	QC02237
CCV 1	Dissolved Sodium (mg/L)		20	19.8	99	75 - 125	4/24/00	QC02237

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	Total Mercury (mg/L)		0.001	0.0010	100	80 - 120	4/27/00	QC02360
CCV 1	Total Mercury (mg/L)		0.001	0.00103	103	80 - 120	4/27/00	QC02360

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	CL (mg/L)		12.5	12.01	96	80 - 120	4/19/00	QC02272
ICV	Fluoride (mg/L)		2.5	2.59	104	80 - 120	4/19/00	QC02272
ICV	Nitrate-N (mg/L)		5	4.89	98	80 - 120	4/19/00	QC02272
ICV	Sulfate (mg/L)		12.5	12.14	97	80 - 120	4/19/00	QC02272
CCV 1	CL (mg/L)		12.5	11.87	95	80 - 120	4/19/00	QC02272

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Quality Control Report Continuing Calibration Verification Standard

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
CCV 1	Fluoride (mg/L)		2.5	2.48	99	80 - 120	4/19/00	QC02272
CCV 1	Nitrate-N (mg/L)		5	4.88	98	80 - 120	4/19/00	QC02272
CCV 1	Sulfate (mg/L)		12.5	12.04	96	80 - 120	4/19/00	QC02272
Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	pH (s.u.)		7	7.0	100	80 - 120	4/19/00	QC02240
CCV 1	pH (s.u.)		7	7.0	100	80 - 120	4/19/00	QC02240
Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	Total Dissolved Solids (mg/L)		1000	999	100	80 - 120	4/24/00	QC02260
CCV 1	Total Dissolved Solids (mg/L)		1000	988	99	80 - 120	4/24/00	QC02260
Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	Total Aluminum (mg/L)		10	10.1	101	75 - 125	4/26/00	QC02342
ICV	Total Arsenic (mg/L)		0.5	0.511	102	75 - 125	4/26/00	QC02342
ICV	Total Barium (mg/L)		10	10.4	104	75 - 125	4/26/00	QC02342
ICV	Total Boron (mg/L)		1.25	1.32	106	75 - 125	4/26/00	QC02342
ICV	Total Cadmium (mg/L)		0.25	0.256	102	75 - 125	4/26/00	QC02342
ICV	Total Chromium (mg/L)		0.5	0.513	103	75 - 125	4/26/00	QC02342
ICV	Total Cobalt (mg/L)		2.5	2.58	103	75 - 125	4/26/00	QC02342
ICV	Total Copper (mg/L)		1.25	1.27	102	75 - 125	4/26/00	QC02342
ICV	Total Iron (mg/L)		5	5.13	103	75 - 125	4/26/00	QC02342
ICV	Total Lead (mg/L)		0.25	0.257	103	75 - 125	4/26/00	QC02342
ICV	Total Manganese (mg/L)		0.75	0.77	103	75 - 125	4/26/00	QC02342
ICV	Total Molybdenum (mg/L)		1.25	1.28	102	75 - 125	4/26/00	QC02342
ICV	Total Nickel (mg/L)		2	2.05	102	75 - 125	4/26/00	QC02342
ICV	Total Selenium (mg/L)		0.25	0.254	102	75 - 125	4/26/00	QC02342
ICV	Total Silica (mg/L)		1.25	1.36	109	75 - 125	4/26/00	QC02342
ICV	Total Silver (mg/L)		0.5	0.508	102	75 - 125	4/26/00	QC02342
ICV	Total Zinc (mg/L)		1	1.03	103	75 - 125	4/26/00	QC02342
CCV 1	Total Aluminum (mg/L)		10	10.1	101	75 - 125	4/26/00	QC02342
CCV 1	Total Arsenic (mg/L)		0.5	0.505	101	75 - 125	4/26/00	QC02342
CCV 1	Total Barium (mg/L)		10	10.3	103	75 - 125	4/26/00	QC02342
CCV 1	Total Boron (mg/L)		1.25	1.30	104	75 - 125	4/26/00	QC02342
CCV 1	Total Cadmium (mg/L)		0.25	0.252	101	75 - 125	4/26/00	QC02342
CCV 1	Total Chromium (mg/L)		0.5	0.505	101	75 - 125	4/26/00	QC02342

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I & W Monitor Well #2

Carsbad, New Mex. I & W Inc. Yard

Quality Control Report
Continuing Calibration Verification Standard

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
CCV 1	Total Cobalt (mg/L)		2.5	2.55	102	75 - 125	4/26/00	QC02342
CCV 1	Total Copper (mg/L)		1.25	1.27	102	75 - 125	4/26/00	QC02342
CCV 1	Total Iron (mg/L)		5	5.06	101	75 - 125	4/26/00	QC02342
CCV 1	Total Lead (mg/L)		0.25	.256	102	75 - 125	4/26/00	QC02342
CCV 1	Total Manganese (mg/L)		0.75	0.76	101	75 - 125	4/26/00	QC02342
CCV 1	Total Molybdenum (mg/L)		1.25	1.26	101	75 - 125	4/26/00	QC02342
CCV 1	Total Nickel (mg/L)		2	2.03	101	75 - 125	4/26/00	QC02342
CCV 1	Total Selenium (mg/L)		0.25	0.251	100	75 - 125	4/26/00	QC02342
CCV 1	Total Silica (mg/L)		1.25	1.37	110	75 - 125	4/26/00	QC02342
CCV 1	Total Silver (mg/L)		0.5	0.505	101	75 - 125	4/26/00	QC02342
CCV 1	Total Zinc (mg/L)		1	1.01	101	75 - 125	4/26/00	QC02342

Cation-Anion Balance Sheet

Sample # **144820**

Date: **5/9/00**

Cations

	ppm	meq/L
Calcium	570	28.443
Magnesium	289	23.78181
Sodium	826	35.931
Potassium	6.6	0.168828

Total Cations
88.3246 in meq/L

Anions

	ppm	meq/L
Alkalinity	238	4.76
Sulfate	1200	24.984
Chloride	2400	67.704
Nitrate as N	7.1	0.506869
Fluoride	1.2	0.063168

Total Anions
98.018 in meq/L

Percentage Error
10.4038 %
(needs to be <10%)

OTHER INFORMATION

TDS	5400
EC	8800

Measure EC and Cation Sums	8832.4638	Range should be:	7920	to	9680
Measure EC and Anion Sums	9801.8037	Range should be:	7920	to	9680
Calculated TDS/Conductivity	0.6136364	Range should be:	0.55	to	0.77
Measure TDS and Cation Sums	0.6113809	Range should be:	0.55	to	0.77
Measure TDS and Anion Sums	0.550919	Range should be:	0.55	to	0.77

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

State of New Mexico
Energy, Minerals & Natural Resources
OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-104
Revised March 25, 1999

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AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address I & W, Inc. PO Box 1685 Carlsbad, NM 88220		² OGRID Number 010866
		³ Reason for Filing Code CH July 10, 1995
⁴ API Number 30-015-23031	⁵ Pool Name Fresh Water Injection Well	⁶ Pool Code
⁷ Property Code 25398	⁸ Property Name Eugenie	⁹ Well Number #2

II. ¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
M	17	22	27		1,288'	South	497'	West	Eddy

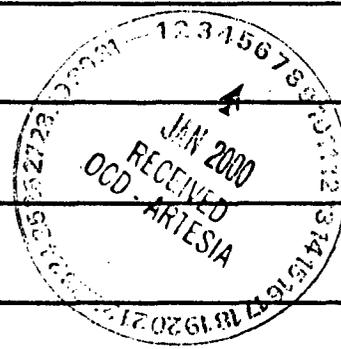
Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	17	22	27		1,288'	South	497'	West	Eddy

¹¹ Lease Code	¹² Producing Method Code	¹³ Gas Connection Date	¹⁴ C-129 Permit Number	¹⁵ C-129 Effective Date	¹⁶ C-129 Expiration Date
--------------------------	-------------------------------------	-----------------------------------	-----------------------------------	------------------------------------	-------------------------------------

III. Oil and Gas Transporters

¹⁷ Transporter OGRID	¹⁸ Transporter Name and Address	¹⁹ POD	²⁰ O/G	²¹ POD ULSTR Location and Description



IV. Produced Water

²² POD	²³ POD ULSTR Location and Description
-------------------	--

V. Well Completion Data

²⁴ Spud Date	²⁵ Ready Date	²⁶ TD	²⁷ PBDT	²⁸ Perforations	²⁹ DHC, MC

³⁰ Hole Size	³¹ Casing & Tubing Size	³² Depth Set	³³ Sacks Cement

VI. Well Test Data

³⁴ Date New Oil	³⁵ Gas Delivery Date	³⁶ Test Date	³⁷ Test Length	³⁸ Tbg. Pressure	³⁹ Csg. Pressure
⁴⁰ Choke Size	⁴¹ Oil	⁴² Water	⁴³ Gas	⁴⁴ AOF	⁴⁵ Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.
Signature: George Parchman
Printed name: George E. Parchman
Title: Manager
Date: 12/99 Phone: 5050885-6663

OIL CONSERVATION DIVISION
ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR
Approved by: _____
Title: _____
Approval Date: 3-2-00

If this is a change of operator fill in the OGRID number and name of the previous operator
(Deceased, See attached Letter) Phil Withrow Manager 7/95
Previous Operator Signature _____ Printed Name _____ Title _____ Date _____

Attention: Wayne Price

CHP
OP

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

State of New Mexico
Energy, Minerals & Natural Resources
OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-104
Revised March 25, 1999
Submit to Appropriate District Office
5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address I & W, Inc. PO Box 1685 Carlsbad, NM 88220		OGRID Number 010866
API Number 30-015-22574		Reason for Filing Code CH July 10, 1995
Pool Name Brine Extraction Well		Pool Code
Property Code	Property Name Eugenie	Well Number #1

II. Surface Location

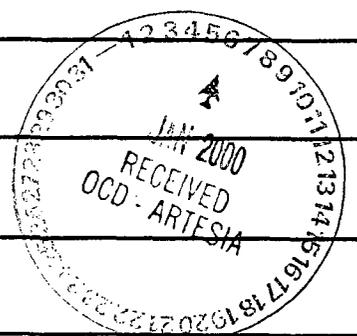
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
M	17	22	27		995'	South	641'	West	Eddy

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	17	22	27		995'	South	641'	West	Eddy
Lse Code	Producing Method Code	Gas Connection Date	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description



IV. Produced Water

POD	POD ULSTR Location and Description

V. Well Completion Data

Spud Date	Ready Date	TD	PBTD	Perforations	DHC, MC
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement		

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Csg. Pressure
Choke Size	Oil	Water	Gas	AOF	Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *George E. Parchman*
Printed name: George E. Parchman
Title: Manager
Date: 12/99 Phone: 505)885-6663

OIL CONSERVATION DIVISION
Approved by: ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR
Title:
Approval Date: FEB 23 2000

If this is a change of operator fill in the OGRID number and name of the previous operator

(Deceased, See attached Letter) Phil Withrow B & E Inc. Manager/owner 7/95
Previous Operator Signature Printed Name Title Date

TRACE ANALYSIS, INC.

6701 Aberdeen Avenue, Suite 9 Lubbock, Texas 79424 800•378•1296 806•794•1296 FAX 806•794•1298
4725 Ripley Avenue, Suite A El Paso, Texas 79922 888•588•3443 915•585•3443 FAX 915•585•4944
E-Mail: lab@traceanalysis.com

Bill To: **OCD**
2040 S. Pacheco
Santa Fe, NM 87505

Invoice # 42218

Invoice Date: **May 12, 2000**

Attn: **Wayne Price**

Order ID: **A00041910**

Project #: **I & W Inc.**
Project Name: **I & W Monitor Well #2**
Project Location: **Carsbad, New Mex. I & W Inc. Yard**

Test	Quantity	Matrix	Description	Price	SubTotal
Cu, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Al, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Anions/Cations/Gen. Chem.	1	Water	144820 - 144820	\$120.00	\$120.00
As, Total	1	Water	144820 - 144820	\$10.00	\$10.00
B, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Ba, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Ca, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Cd, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Ag, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Cr, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Zn, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Fe, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Hg, Total	1	Water	144820 - 144820	\$12.00	\$12.00
Mn, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Mo, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Ni, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Pb, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Se, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Si, Total	1	Water	144820 - 144820	\$10.00	\$10.00
Co, Total	1	Water	144820 - 144820	\$10.00	\$10.00

Payment Terms: Net 30 Days

Total **\$312.00**

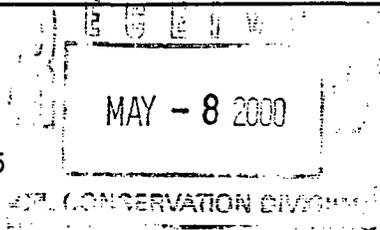

Director, Dr. Blair Leftwich

OK for
PAY MENT
Wayne Price

TRACE ANALYSIS, INC.

6701 Aberdeen Avenue, Suite 9 Lubbock, Texas 79424 800•378•1296 806•794•1296 FAX 806•794•1298
 4725 Ripley Avenue, Suite A El Paso, Texas 79922 888•588•3443 915•585•3443 FAX 915•585•4944
 E-Mail: lab@traceanalysis.com

Bill To: **OCD**
 2040 S. Pacheco
 Santa Fe, NM 87505



Invoice # 42074

Invoice Date: **May 4, 2000**

Attn: **Wayne Price**

Order ID: **A00041911**

Project #:	I & W Inc.
Project Name:	I & W Monitor Well #2
Project Location:	Carsbad, New Mex. I & W Inc. Yard

Test	Quantity	Matrix	Description	Price	SubTotal
Hg, Total	1	Water	144821 - 144821	\$12.00	\$12.00
Al, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Anions/Cations/GEN. CHEM.	1	Water	144821 - 144821	\$120.00	\$120.00
As, Total	1	Water	144821 - 144821	\$10.00	\$10.00
B, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Ba, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Ca, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Cd, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Co, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Cr, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Ag, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Fe, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Zn, Total	1	Water	144821 - 144821	\$10.00	\$10.00
K, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Mg, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Mn, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Mo, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Na, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Ni, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Pb, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Se, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Si, Total	1	Water	144821 - 144821	\$10.00	\$10.00
Cu, Total	1	Water	144821 - 144821	\$10.00	\$10.00
<i>Payment Terms: Net 30 Days</i>				Total	\$342.00


 Director, Dr. Blair Leftwich

OK FOR PAYMENT




TRACE ANALYSIS, INC.

6701 Aberdeen Avenue, Suite 9 Lubbock, Texas 79424 800•378•1296 806•794•1296 FAX 806•794•1298
 4725 Ripley Avenue, Suite A El Paso, Texas 79922 888•588•3443 915•585•3443 FAX 915•585•4944
 E-Mail: lab@traceanalysis.com

Analytical and Quality Control Report

Mike Stubblefield
 OCD
 811 S. First Street
 Artesia, NM 88210

Report Date: 5/1/00

Project Number: I & W Inc.
 Project Name: I & W Monitor Well #2
 Project Location: Carsbad, New Mex. I & W Inc. Yard

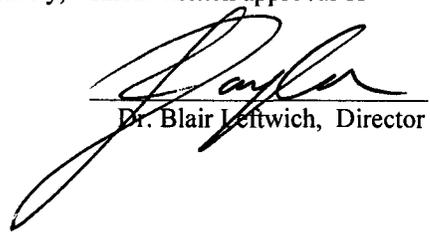
Order ID Number: A00041911

Enclosed are the Analytical Results and Quality Control Data Reports for the following samples submitted to TraceAnalysis, Inc. for analysis:

Sample Number	Sample Description	Matrix	Date Taken	Time Taken	Date Received
144821	I & w Inc. Monitor Well #2 Deep	Water	4/14/00	15:00	4/19/00

These results represent only the samples received in the laboratory. The Quality Control Report is generated on a batch basis. All information contained in this report is for the analytical batch(es) in which your sample(s) were analyzed.

This report consists of a total of 12 pages and shall not be reproduced except in its entirety, without written approval of TraceAnalysis, Inc.


 Dr. Blair Leftwich, Director

Analytical Results Report

Sample Number: 144821

Description: I & w Inc. Monitor Well #2 Deep

Param	Result	Dilution	Analytical Method	Date Prepared	Date Analyzed	Analyst	Prep Batch #	QC Batch #	RDL
Alkalinity (mg/L as CaCo3)									
Hydroxide Alkalinity	770	1	E 310.1	4/19/00	4/19/00	JS	PB01843	QC02217	1
Carbonate Alkalinity	76	1	E 310.1	4/19/00	4/19/00	JS	PB01843	QC02217	1
Bicarbonate Alkalinity	<1.0	1	E 310.1	4/19/00	4/19/00	JS	PB01843	QC02217	1
Total Alkalinity	846	1	E 310.1	4/19/00	4/19/00	JS	PB01843	QC02217	1
Conductivity (uMHOS/cm)									
Specific Conductance	8700	1	SM 2510B	4/20/00	4/20/00	JS	PB01842	QC02215	
Dissolved Metals (mg/L)									
Dissolved Calcium	518	1	E 200.7	4/24/00	4/24/00	RR	PB01866	QC02237	0.5
Dissolved Magnesium	1.7	1	E 200.7	4/24/00	4/24/00	RR	PB01866	QC02237	0.5
Dissolved Potassium	388	1	E 200.7	4/24/00	4/24/00	RR	PB01866	QC02237	0.5
Dissolved Sodium	289	1	E 200.7	4/24/00	4/24/00	RR	PB01866	QC02237	0.5
Hg, Total (mg/L)									
Total Mercury	<0.0002	1	S 7470A	4/26/00	4/27/00	JM	PB01979	QC02360	0.0002
Ion Chromatography (IC) (mg/L)									
CL	130	1	E 300.0	4/19/00	4/19/00	JS	PB01899	QC02272	0.5
Fluoride	1.2	1	E 300.0	4/19/00	4/19/00	JS	PB01899	QC02272	0.2
Nitrate-N	* 3.0	1	E 300.0	4/19/00	4/19/00	JS	PB01899	QC02272	0.2
Sulfate	1400	1	E 300.0	4/19/00	4/19/00	JS	PB01899	QC02272	0.5
* Nitrate-N - Sample out of holding time for NO3.									
pH (s.u.)									
pH	* 12.0	1	E 150.1	4/19/00	4/19/00	RS	PB01874	QC02240	1
* pH - Out of holding time.									
TDS (mg/L)									
Total Dissolved Solids	3700	1	E 160.1	4/21/00	4/24/00	JS	PB01889	QC02260	10
Total Metals (mg/L)									
Total Aluminum	0.09	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Arsenic	<0.01	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Barium	0.12	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Boron	0.19	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.05
Total Cadmium	<0.002	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.002
Total Chromium	0.069	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.005
Total Cobalt	<0.01	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Copper	0.03	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Iron	0.06	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.05
Total Lead	<0.01	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Manganese	<0.01	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Molybdenum	0.03	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Nickel	<0.01	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Selenium	<0.01	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Silica	1.6	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01
Total Silver	<0.005	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.005
Total Zinc	0.12	1	S 6010B	4/25/00	4/26/00	RR	PB01906	QC02342	0.01

Quality Control Report Method Blanks

Param	Flag	Blank Result	Reporting Limit	Date Analyzed	Prep Batch #	QC Batch #
Hydroxide Alkalinity (mg/L as CaCo3)		<1.0	1	4/19/00	PB01843	QC02217
Carbonate Alkalinity (mg/L as CaCo3)		<1.0	1	4/19/00	PB01843	QC02217
Bicarbonate Alkalinity (mg/L as CaCo3)		<4.0	1	4/19/00	PB01843	QC02217
Total Alkalinity (mg/L as CaCo3)		<4.0	1	4/19/00	PB01843	QC02217

Param	Flag	Blank Result	Reporting Limit	Date Analyzed	Prep Batch #	QC Batch #
Specific Conductance (uMHOS/cm)		3.5		4/20/00	PB01842	QC02215

Param	Flag	Blank Result	Reporting Limit	Date Analyzed	Prep Batch #	QC Batch #
Dissolved Calcium (mg/L)		<.50	0.5	4/24/00	PB01866	QC02237
Dissolved Magnesium (mg/L)		<.50	0.5	4/24/00	PB01866	QC02237
Dissolved Potassium (mg/L)		<.50	0.5	4/24/00	PB01866	QC02237
Dissolved Sodium (mg/L)		<.50	0.5	4/24/00	PB01866	QC02237

Param	Flag	Blank Result	Reporting Limit	Date Analyzed	Prep Batch #	QC Batch #
Total Mercury (mg/L)		<0.0002	0.0002	4/27/00	PB01979	QC02360

Param	Flag	Blank Result	Reporting Limit	Date Analyzed	Prep Batch #	QC Batch #
CL (mg/L)		<0.5	0.5	4/19/00	PB01899	QC02272
Fluoride (mg/L)		<0.2	0.2	4/19/00	PB01899	QC02272
Nitrate-N (mg/L)		<0.2	0.2	4/19/00	PB01899	QC02272
Sulfate (mg/L)		<0.5	0.5	4/19/00	PB01899	QC02272

Param	Flag	Blank Result	Reporting Limit	Date Analyzed	Prep Batch #	QC Batch #
Total Dissolved Solids (mg/L)		<10	10	4/24/00	PB01889	QC02260

Param	Flag	Blank Result	Reporting Limit	Date Analyzed	Prep Batch #	QC Batch #
Total Aluminum (mg/L)		<0.01	0.01	4/26/00	PB01906	QC02342
Total Arsenic (mg/L)		<0.01	0.01	4/26/00	PB01906	QC02342
Total Barium (mg/L)		<0.01	0.01	4/26/00	PB01906	QC02342
Total Boron (mg/L)		<0.05	0.05	4/26/00	PB01906	QC02342
Total Cadmium (mg/L)		<0.002	0.002	4/26/00	PB01906	QC02342
Total Chromium (mg/L)		<0.005	0.005	4/26/00	PB01906	QC02342
Total Cobalt (mg/L)		<0.01	0.01	4/26/00	PB01906	QC02342
Total Copper (mg/L)		<0.01	0.01	4/26/00	PB01906	QC02342
Total Iron (mg/L)		<0.05	0.05	4/26/00	PB01906	QC02342

Report Date: 5/1/00

Order ID Number: A00041911

Page Number: 4 of 12

I & W Inc.

I & W Monitor Well #2

Carsbad, New Mex. I & W Inc. Yard

Total Lead (mg/L)	<0.01	0.01	4/26/00	PB01906	QC02342
Total Manganese (mg/L)	<0.01	0.01	4/26/00	PB01906	QC02342
Total Molybdenum (mg/L)	<0.01	0.01	4/26/00	PB01906	QC02342
Total Nickel (mg/L)	<0.01	0.01	4/26/00	PB01906	QC02342
Total Selenium (mg/L)	<0.01	0.01	4/26/00	PB01906	QC02342
Total Silica (mg/L)	<0.01	0.01	4/26/00	PB01906	QC02342
Total Silver (mg/L)	<0.005	0.005	4/26/00	PB01906	QC02342
Total Zinc (mg/L)	<0.01	0.01	4/26/00	PB01906	QC02342

Quality Control Report Matrix Spike and Matrix Duplicate Spike

Standard	Param	Sample Result	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit	QC Batch #
MS	Dissolved Calcium (mg/L)	33	1	1000	975	94		75 - 125	-	QC02237
MS	Dissolved Magnesium (mg/L)	6.3	1	1000	899	89		75 - 125	-	QC02237
MS	Dissolved Potassium (mg/L)	6.5	1	1000	914	91		75 - 125	-	QC02237
MS	Dissolved Sodium (mg/L)	12	1	1000	900	89		75 - 125	-	QC02237
MSD	Dissolved Calcium (mg/L)	33	1	100	1014	98	4	-	0 - 20	QC02237
MSD	Dissolved Magnesium (mg/L)	6.3	1	100	920	91	2	-	0 - 20	QC02237
MSD	Dissolved Potassium (mg/L)	6.5	1	100	930	92	2	-	0 - 20	QC02237
MSD	Dissolved Sodium (mg/L)	12	1	100	948	94	5	-	0 - 20	QC02237

Standard	Param	Sample Result	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit	QC Batch #
MS	CL (mg/L)	27	1	62.5	87.81	97		80 - 120	-	QC02272
MS	Fluoride (mg/L)	1.6	1	12.5	13.78	97		80 - 120	-	QC02272
MS	Nitrate-N (mg/L)	3.7	1	25	26.85	93		80 - 120	-	QC02272
MS	Sulfate (mg/L)	24	1	62.5	88.50	103		80 - 120	-	QC02272
MSD	CL (mg/L)	27	1	62.5	88.41	98	1	-	0 - 20	QC02272
MSD	Fluoride (mg/L)	1.6	1	12.5	14.38	102	5	-	0 - 20	QC02272
MSD	Nitrate-N (mg/L)	3.7	1	25	26.83	93	0	-	0 - 20	QC02272
MSD	Sulfate (mg/L)	24	1	62.5	88.76	104	0	-	0 - 20	QC02272

Standard	Param	Sample Result	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit	QC Batch #
MS	Total Aluminum (mg/L)	0.19	1	2	2.13	97		75 - 125	-	QC02342
MS	Total Arsenic (mg/L)	<0.01	1	2	1.74	87		75 - 125	-	QC02342
MS	Total Barium (mg/L)	0.03	1	2	1.68	83		75 - 125	-	QC02342
MS	Total Boron (mg/L)	0.30	1	2	2.52	111		75 - 125	-	QC02342
MS	Total Cadmium (mg/L)	<0.002	1	2	1.49	75		75 - 125	-	QC02342
MS	Total Chromium (mg/L)	0.006	1	2	1.57	78		75 - 125	-	QC02342
MS	Total Cobalt (mg/L)	<0.01	1	2	1.59	80		75 - 125	-	QC02342
MS	Total Copper (mg/L)	0.04	1	2	1.98	97		75 - 125	-	QC02342
MS	Total Iron (mg/L)	0.05	1	2	1.65	80		75 - 125	-	QC02342
MS	Total Lead (mg/L)	<0.01	1	2	1.56	78		75 - 125	-	QC02342
MS	Total Manganese (mg/L)	0.03	1	2	1.90	94		75 - 125	-	QC02342
MS	Total Molybdenum (mg/L)	<0.01	1	2	1.60	80		75 - 125	-	QC02342
MS	Total Nickel (mg/L)	<0.01	1	2	1.80	90		75 - 125	-	QC02342
MS	Total Selenium (mg/L)	<0.01	1	2	1.75	88		75 - 125	-	QC02342

I & W Inc.

I & W Monitor Well #2

Carsbad, New Mex. I & W Inc. Yard

MS	Total Silica (mg/L)	7.1	1	2	9.2	105	75 - 125	-	QC02342
MS	Total Silver (mg/L)	<0.005	1	0.4	0.29	72	75 - 125	-	QC02342
MS	Total Zinc (mg/L)	0.48	1	2	2.00	76	75 - 125	-	QC02342
MSD	Total Aluminum (mg/L)	0.19	1	2	2.08	95	3	-	0 - 20 QC02342
MSD	Total Arsenic (mg/L)	<0.01	1	2	1.71	86	2	-	0 - 20 QC02342
MSD	Total Barium (mg/L)	0.03	1	2	1.65	81	2	-	0 - 20 QC02342
MSD	Total Boron (mg/L)	0.30	1	2	2.06	88	23	-	0 - 20 QC02342
MSD	Total Cadmium (mg/L)	<0.002	1	2	1.47	74	1	-	0 - 20 QC02342
MSD	Total Chromium (mg/L)	0.006	1	2	1.55	77	1	-	0 - 20 QC02342
MSD	Total Cobalt (mg/L)	<0.01	1	2	1.56	78	2	-	0 - 20 QC02342
MSD	Total Copper (mg/L)	0.04	1	2	1.92	94	3	-	0 - 20 QC02342
MSD	Total Iron (mg/L)	0.05	1	2	1.61	78	3	-	0 - 20 QC02342
MSD	Total Lead (mg/L)	<0.01	1	2	1.54	77	1	-	0 - 20 QC02342
MSD	Total Manganese (mg/L)	0.03	1	2	1.64	81	15	-	0 - 20 QC02342
MSD	Total Molybdenum (mg/L)	<0.01	1	2	1.57	79	2	-	0 - 20 QC02342
MSD	Total Nickel (mg/L)	<0.01	1	2	1.74	87	3	-	0 - 20 QC02342
MSD	Total Selenium (mg/L)	<0.01	1	2	1.70	85	3	-	0 - 20 QC02342
MSD	Total Silica (mg/L)	7.1	1	2	9.3	110	5	-	0 - 20 QC02342
MSD	Total Silver (mg/L)	<0.005	1	0.4	0.28	70	4	-	0 - 20 QC02342
MSD	Total Zinc (mg/L)	0.48	1	2	1.97	75	2	-	0 - 20 QC02342

Standard	Param	Sample Result	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit	QC Batch #
MS	Total Mercury (mg/L)	0.00839	1	0.001	0.00850	99		80 - 120	-	QC02360
MSD	Total Mercury (mg/L)	0.00839	1	0.001	0.00862	97	7	-	0 - 20	QC02360

Quality Control Report Duplicates

Standard	Param	Flag	Duplicate Result	Sample Result	Dilution	RPD	RPD Limit	QC Batch #
Duplicate	Hydroxide Alkalinity (mg/L as CaCo)		<1.0	<1.0	1	0	0 - 20	QC02217
Duplicate	Carbonate Alkalinity (mg/L as CaCo)		<1.0	<1.0	1	0	0 - 20	QC02217
Duplicate	Bicarbonate Alkalinity (mg/L as CaC)		121	115	1	5	0 - 20	QC02217
Duplicate	Total Alkalinity (mg/L as CaCo3)		121	115	1	5	0 - 20	QC02217

Standard	Param	Flag	Duplicate Result	Sample Result	Dilution	RPD	RPD Limit	QC Batch #
Duplicate	Specific Conductance (uMHOS/cm)		127,991	130,000	1	2	0 - 20	QC02215

Report Date: 5/1/00
I & W Inc.

Order ID Number: A00041911
I & W Monitor Well #2

Page Number: 7 of 12
Carsbad, New Mex. I & W Inc. Yard

Standard	Param	Flag	Duplicate Result	Sample Result	Dilution	RPD	RPD Limit	QC Batch #
Duplicate	pH (s.u.)		7.5	7.5	1	0	0 - 20	QC02240

Standard	Param	Flag	Duplicate Result	Sample Result	Dilution	RPD	RPD Limit	QC Batch #
Duplicate	Total Dissolved Solids (mg/L)		5520	5400	1	2	0 - 20	QC02260

Quality Control Report Lab Control Spikes and Duplicate Spike

Param	Blank Result	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit	QC Batch #
LCS Dissolved Calcium (mg/L)	<.50	1	1000	998	100		75 - 125	-	QC02237
LCS Dissolved Magnesium (mg/L)	<.50	1	1000	954	95		75 - 125	-	QC02237
LCS Dissolved Potassium (mg/L)	<.50	1	1000	943	94		75 - 125	-	QC02237
LCS Dissolved Sodium (mg/L)	<.50	1	1000	950	95		75 - 125	-	QC02237
LCSD Dissolved Calcium (mg/L)	<.50	1	100	989	99	1	-	0 - 20	QC02237
LCSD Dissolved Magnesium (mg/L)	<.50	1	100	935	94	2	-	0 - 20	QC02237
LCSD Dissolved Potassium (mg/L)	<.50	1	100	939	94	0	-	0 - 20	QC02237
LCSD Dissolved Sodium (mg/L)	<.50	1	100	929	93	2	-	0 - 20	QC02237

Param	Blank Result	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit	QC Batch #
LCS Total Mercury (mg/L)	<0.0002	1	0.001	0.00104	104		80 - 120	-	QC02360
LCSD Total Mercury (mg/L)	<0.0002	1	0.001	0.00108	108	4	-	0 - 20	QC02360

Param	Blank Result	Dil.	Spike Amount Added	Matrix Spike Result	% Rec.	RPD	% Rec. Limit	RPD Limit	QC Batch #
LCS Total Aluminum (mg/L)	<0.01	1	2	2.02	101		75 - 125	-	QC02342
LCS Total Arsenic (mg/L)	<0.01	1	2	1.93	97		75 - 125	-	QC02342
LCS Total Barium (mg/L)	<0.01	1	2	2.22	111		75 - 125	-	QC02342
LCS Total Boron (mg/L)	<0.05	1	2	1.93	97		75 - 125	-	QC02342
LCS Total Cadmium (mg/L)	<0.002	1	2	2.04	102		75 - 125	-	QC02342
LCS Total Chromium (mg/L)	<0.005	1	2	2.08	104		75 - 125	-	QC02342
LCS Total Cobalt (mg/L)	<0.01	1	2	2.20	110		75 - 125	-	QC02342
LCS Total Copper (mg/L)	<0.01	1	2	2.22	111		75 - 125	-	QC02342
LCS Total Lead (mg/L)	<0.01	1	2	2.17	109		75 - 125	-	QC02342
LCS Total Manganese (mg/L)	<0.01	1	2	2.14	107		75 - 125	-	QC02342
LCS Total Molybdenum (mg/L)	<0.01	1	2	2.05	102		75 - 125	-	QC02342
LCS Total Nickel (mg/L)	<0.01	1	2	2.10	105		75 - 125	-	QC02342
LCS Total Selenium (mg/L)	<0.01	1	2	1.90	95		75 - 125	-	QC02342
LCS Total Silica (mg/L)	<0.01	1	2	2.05	102		75 - 125	-	QC02342
LCS Total Silver (mg/L)	<0.005	1	0.4	0.33	83		75 - 125	-	QC02342
LCS Total Zinc (mg/L)	<0.01	1	2	2.08	104		75 - 125	-	QC02342
LCSD Total Aluminum (mg/L)	<0.01	1	2	2.01	100	0	-	0 - 20	QC02342
LCSD Total Arsenic (mg/L)	<0.01	1	2	1.93	97	0	-	0 - 20	QC02342
LCSD Total Barium (mg/L)	<0.01	1	2	2.22	111	0	-	0 - 20	QC02342
LCSD Total Boron (mg/L)	<0.05	1	2	1.94	97	1	-	0 - 20	QC02342
LCSD Total Cadmium (mg/L)	<0.002	1	2	2.04	102	0	-	0 - 20	QC02342

I & W Inc.

I & W Monitor Well #2

Carsbad, New Mex. I & W Inc. Yard

LCSD Total Chromium (mg/L)	<0.005	1	2	2.08	104	0	-	0 - 20	QC02342
LCSD Total Cobalt (mg/L)	<0.01	1	2	2.20	110	0	-	0 - 20	QC02342
LCSD Total Copper (mg/L)	<0.01	1	2	2.21	111	0	-	0 - 20	QC02342
LCSD Total Lead (mg/L)	<0.01	1	2	2.17	109	0	-	0 - 20	QC02342
LCSD Total Manganese (mg/L)	<0.01	1	2	2.14	107	0	-	0 - 20	QC02342
LCSD Total Molybdenum (mg/L)	<0.01	1	2	2.06	103	0	-	0 - 20	QC02342
LCSD Total Nickel (mg/L)	<0.01	1	2	2.11	106	0	-	0 - 20	QC02342
LCSD Total Selenium (mg/L)	<0.01	1	2	1.91	96	1	-	0 - 20	QC02342
LCSD Total Silica (mg/L)	<0.01	1	2	2.05	102	0	-	0 - 20	QC02342
LCSD Total Silver (mg/L)	<0.005	1	1	0.33	83	0	-	0 - 20	QC02342
LCSD Total Zinc (mg/L)	<0.01	1	2	2.09	105	0	-	0 - 20	QC02342

Quality Control Report Continuing Calibration Verification Standard

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	Hydroxide Alkalinity (mg/L as CaCo3)		0	<1.0	0	80 - 120	4/19/00	QC02217
ICV	Carbonate Alkalinity (mg/L as CaCo3)		0	204	0	80 - 120	4/19/00	QC02217
ICV	Bicarbonate Alkalinity (mg/L as CaCo3)		0	25	0	80 - 120	4/19/00	QC02217
ICV	Total Alkalinity (mg/L as CaCo3)		236	229	97	80 - 120	4/19/00	QC02217
CCV 1	Hydroxide Alkalinity (mg/L as CaCo3)		0	<1.0	0	80 - 120	4/19/00	QC02217
CCV 1	Carbonate Alkalinity (mg/L as CaCo3)		0	208	0	80 - 120	4/19/00	QC02217
CCV 1	Bicarbonate Alkalinity (mg/L as CaCo3)		0	26	0	80 - 120	4/19/00	QC02217
CCV 1	Total Alkalinity (mg/L as CaCo3)		236	234	99	80 - 120	4/19/00	QC02217

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	Specific Conductance (uMHOS/cm)		1413	1461	103	80 - 120	4/20/00	QC02215
CCV 1	Specific Conductance (uMHOS/cm)		1413	1452	103	80 - 120	4/20/00	QC02215

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	Dissolved Calcium (mg/L)		20	20.4	102	75 - 125	4/24/00	QC02237
ICV	Dissolved Magnesium (mg/L)		20	20.3	102	75 - 125	4/24/00	QC02237
ICV	Dissolved Potassium (mg/L)		20	19.3	97	75 - 125	4/24/00	QC02237
ICV	Dissolved Sodium (mg/L)		20	19.8	99	75 - 125	4/24/00	QC02237
CCV 1	Dissolved Calcium (mg/L)		20	20.4	102	75 - 125	4/24/00	QC02237
CCV 1	Dissolved Magnesium (mg/L)		20	20.3	102	75 - 125	4/24/00	QC02237
CCV 1	Dissolved Potassium (mg/L)		20	19.0	95	75 - 125	4/24/00	QC02237
CCV 1	Dissolved Sodium (mg/L)		20	19.8	99	75 - 125	4/24/00	QC02237

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	Total Mercury (mg/L)		0.001	0.0010	100	80 - 120	4/27/00	QC02360
CCV 1	Total Mercury (mg/L)		0.001	0.00103	103	80 - 120	4/27/00	QC02360

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	CL (mg/L)		12.5	12.01	96	80 - 120	4/19/00	QC02272
ICV	Fluoride (mg/L)		2.5	2.59	104	80 - 120	4/19/00	QC02272
ICV	Nitrate-N (mg/L)		5	4.89	98	80 - 120	4/19/00	QC02272
ICV	Sulfate (mg/L)		12.5	12.14	97	80 - 120	4/19/00	QC02272
CCV 1	CL (mg/L)		12.5	11.87	95	80 - 120	4/19/00	QC02272

Quality Control Report Continuing Calibration Verification Standard

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
CCV 1	Fluoride (mg/L)		2.5	2.48	99	80 - 120	4/19/00	QC02272
CCV 1	Nitrate-N (mg/L)		5	4.88	98	80 - 120	4/19/00	QC02272
CCV 1	Sulfate (mg/L)		12.5	12.04	96	80 - 120	4/19/00	QC02272

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	pH (s.u.)		7	7.0	100	80 - 120	4/19/00	QC02240
CCV 1	pH (s.u.)		7	7.0	100	80 - 120	4/19/00	QC02240

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	Total Dissolved Solids (mg/L)		1000	999	100	80 - 120	4/24/00	QC02260
CCV 1	Total Dissolved Solids (mg/L)		1000	988	99	80 - 120	4/24/00	QC02260

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
ICV	Total Aluminum (mg/L)		10	10.1	101	75 - 125	4/26/00	QC02342
ICV	Total Arsenic (mg/L)		0.5	0.511	102	75 - 125	4/26/00	QC02342
ICV	Total Barium (mg/L)		10	10.4	104	75 - 125	4/26/00	QC02342
ICV	Total Boron (mg/L)		1.25	1.32	106	75 - 125	4/26/00	QC02342
ICV	Total Cadmium (mg/L)		0.25	0.256	102	75 - 125	4/26/00	QC02342
ICV	Total Chromium (mg/L)		0.5	0.513	103	75 - 125	4/26/00	QC02342
ICV	Total Cobalt (mg/L)		2.5	2.58	103	75 - 125	4/26/00	QC02342
ICV	Total Copper (mg/L)		1.25	1.27	102	75 - 125	4/26/00	QC02342
ICV	Total Iron (mg/L)		5	5.13	103	75 - 125	4/26/00	QC02342
ICV	Total Lead (mg/L)		0.25	0.257	103	75 - 125	4/26/00	QC02342
ICV	Total Manganese (mg/L)		0.75	0.77	103	75 - 125	4/26/00	QC02342
ICV	Total Molybdenum (mg/L)		1.25	1.28	102	75 - 125	4/26/00	QC02342
ICV	Total Nickel (mg/L)		2	2.05	102	75 - 125	4/26/00	QC02342
ICV	Total Selenium (mg/L)		0.25	0.254	102	75 - 125	4/26/00	QC02342
ICV	Total Silica (mg/L)		1.25	1.36	109	75 - 125	4/26/00	QC02342
ICV	Total Silver (mg/L)		0.5	0.508	102	75 - 125	4/26/00	QC02342
ICV	Total Zinc (mg/L)		1	1.03	103	75 - 125	4/26/00	QC02342
CCV 1	Total Aluminum (mg/L)		10	10.1	101	75 - 125	4/26/00	QC02342
CCV 1	Total Arsenic (mg/L)		0.5	0.505	101	75 - 125	4/26/00	QC02342
CCV 1	Total Barium (mg/L)		10	10.3	103	75 - 125	4/26/00	QC02342
CCV 1	Total Boron (mg/L)		1.25	1.30	104	75 - 125	4/26/00	QC02342
CCV 1	Total Cadmium (mg/L)		0.25	0.252	101	75 - 125	4/26/00	QC02342
CCV 1	Total Chromium (mg/L)		0.5	0.505	101	75 - 125	4/26/00	QC02342

Quality Control Report Continuing Calibration Verification Standard

Standard	Param	Flag	CCVs TRUE Conc.	CCVs Found Conc.	CCVs Percent Recovery	Percent Recovery Limits	Date Analyzed	QC Batch #
CCV 1	Total Cobalt (mg/L)		2.5	2.55	102	75 - 125	4/26/00	QC02342
CCV 1	Total Copper (mg/L)		1.25	1.27	102	75 - 125	4/26/00	QC02342
CCV 1	Total Iron (mg/L)		5	5.06	101	75 - 125	4/26/00	QC02342
CCV 1	Total Lead (mg/L)		0.25	.256	102	75 - 125	4/26/00	QC02342
CCV 1	Total Manganese (mg/L)		0.75	0.76	101	75 - 125	4/26/00	QC02342
CCV 1	Total Molybdenum (mg/L)		1.25	1.26	101	75 - 125	4/26/00	QC02342
CCV 1	Total Nickel (mg/L)		2	2.03	101	75 - 125	4/26/00	QC02342
CCV 1	Total Selenium (mg/L)		0.25	0.251	100	75 - 125	4/26/00	QC02342
CCV 1	Total Silica (mg/L)		1.25	1.37	110	75 - 125	4/26/00	QC02342
CCV 1	Total Silver (mg/L)		0.5	0.505	101	75 - 125	4/26/00	QC02342
CCV 1	Total Zinc (mg/L)		1	1.01	101	75 - 125	4/26/00	QC02342

Cation-Anion Balance Sheet

Sample # 144821

Date: 5/3/00

Cations

	ppm	meq/L
Calcium	518	25.8482
Magnesium	1.7	0.139893
Sodium	289	12.5715
Potassium	388	9.92504

Total Cations

48.4846 in meq/L

Anions

	ppm	meq/L
Alkalinity	846	16.92
Sulfate	1400	29.148
Chloride	130	3.6673
Nitrate as N	3	0.21417
Fluoride	1.2	0.063168

Total Anions

50.0126 in meq/L

Percentage Error

3.10263 %

(needs to be <10%)

OTHER INFORMATION

TDS	3700
EC	8700

Measure EC and Cation Sums	4848.4633	Range should be:	7830	to	9570
Measure EC and Anion Sums	5001.2638	Range should be:	7830	to	9570
Calculated TDS/Conductivity	0.4252874	Range should be:	0.55	to	0.77
Measure TDS and Cation Sums	0.7631284	Range should be:	0.55	to	0.77
Measure TDS and Anion Sums	0.739813	Range should be:	0.55	to	0.77



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

Price, Wayne

From: Price, Wayne
Sent: Tuesday, May 02, 2000 4:16 PM
To: Gum, Tim; Stubblefield, Mike
Subject: I&W Brine Well

Dear Tim:

Please find enclosed a signed Copy of the C-103 allowing I&W to Perform an open hole test on the brine cavern. Would you please notify I&W and witness test. If they pass the test then they will be allowed to start-up brine operations. This test will be for 4 hours with no pressure drop allowed.



C103.jpg

Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, New Mexico 87504-2088

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-015-23031
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No.

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

7. Lease Name or Unit Agreement Name Eugenie
8. Well No. #1
9. Pool Name or Wildcat

1. Type of Well: ON WELLS [] OAS WELL [] OTHER Brine Well
2. Name of Operator I & W, Inc.
3. Address of Operator P.O. Box 1685 Carlsbad, NM 88220

4. Well Location Unit Letter M, 1288 Feet From The SL Line and 497 Feet From The WT Line
Section 17 Township 22S Range 27 NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [] PLUG AND ABANDON [] TEMPORARILY ABANDON [] CHANGE PLANS [] PULL OR ALTER CASING [] OTHER: Resume Brine Production [X]
SUBSEQUENT REPORT OF: REMEDIAL WORK [] ALTERING CASING [] COMMENCE DRILLING OPNS. [] PLUG AND ABANDONMENT [] CASING TEST AND CEMENT JOB [] OTHER: []

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.
1.) The fresh water injection well has been plugged & abandoned as directed by the OCD, EPA.
2.) Two monitor wells have been drilled & sampled with no indication of brine water migrating into fresh water zones.
3.) would like to begin loading cavern & run mit on well #1, in order to start producing brine water.

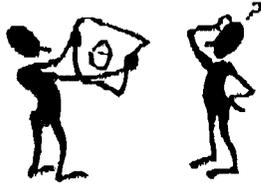
I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE George Parchman TITLE Manager DATE May 2, 2000
TYPE OR PRINT NAME: George Parchman TELEPHONE NO.:

(This space for State Use) (505)885-6663
APPROVED BY [Signature] TITLE PEL. ENR. SPEC DATE 5/2/00
CONDITIONS OF APPROVAL, IF ANY:

PO Box 1685, Carlsbad, NM 88220
Tel. (505) 885-8663
Fax (505) 885-8477



Fax



To: Wayne Price From: George Parchman I & W Inc.
 Fax: 827-8177 Pages: 2--
 Phone: _____ Date: 5/2
 Re: _____ CC: _____

- Urgent
 For Review
 Please Comment
 Please Reply
 Please Recycle

→→ Comments:



Here is copy
of C-103



THANKS

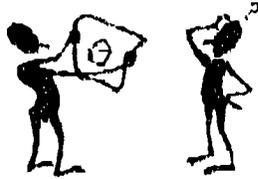
George



PO Box 1085, Carlsbad, NM 88220
Tel. (505) 885-6663
Fax (505) 885-8477



Fax



To: Wayne Price From: George Bachman

Fax: _____ Pages: 2

Phone: _____ Date: 3/14-2000

Re: _____ CC: _____

Urgent For Review Please Comment Please Reply Please Recycle

→→ Comments:





ARTEZIA
(505) 746-4214
1 (800) 748-1972

CARLSBAD
(505) 885-6663
1 (800) 658-2739

P.O. BOX 88
LOCO HILLS, NEW MEXICO 88255

LOCO HILLS
(505) 677-2111
1 (800) 748-1972

LOVINGTON
(505) 396-3331
1 (800) 748-2084

NMOCID
Santa Fe

March 14, 2000

Attn.: Wayne Price

When you & I spoke a couple of weeks ago, I brought it to your attention that it did not look like we would be able to make the 15th deadline previously set. At this time you advised me to submit a letter either by mail or fax stating that we would need an extension of time to start this project.

In speaking to our water well driller, we have tried to come up with a time frame at which we could possibly get started down here. At this time it looks as though the 22nd of March would be the soonest date possible, unless unforeseen problems arise. However I will call you on Monday the 20th, 2000 with a set date.

Thank you for your understanding and cooperation in the matter.

Sincerely,

George E. Parcelman
Manager

GP/lr

*DILLING DATE
SET FOR MARCH 27, 2000!
TELE: CEN
3/21/00
JW*



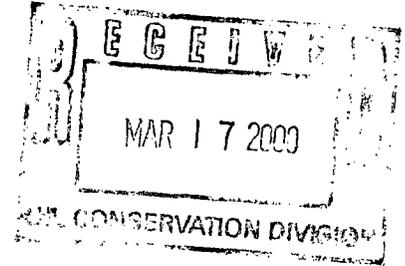
ARTESIA
(505) 746-4214
1 (800) 748-1972

CARLSBAD
(505) 885-6663
1 (800) 658-2739

P.O. BOX 98
LOCO HILLS, NEW MEXICO 88255

LOCO HILLS
(505) 677-2111
1 (800) 748-1972

LOVINGTON
(505) 396-3331
1 (800) 748-2084



NMOCD
Santa Fe

March 14, 2000

Attn.: Wayne Price

When you & I spoke a couple of weeks ago, I brought it to your attention that it did not look like we would be able to make the 15th deadline previously set. At this time you advised me to submit a letter either by mail or fax stating that we would need an extension of time to start this project.

In speaking to our water well driller, we have tried to come up with a time frame at which we could possibly get started down here. At this time it looks as though the 22nd of March would be the soonest date possible, unless unforeseen problems arise. However I will call you on Monday the 20th, 2000 with a set date.

Thank you for your understanding and cooperation in the matter.

Sincerely,

A handwritten signature in cursive script that reads 'George E. Parchman'.

George E. Parchman
Manager

GP/lr

Price, Wayne

From: Price, Wayne
Sent: Tuesday, February 29, 2000 8:11 AM
To: 'Mike Stubblefield'
Subject: I&W C-104's

Mike this is a reminder of our conversation the other day, when you get a chance please send us copies of the new C-104's change of ownership for the I&W Brine wells.

Thanks!

Price, Wayne

From: System Administrator
Sent: Wednesday, February 23, 2000 3:46 PM
Subject: Delivered: RE: APPROVAL OF I&W INC. MONITOR WELLS.

Your message

To: Stubblefield, Mike
Subject: RE: APPROVAL OF I&W INC. MONITOR WELLS.
Sent: 2/23/2000 3:46:17 PM

was delivered to the following recipient(s):

Stubblefield, Mike on 2/23/2000 3:46:17 PM

Price, Wayne

From: System Administrator
Sent: Wednesday, February 23, 2000 3:43 PM
Subject: Delivered: FW: I&W

Your message

To: 'Mike Stubblefield'
Cc: Gum, Tim
Subject: FW: I&W
Sent: 2/23/2000 3:43:30 PM

was delivered to the following recipient(s):

Gum, Tim on 2/23/2000 3:43:30 PM

Price, Wayne

From: Price, Wayne
Sent: Wednesday, February 23, 2000 3:43 PM
To: 'Mike Stubblefield'
Cc: Gum, Tim
Subject: FW: I&W

Mike! Please note I had already sent both you and Tim a copy of the Monitor Well approval letter on Feb17, 2000. The letter was sent registered to I&W on Feb 16, 2000. Please find enclosed a copy of the letter. Please note we show that you gus received it! Let us know if we have a E-mail problem!

Thanks!

From: Price, Wayne
Sent: Thursday, February 17, 2000 8:29 AM
To: Gum, Tim
Cc: 'Mike Stubblefield'
Subject: I&W

Please find attached the letter we sent I&W yesterday. Please feel free to give them a copy so they may get started.



Mwapp.doc

Price, Wayne

From: Stubblefield, Mike
Sent: Wednesday, February 23, 2000 2:44 PM
To: Price, Wayne
Subject: APPROVAL OF I&W INC. MONITOR WELLS.

WAYNE,

LARRY DADE WITH I&W CAME BY OUT OFFICE THIS MORNING.
MR. DADE WAS WANTING TO KNOW IF WE HAD HEARD ANY WORD
FROM SANTA FE ON THE APPROVAL OF I&W'S MONITOR WELLS. I&W HAS A WATER WELL
DRILLING COMPANY LINED UP TO DRILL AND INSTALL THE MONITOR WELLS.
THE WATER WELL COMPANY IS ON STANDBY TO START THE DRILLING OF THE MONITOR
WELLS AS SOON AS APPROVAL IS OBTAINED FROM THE ENVIROMENTAL BUREAU.
THE WATER WELL COMPANY ALSO HAS BEEN CONTRACTED
BY WIPP PERSONAL TO DRILL MONITOR WELLS IN THE WIPP
AREA THE WATER WELL COMPANY HAS BEEN PRESSURING
I&W AS TO WHEN THE MONITOR WELLS FOR I&W WILL START
AND MAY PUT I&W ON WAITING LIST IF THEY DO NOT HAVE APPROVAL SOON.

MIKE S.

Price, Wayne

From: Price, Wayne
Sent: Thursday, February 17, 2000 8:29 AM
To: Gum, Tim
Cc: 'Mike Stubblefield'
Subject: I&W

Please find attached the letter we sent I&W yesterday. Please feel free to give them a copy so they may get started.



Mwapp.doc



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

February 16, 2000

CERTIFIED MAIL
RETURN RECEIPT NO. Z 142 564 941

Mr. George Parchman
I&W, Inc.
P.O. Box 1685
Carlsbad, New Mexico 88220

Re: Eugenie Brine Extraction Facility
Discharge Plan BW-006
SW/4 SW/4 Section 17-Ts22s-R27e
Eddy County, New Mexico

Dear Mr. Parchman:

The New Mexico Oil Conservation Division (NMOCD) is in receipt of I&W Inc.'s (I&W) letter dated January 06, 2000. I&W proposed to install three monitor wells all being within 10 feet of each other. This proposed method is not acceptable because the distance between monitor wells is too close to determine a measured groundwater gradient, also proposed monitor wells would not be far enough apart to make a preliminary determination of the extent of any possible down gradient contamination, and the well construction does not meet OCD standards. Therefore, the NMOCD will require I&W to initially install two nested monitor wells to be located approximately 10 feet southeast of the Eugenie #2 brine supply well. The following conditions are placed on the installation:

1. I&W shall complete the new monitor well(s) as follows:
 - a. One monitor well shall be drilled to a shallow depth to determine if the upper part of the groundwater has been impacted. This well shall have at least 15 feet of well screen to be placed across the water table interface with 5 feet of the well screen above the water table and 10 feet of the well screen below the water table. The hole must be logged by identifying each different geologic/lithologic section encountered during the drilling of the well bore.

a. (cont)

The other monitor well shall be drilled to a depth of 200 feet, or lesser depth if I&W can demonstrate that the lowermost confining layer (i.e. red bed clay) underlying the above water aquifer has been encountered for a least 10 feet. This well shall have at least 15 feet of screen placed at the bottom of the hole. The hole must be logged by identifying each different geologic/lithologic section encountered during the drilling of the well bore.

- b. An appropriately sized gravel pack shall be set in the annulus around the well(s) screen from the bottom of the hole to 2-3 feet above the top of the well screen. The well pipe and screen shall be appropriately sized and approved by OCD before installation.
 - c. A 2-3 foot bentonite plug shall be placed above the gravel pack.
 - d. The remainder of the hole shall be grouted to the surface with cement containing 3-5% bentonite.
 - e. A concrete pad shall be placed at the surface around the well. The well shall be installed with a suitable protective locking device.
 - f. The well(s) shall be developed after construction using EPA approved procedures.
2. No less than 48 hours after the well(s) are developed, ground water from all monitor well(s) shall be purged, sampled and analyzed for concentrations of major cations and anions (general chemistry) EPA method from CFR 136.3 using EPA approved methods and quality assurance/quality control (QA/QC) procedures.
 3. All wastes generated during the investigation shall be disposed of at an OCD approved facility.
 4. I&W shall submit the results of the investigation to the OCD Santa Fe Office by **March 15, 2000** with a copy provided to the OCD Artesia District Office and shall include the following investigative information:
 - a. A description of all investigation, remediation and monitoring activities which have occurred including conclusions and recommendations.
 - b. A geologic/lithologic log and well completion diagram for each monitor well.

Mr. George Parchman
02/16/00
Page 3

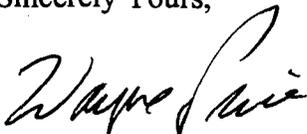
- c. Summary tables of all ground water quality sampling results and copies of all laboratory analytical data sheets and associated QA/QC data taken within the past year.
5. I&W will notify the OCD Santa Fe office and the OCD District office at least 48 hours in advance of all scheduled activities such that the OCD has the opportunity to witness the events and/or split samples during OCD's normal business hours.

Once I&W has submitted the results as outlined in item 4. Above, I&W may then apply for permission to re-test the the brine cavern. If the brine cavern test is satisfactory and approved by OCD then I&W will be issued written permission to start up brine well operations.

Please be advised that NMOCD approval of this plan does not relieve I&W of liability should their investigations and/or operations fail to adequately investigate and/or remediate contamination that poses a threat to ground water, surface water, human health or the environment. In addition, NMOCD approval does not relieve I&W of responsibility for compliance with any other federal, state, or local laws and/or regulations.

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

Sincerely Yours,



Wayne Price-Pet. Engr. Spec.
Environmental Bureau

cc: OCD Artesia Office

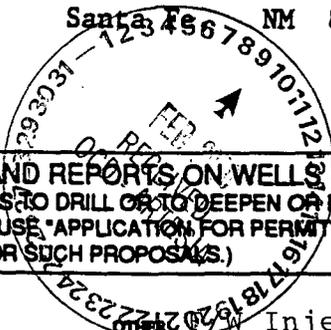
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505



WELL API NO. 30-015-23031
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

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

1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> Injection Well



7. Lease Name or Unit Agreement Name Eugenie

2. Name of Operator I & W, Inc.

8. Well No. #2

3. Address of Operator P.O. Box 1685, Carlsbad, New Mexico 88220

9. Pool name or Wildcat

4. Well Location Unit Letter <u>M</u> : <u>1288'</u> Feet From The <u>S</u> Line and <u>497'</u> Feet From The <u>W</u> Line Section <u>17</u> Township <u>22</u> Range <u>27</u> NMPM <u>Eddy</u> County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
--

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

1/10/00 (1.) Rigged up Dowell Cement Trucks. (2.) Flushed 27/8 casing with 10bbls. of fresh water. (3.) Pumped 25 sacks of cement with 2 % CaCl₂ slurry with yeild of 1.34. (4.) Shut well in with 125 PSI on 2 7/8 casing.

1/11/00 (1.) Ran 1" Tubing in hole tagged up at 450'. (2.) Spotted 6 sacks cement with 2% CaCl₂. (3.) Shut well in over night.

1/12/00 (1.) Ran 1" tubing in hole, tagged up at 390'. (2.) Spotted 4 sacks class "C" neat cement @ 390'. (3.) Shut well in over night.

1/13/00 (1.) Ran 1" tubing in hole, tagged TOC at 320'. (2.) Pressure test 2 7/8 had 900 PSI, bled off to 600 PSI in 15 minutes. (3.) Spotted 6 sacks of cement @ 320' put 600 PSI on well. (4.) Shut well in over night.

1/14/00 (1.) checked well had 200 PSI on it. (2.) Ran 1" tubing in hole tagged up @315'. (3.) spotted 6 sacks of cement at 315'. (4.) Cement set for approx. 2 hours.

CONTINUED

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

SIGNATURE George Parchman TITLE Manager DATE 2/1/2000

TYPE OR PRINT NAME George Parchman TELEPHONE NO. 885-6663

(This space for State Use)

APPROVED BY Mike S. Webbfield TITLE Field Rep. II RECEIVED 2/14/2000

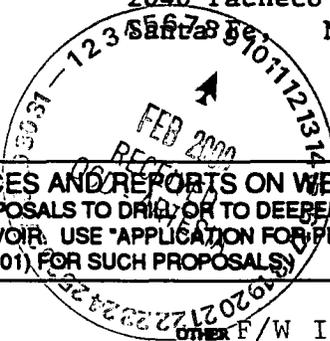
CONDITIONS OF APPROVAL, IF ANY:

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION 2040 Pacheco St. NM 87505



WELL API NO. 30-015-23031

5. Indicate Type of Lease STATE [] FEE []

6. State Oil & Gas Lease No.

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

7. Lease Name or Unit Agreement Name

1. Type of Well: OIL WELL [] GAS WELL [] OTHER F/W Injection well

Eugenie

2. Name of Operator I & W, Inc.

8. Well No. #2

3. Address of Operator P.O. Box 1685 Carlsbad, New Mexico 88220

9. Pool name or Wildcat

4. Well Location Unit Letter M : 1288' Feet From The S Line and 497' Feet From The W Line

Section 17 Township 22 Range 27 NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data. NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [] PLUG AND ABANDON [] TEMPORARILY ABANDON [] CHANGE PLANS [] PULL OR ALTER CASING [] OTHER: [] SUBSEQUENT REPORT OF: REMEDIAL WORK [] ALTERING CASING [] COMMENCE DRILLING OPNS. [] PLUG AND ABANDONMENT [X] CASING TEST AND CEMENT JOB [] OTHER: []

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. 1/14/00 (5.) Tested 2 7/8 to 450 PSI for 30 minutes no loss of pressure. Cont. (6.) Ran 1" to TOC tagged up at approx. 200" in soft slurry, pulled up to were it would circulate. (7.) Circulate cement out to surface as directed by OCD representative.

RECEIVED FEB 16 2000 Environmental Bureau Oil Conservation Division

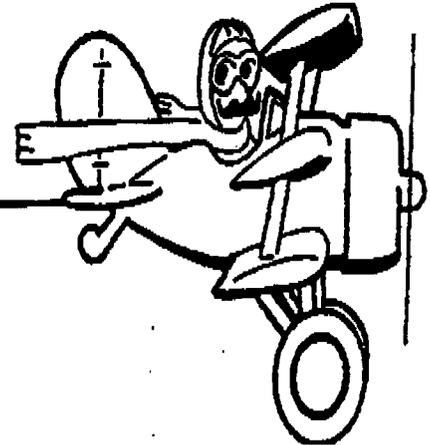
I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE George Parchman TITLE Manager DATE 2/1/2000 TYPE OR PRINT NAME George Parchman TELEPHONE NO. 885-6663

(This space for State Use) APPROVED BY [Signature] TITLE Field Rep. II DATE 2/14/2000. CONDITIONS OF APPROVAL, IF ANY:

IN COMING!

DATE: 2/14/2000

ATTENTION:	<u>Wayne Price</u>	<u>827-1150</u>
FROM:	<u>Mike Stubblefield</u>	
NUMBER OF PAGES INCLUDING COVER SHEET:	<u>11</u>	



OIL CONSERVATION DIVISION
 DISTRICT II
 ARTESIA, NM 88210

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

Wayne there is a hard copy
in the mail.

HAVE A GREAT DAY!

to Appropriate District Office

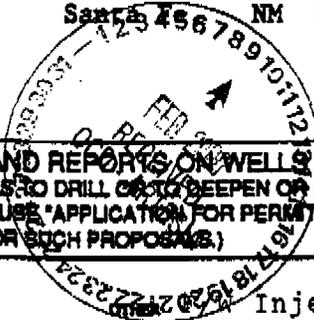
DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St. Santa Fe, NM 87505



WELL API NO. 30-015-23031
5. Indicate Type of Lease STATE [] FEE []
6. State Oil & Gas Lease No.

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

1. Type of Well: OIL WELL [] GAS WELL [] Injection Well

2. Name of Operator I & W, Inc.

3. Address of Operator P.O. Box 1685, Carlsbad, New Mexico 88220

4. Well Location Unit Corner M : 1288' Post From The S Line and 497' Post From The W Line Section 17 Township 22 Range 27 NMPM Eddy County



7. Lease Name or Unit Agreement Name Eugenie

8. Well No. #2

9. Pool name or Wildcat

10. Elevation (Show whether DP, RKB, RT, GR, etc.)

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK [] PLUG AND ABANDON [] REMEDIAL WORK [] ALTERING CASING []
TEMPORARILY ABANDON [] CHANGE PLANS [] COMMENCE DRILLING OPNS. [] PLUG AND ABANDONMENT [X]
PULL OR ALTER CASING [] CASING TEST AND CEMENT JOB []
OTHER: [] OTHER: []

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

- 1/10/00 (1.) Rigged up Dowell Cement Trucks. (2.) Flushed 27/8 casing with 10bbls of fresh water. (3.) Pumped 25 sacks of cement with 2 % CaCl, 14.8 slurry with yield of 1.34. (4.) Shut well in with 125 PSI on 2 7/8 casing.
1/11/00 (1.) Ran 1" Tubing in hole tagged up at 450'. (2.) Spotted 6 sacks cement with 2% CaCl. (3.) Shut well in over night.
1/12/00 (1.) Ran 1" tubing in hole, tagged up at 390'. (2.) Spotted 4 sacks class "C" neat cement @ 390'. (3.) Shut well in over night.
1/13/00 (1.) Ran 1" tubing in hole, tagged TOC at 320'. (2.) Pressure test 2 7/8 had 900 PSI; bled off to 600 PSI in 15 minutes. (3.) Spotted 6 sacks of cement @ 320' put 600 PSI on well. (4.) Shut well in over night.
1/14/00 (1.) checked well had 200 PSI on it. (2.) Ran 1" tubing in hole tagged up @315'. (3.) spotted 6 sacks of cement at 315". (4.) Cement set for approx. 2 hours.

CONTINUED

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

SIGNATURE George Parchman TITLE Manager DATE 2/1/2000
TYPE OR PRINT NAME George Parchman TELEPHONE NO. 885-6663

(This space for State Use)

APPROVED BY Mrs. S. Corbett TITLE Field Rep. II DATE 2/14/2000
CONDITIONS OF APPROVAL, IF ANY:

Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION 2040 Pacheco St. NM 87505

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

WELL APT NO.	30-015-23031
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	

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

7. Lease Name or Unit Agreement Name	Eugenie
--------------------------------------	---------

1. Type of Well:	OL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER F/W Injection well
------------------	---

8. Well No.	#2
-------------	----

2. Name of Operator	I & W, Inc.
---------------------	-------------

9. Pool name or Wildcat	
-------------------------	--

3. Address of Operator	P.O. Box 1685 Carlsbad, New Mexico 88220
------------------------	--

4. Well Location	Unit Letter M : 1288' Feet From The S Line and 497' Feet From The W Line
Section	17
Township	22
Range	27
NMPM	Eddy
County	

10. Elevation (Show whether DF, RKB, RT, GR, etc.)	
--	--

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

1/14/00 (5.) Tested 2 7/8 to 450 PSI for 30 minutes no loss of pressure.
 Cont. (6.) Ran 1" to TOC tagged up at approx. 200" in soft slurry, pulled up to were it would circulate.
 (7.) Circulate cement out to surface as directed by OCD representative.

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

SIGNATURE George Parchman TITLE Manager DATE 2/1/2000

TYPE OR PRINT NAME George Parchman TELEPHONE NO. 885-6663

(This space for State Use)

APPROVED BY Mrs. Sheffield TITLE Field Rep. II DATE 2/14/2000

CONDITIONS OF APPROVAL, IF ANY:

Price, Wayne

From: Price, Wayne
Sent: Monday, February 14, 2000 10:35 AM
To: Stubblefield, Mike
Cc: Gum, Tim
Subject: I&W

Mike! Thanks for the phone call! I forgot to tell you that Tim requested us to have the monitor wells installed before we allow I&W to test. Please send us a copy of the signed C-103 showing where you approved of the plugging!

I will be sending I&W a letter on the Monitor well issue. Once the MW's are installed per OCD Santa Fe approval then we will issue I&W approval from this office on the test and start-up.

Price, Wayne

From: Stubblefield, Mike
Sent: Monday, February 14, 2000 11:08 AM
To: Price, Wayne
Subject: Read: I&W

Your message

To: Stubblefield, Mike
Cc: Gum, Tim
Subject: I&W
Sent: 2/14/2000 10:35:08 AM

was read on 2/14/2000 11:08:28 AM

1/31/2000

ROGER,

I TALKED TO GEORGE PARCHMAN THIS MORNING AND REQUESTED THE
SUBSEQUENT C-141 REPORT WITH FINAL PLUGGING OPERATIONS TAKEN
ON THE EUGENIE #2.

I WILL FORWARD SUBSEQUENT C-141 TO YOU WHEN WE RECEIVE IT.

MIKE S.

RECEIVED

FEB 01 2000

Environmental Bureau
Oil Conservation Division

Engine #1

P.B.S. & S.
BOX 1591
ODESSA, TEXAS 79760

JUNE 30, 1978

SALT & 1

0 to 46	-----	TOP SOIL WITH GRAVEL	
46 to 58	-----	SAND & GRAVEL	
58 to 62	-----	LIME	
62 to 65	-----	RED BED	
65 to 76	-----	RED SAND	
76 to 107	-----	GRAVEL	
107 to 163	-----	BROWN CLAY W/GRAVEL & SAND	
163 to 170	-----	RED BED	
170 to 178	-----	LIME <u>VERY HARD</u>	8'
178 to 225	-----	RED BED	
225 to 237	-----	<u>ANHYDRITE</u> & RED BED	12'
237 to 252	-----	LIME & <u>ANHYDRITE</u> W/SOME GYP.	15'
252 to 268	-----	RED BED	
268 to 285	-----	LIME W/GYP. STRINGERS	
285 to 305	-----	GYP. W/SOME RED BED	
305 to 320	-----	GYP. & <u>ANHYDRITE</u>	15'
320 to 328	-----	RED BED	
328 to 360	-----	ANHYDRITE W/LIME & SAND	
360 to 410	-----	<u>RED ROCK & ANHYDRITE</u>	50'
410 to 430	-----	<u>ANHYDRITE</u> W/SOME LIME	20'
430 to 437	-----	GRAY LINE (<u>HARD</u>) & ANHYDRITE	7'
437 to 445	-----	<u>ANHYDRITE</u>	8'
445 to 456	-----	<u>ANHYDRITE</u> & GRAY LIME	11'
456 to 555	-----	SALT	146'
555 to 567	-----	SALT & SOME LIME	
567 to 576	-----	SALT & <u>BLUE SHALE VERY LITTLE</u>	
576 to 592	-----	SALT	
592 to 663	-----	ANHYDRITE	

PLUGGING ACTIONS TAKEN ON I&W ENGINE #2

1/10/00

DOWELL PUMPED 25 SX DOWN 2.875" TBG. CAL CMT VOL. {1015' FILL IN 2.875" TBG}
DISPLACED WITH .03 BBLs.

1/11/00

RAN 1" TBG AND TAGGED TOC AT 450'.
SPOTTED 5 SX CMT AT 450' CAL CMT VOL. {184' FILL IN 2.875" TBG}

1/12/00

RAN TBG AND TAGGED TOC AT 390'.
SPOTTED 50' CMT AT 390'.

1/13/00

RAN TBG AND TAGGED TOC AT 320'.
PRESSURE TEST 2.875" TBG LOST FROM 900# TO 600# IN 15 MINUTES.
SPOTTED 6 SX CMT AT 320' CAL CMT VOL. {243' FILL IN 2.875" TBG}
LEFT UNDER PRESSURE 600# OVERNIGHT.

1/14/00

200# PSI ON TBG IN AM.
RAN 1" TBG AND TAGGED TOC AT 315'.
6SX=7.92 CU FT CMT 2.875"/5" HOLE LIN. FT PER CU. FT IS 10.9563
7.92 CU FT IS 86' LIN FILL OUTSIDE CSG.
PRESSURE TESTED 2.875" TBG AT 450# FOR FIFTEEN MINUTES NO LOST OF PRESSURE.
CIRCULATED CMT TO SURFACE USING 10 SX CMT.

- WHEN 3' SECTION OF TUBING WAS REPLACED AND WELDED
GEORGE PARCHMAN DID RUN .5 TBG EST 8" DOWN BACKSIDE
2.875" TBG AND EMPTIED STANDING WATER WITH VACUUM TRUCK
TOPPED OFF TO SURF. WITH MIXED CEMENT.
GEORGE FELT THAT THE HOLE IN THE 2.875" TBG WAS A RESULT OF CORROSION
FROM WATER STANDING LONG TERM ON THE BACKSIDE OF THE 2.875" TBG.

Price, Wayne

From: Gum, Tim
Sent: Monday, January 24, 2000 8:35 AM
To: Stubblefield, Mike; Price, Wayne
Cc: Anderson, Roger; Wrottenbery, Lori
Subject: RE: I&W Brine well system BW-006

From: Price, Wayne
Sent: Thursday, January 20, 2000 2:25 PM
To: Gum, Tim; Stubblefield, Mike
Cc: Anderson, Roger; Wrottenbery, Lori
Subject: I&W Brine well system BW-006

Wayne---- It was our understanding , based on several phone conversations that we would approve and witness the P&A of this well . I&W has been advised that they can not begin operations until they comply with all specified conditions and our given approval. Thanks TWG.

Tele: Con: 2pm Jan 20, 2000
Mike Stubble to WPrice & RC Anderson

Dear Tim and Mike:

I&W seems to not understand the discharge plan process and the inter-action with the OCD District office. We though we made it clear to I&W in our N.O.V. letter and during our conference call on 12/06/99.

Mike just informed us that I&W has plugged the Euginie #2 well without NMOCD Environmental Bureau approval. This was a requirement in OCD's N.O.V. letter to I&W on November 19, 1999. However, we understand that OCD Artesia did approve the plugging procedure. Please have I&W submit the C-103 P&A form signed-off by OCD Artesia. Once we receive this we will evaluate the plugging procedure and the groundwater investigation plan. We will notify I&W of our decisions and testing requirements by Certified Mail.

I&W Brine shall remain shut down and shall not pressure test until we issue approval from Santa Fe.

In the mean time if I&W wants to perform piping changes on the surface that will be ok, but at their own risk!

Price, Wayne

From: Price, Wayne
Sent: Thursday, January 20, 2000 2:26 PM
To: Gum, Tim; Stubblefield, Mike; Price, Wayne
Cc: Anderson, Roger; Wrotenbery, Lori
Subject: RE: I&W Brine well system BW-006

From: Price, Wayne
Sent: Thursday, January 20, 2000 2:25 PM
To: Gum, Tim; Stubblefield, Mike
Cc: Anderson, Roger; Wrotenbery, Lori
Subject: I&W Brine well system BW-006

Tele: Con: 2pm Jan 20, 2000
Mike Stubble to WPrice & RC Anderson

Dear Tim and Mike:

I&W seems to not understand the discharge plan process and the inter-action with the OCD District office. We thought we made it clear to I&W in our N.O.V. letter and during our conference call on 12/06/99.

Mike just informed us that I&W has plugged the Euginie #2 well without NMOCD Environmental Bureau approval. This was a requirement in OCD's N.O.V. letter to I&W on November 19, 1999. However, we understand that OCD Artesia did approve the plugging procedure. Please have I&W submit the C-103 P&A form signed-off by OCD Artesia. Once we receive this we will evaluate the plugging procedure and the groundwater investigation plan. We will notify I&W of our decisions and testing requirements by Certified Mail.

I&W Brine shall remain shut down and shall not pressure test until we issue approval from Santa Fe.

In the mean time if I&W wants to perform piping changes on the surface that will be ok, but at their own risk!



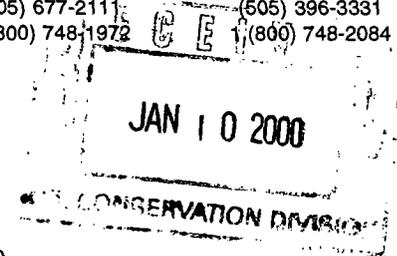
ARTESIA
(505) 746-4214
1 (800) 748-1972

CARLSBAD
(505) 885-6663
1 (800) 658-2739

P.O. BOX 98
LOCO HILLS, NEW MEXICO 88255

LOCO HILLS
(505) 677-2111
1 (800) 748-1972

LOVINGTON
(505) 396-3331
1 (800) 748-2084



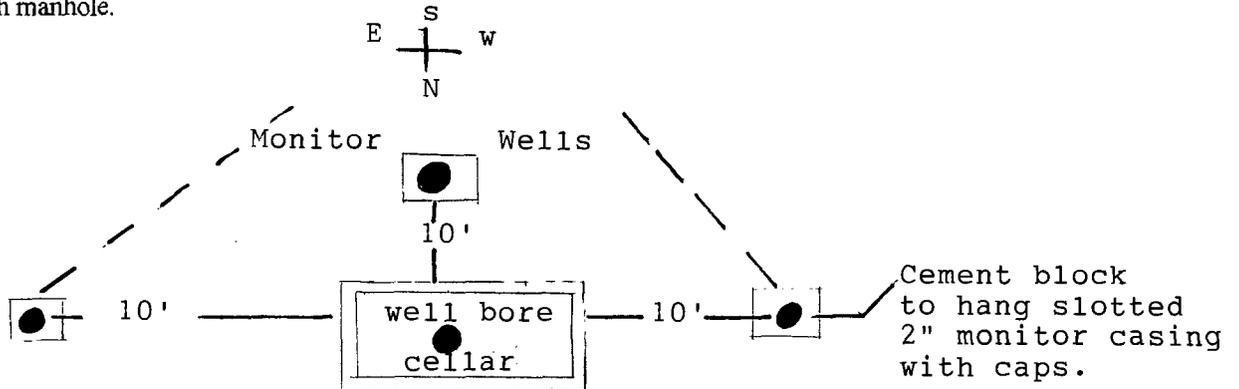
NMOCD-EPA
2040 S. Pacheco
Santa Fe, New Mexico 87505

January 06, 2000

Attn. Roger Anderson

This is a proposal only. The monitor wells for the Eugenie #2 will not be drilled until the NMOCD approves this plan or gives I & W, Inc. a plan of their own specifications of their approval.

The monitor wells will be drilled with air. Diameter of hole will be 4 7/8". Casing will be 2" flush joint monitor casing with 10' of slotted monitor with a plug on bottom. Installed on top will be water tight locking caps with bolt down manhole. The well will also be gravel packed with bentonite grout on top. Cement curbing will be placed around each manhole.



These three wells are to be drilled to 65'. We will install monitor casing which is EPA specification. The cellar, once all operations have been completed to plug well bore, will be filled with cement. A dry hole marker will be installed on the Eugenie #2.

Your comments on this proposal would be appreciated. If you have any questions or comments please contact me at (505) 885-6663.

Sincerely,

George E. Parchman
Manager

GP/lr

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.	30-015-22574
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	

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

1. Type of Well:

OIL WELL <input type="checkbox"/>	GAS WELL <input type="checkbox"/>	OTHER <input checked="" type="checkbox"/> Brine Extraction
-----------------------------------	-----------------------------------	--

2. Name of Operator
I & W, Inc.

3. Address of Operator
P.O. Box 1685, Carlsbad, NM 88220

4. Well Location

Unit Letter M : 995' Feet From The South Line and 641' Feet From The West Line

Section 17 Township 22 Range 27 NMPM Eddy County

7. Lease Name or Unit Agreement Name	Eugenie
8. Well No.	#1
9. Pool name or Wildcat	

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: To change to 1 well extraction <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Proposal: To plumb the Eugenie #1 to extract brine, We will pump fresh water down the casing to bring the brine water up thru the tubing to our storage tanks.

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

SIGNATURE George Parchman TITLE Manager DATE Jan. 4th, 2000

TYPE OR PRINT NAME George E. Parchman TELEPHONE NO. 505)885-6663

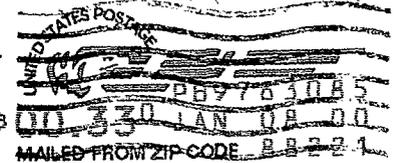
(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:



P.O. BOX 98
OCO HILLS, NEW MEXICO 88255



*Oil Conservation Division
attn: Roger Anderson
2040 S. Pacheco
Santa Fe, New Mexico
87505*

87505X5472 57





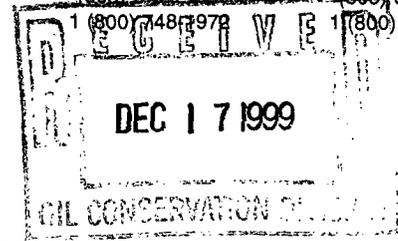
ARTESIA
(505) 746-4214
1 (800) 748-1972

CARLSBAD
(505) 885-6663
1 (800) 658-2739

P.O. BOX 98
LOCO HILLS, NEW MEXICO 88255

LOCO HILLS
(505) 677-2111

LOVINGTON
(505) 396-3331
1 (800) 748-2084



New Mexico Oil Conservation Division
Attn.: Roger Anderson Or Wayne Price
2040 S. Pacheco St.
Santa Fe, New Mexico 87505

December 14, 1999

Dear Sirs:

The Letter of violation that I & W, Inc. received on or about the 26th of November was read. I & W carried out the action necessary to comply.

1. Brine well was shutdown according to NMOCD direction. There has been no more operation without approval.
2. The 103 was submitted for approval to NMOCD in Santa Fe and the Artesia District office on December 9th 1999. The 103 outlined the work as discussed in the conference call on Monday December 6th 1999.
3. I & W, Inc. will proceed to drill monitor wells (3), to check if water zone was impacted, and future checks will be performed as directed by the NMOCD.

In conclusion I & W, Inc. would like to thank you for your help and concern in this matter. If you have further question please contact us at (505)885-6663.

Sincerely,

A handwritten signature in cursive script that reads 'George E. Parchman'.

George E. Parchman
Manager

lr/GP

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

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

1. Type of Well:
 OIL WELL GAS WELL OTHER F/W Injection 11

2. Name of Operator
I & W, Inc

3. Address of Operator
P.O. Box 1685 Carlsbad, New Mexico 88220

4. Well Location
 Unit Letter _____ : _____ Feet From The _____ Line and _____ Feet From The _____ Line
 Section 17 Township 22S Range 27 NMPM Eddy County

7. Lease Name or Unit Agreement Name
Eugenie

8. Well No.
#1

9. Pool name or Wildcat

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: Change Operation of B/W System <input checked="" type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Proposal: I & W, Inc. Proposes to go to a one well system of extracting brine from the Eugenie #1. If approved then we propose to pump fresh water down the casing & extract brine through the tubing.

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

SIGNATURE George Parchman TITLE MGR. DATE 12/14/99

TYPE OR PRINT NAME George Parchman TELEPHONE NO. 885-6663

(This space for State Use)

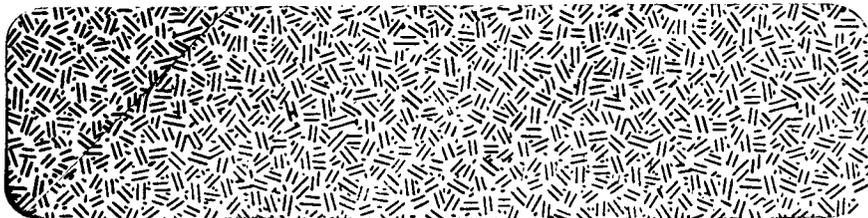
APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:



P.O. BOX 98
LOCO HILLS, NEW MEXICO 88255

UNITED STATES POSTAGE
★ ★ ★
169 PB9768000
6500 \$ 00.33⁰ DEC 15 98
0374 MAILED FROM ZIP CODE 88274



87805-5472 57



Appropriate District Office

DISTRICT I
Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.

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

7. Lease Name or Unit Agreement Name

Eugenie

1. Type of Well:
OIL WELL GAS WELL OTHER F/W Inj. Well

8. Well No. #2

2. Name of Operator
I&W, Inc.

9. Pool name or Wildcat

3. Address of Operator
P.O. Box 1685 Carlsbad, NM 88220

4. Well Location
Unit Letter _____ : _____ Feet From The _____ Line and _____ Feet From The _____ Line

Section 17 Township 22S Range 27 NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK
TEMPORARILY ABANDON
PULL OR ALTER CASING
OTHER: _____

PLUG AND ABANDON
CHANGE PLANS

SUBSEQUENT REPORT OF:

REMEDIAL WORK
COMMENCE DRILLING OPNS.
CASING TEST AND CEMENT JOB
OTHER: _____

ALTERING CASING
PLUG AND ABANDONMENT

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Nov. 29, 1999: Run 2 7/8 broach to 302' tool sticking could not continue without possibly losing tool.

Proposal: Rig up wireline unit, run C/I bridge plug to 302' set it Test 2 7/8 for leaks, if no leaking occurs, we would believe that 2 7/8 is still intact. Only leaks occurred at the surface. Proceed to plug existing injection well. Perf 3 holes at T.D. and try to establish a rate. If possible pump cement & plug tub. Proceed to abandon Eugenie #2 Fresh water injection well. With NMOCD approval.

*VOID! PER TELE CON 12/6/99
I&W WILL RE-SUBMIT!*

RECEIVED

DEC 03 1999

Environmental Bureau
Oil Conservation Division

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

SIGNATURE George Parchman TITLE Manager DATE 11/30/99

TYPE OR PRINT NAME George Parchman TELEPHONE NO. 505 885-6663

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

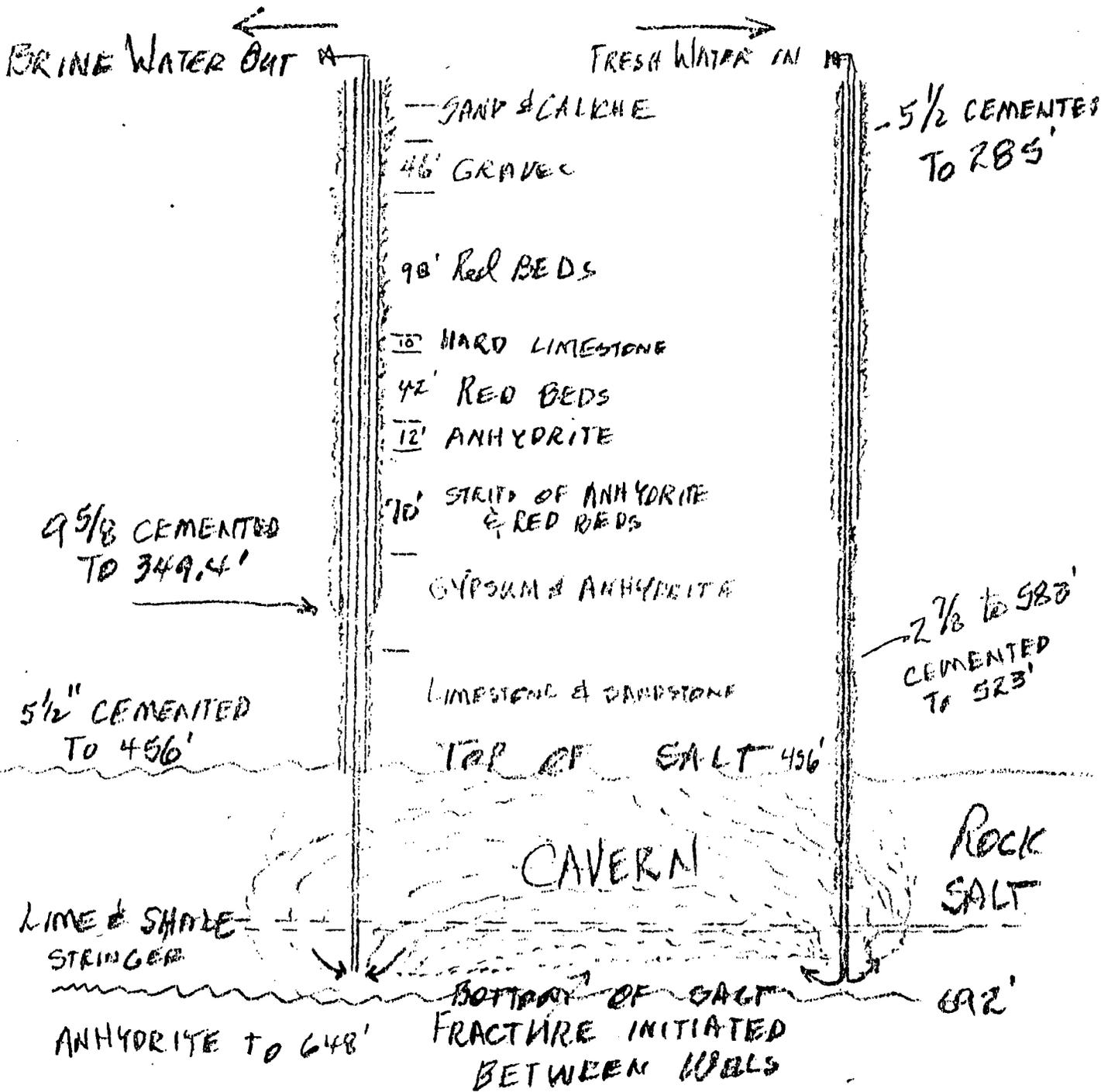
CONDITIONS OF APPROVAL, IF ANY:

OPERATION PRESS
110 1529

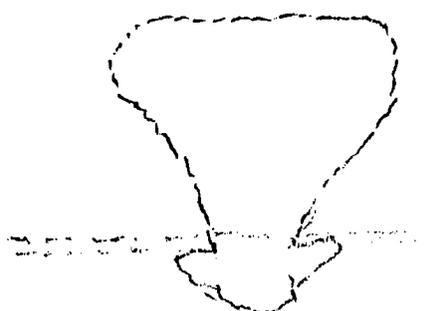
EUGENIE BRINE WELLS

No 1 well

No 2 well

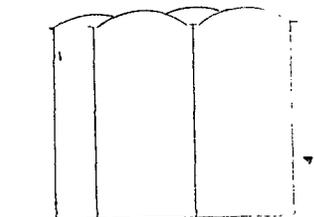


SCALE 1" = 100'



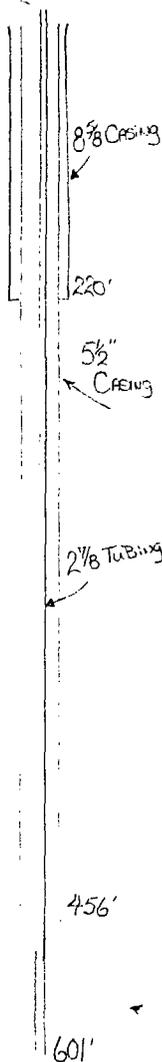
CROSS SECTION

4-1000 BBL BRINE
STORAGE TANKS

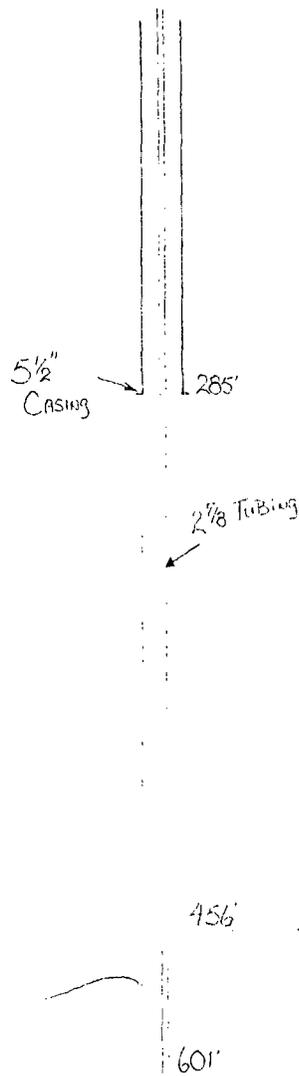


EUGENIE #1
DISCHARGE BRINE
TO STORAGE TANKS

GROUND SURFACE



EUGENIE #2
FW Injection
Down Hole



663'

Depth, Diameter
Casing & Tubing
Spec's
Map B

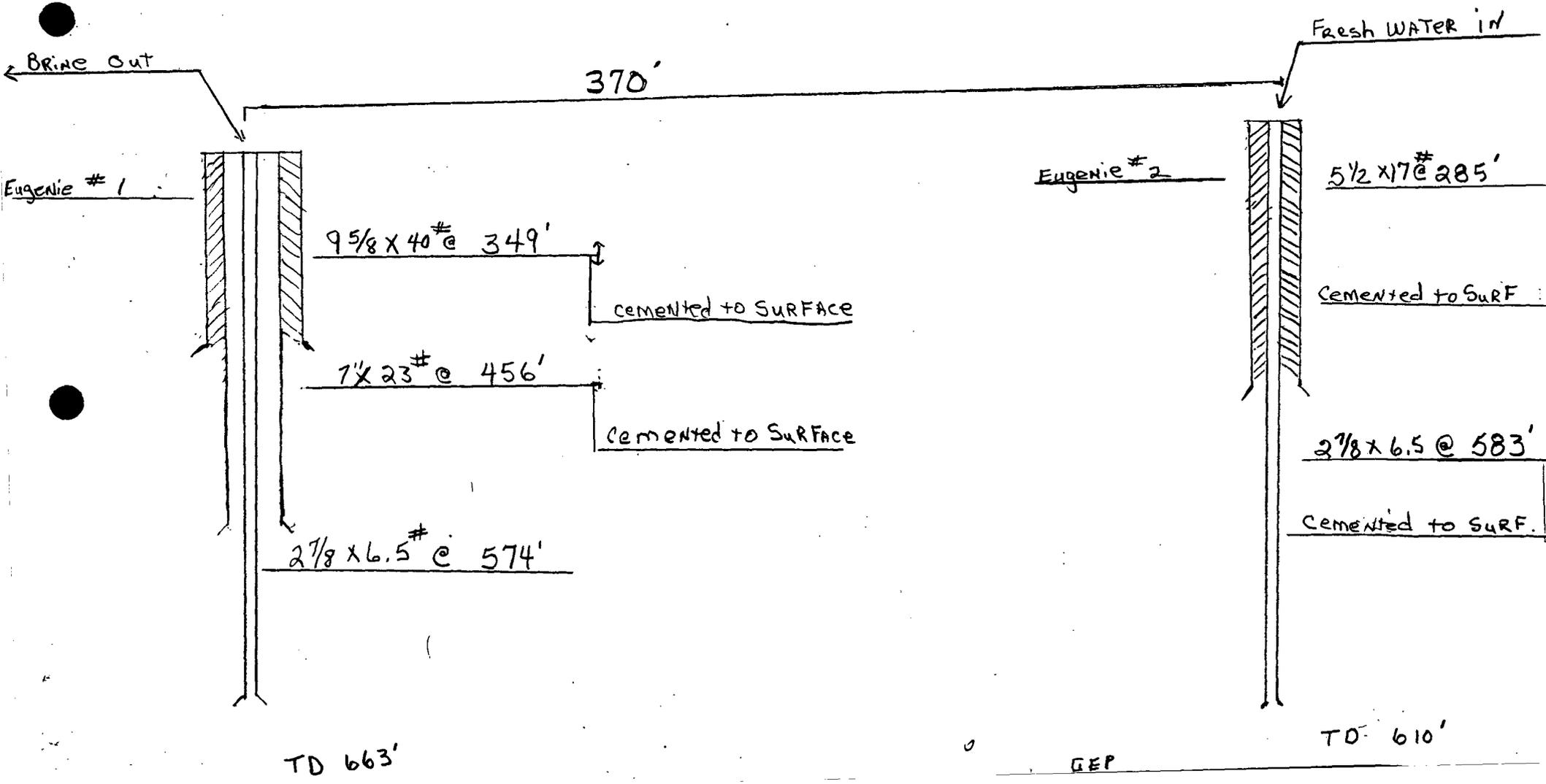
Sub-Surface Schematic Drawing
of Eugenie #1 & Eugenie #2

SOUTH Y CARLSBAD N.M. 88220

DATE
May 7, 1987

Gene Pruitt
B & E, Inc.

I&W INC.
BRINE STATION
CARLSBAD, NM



OIL CONSERVATION DIVISION
ARTESIA, NEW MEX. 88210

TO: Wayne Price

FROM: OCD - Gary Williams

DATE: 11/8/99

NUMBER OF SHEETS (INCLUDING TRANSMITTAL SHEET) 2

IF YOU HAVE ANY PROBLEMS WITH THIS TRANSMISSION, PLEASE CALL 505-748-1283.

FAX NUMBER (505) 748-9720

From: I&W, INC.

8858477

11-08-99 22:41 F. 001

Division of Energy
to Appropriate
District Office

Energy, Minerals and Natural Resources Department

Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

DISTRICT II
P.O. Drawer 80, Artesia, NM 88210

DISTRICT III
1000 Rio Grande Rd., Aztec, NM 87410

WELL APT NO.
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. Main Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE 'APPLICATION FOR PERMIT' (FORM O-101) FOR SUCH PROPOSALS.)	
1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> STAMP/W Injection Well	7. Lease Name or Unit Agreement Name Eugenia
2. Name of Operator I&W, INC.	8. Well No. #2
3. Address of Operator P.O. BOX 98 Loco Hills, New Mexico 80255	9. Pool Name or Wellset
4. Well Location Unit Lease _____ Feet From The _____ Line and _____ Feet From The _____ Line Range 17 Township 22S Range 27 NMMN Eddy County	
(6. Division (Show whether O.P., R.R., A.T., G.R., etc.) GR	

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIATION WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOBS <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

November 8th 1999 Proposed: Rig up wireline unit, Run gauge rig & bare to Approximately 550' to check casing. Rig up C/I bridge plug to set in 2 7/8 casing. Set plug at approximately 285'. Then rig up tubing gun, 3 shots at 120 degrees perf 2 7/8 at 284'.

November 9th 1999 Continued: Rig up cement truck pump 25 sacks down 2 7/8 through perf and try to circulate cement up beside 2 7/8 casing inside 3 1/2 casing, to stop flow.

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

SIGNATURE George Pachman TITLE MGR. DATE 11/3/99

TYPE OR PRINT NAME GEORGE PACHMAN TELEPHONE NO. 505-9856663

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

CARLSBAD BRINE STATION

Permian's Carlsbad Brine Station is located in the SW/4 - SW/4 Section 17, Township 22 South, Range 27 East, Eddy County, New Mexico. This location is at the intersection of US Highways 285 and 180 on the Southern outskirts of the city of Carlsbad. See drawing number 1 and map 2. The pumping rate is 68 GPM at 150 PSI Pressure.

Two brine wells were drilled at this site: Eugenie No. 1 and No. 2. The No. 1 well was drilled in 1978 to a total depth of 663'. A string of 9 5/8" O.D., 40#/ft. casing was set at 349' and 170 sacks of cement was circulated. A string of 7" O.D. 23#/ft. casing was set at 456' and 135 sacks of cement circulated. 587' of 2 7/8" tubing was hung in the well, bottomed in the salt section. A drillers log, exhibit 1, is attached.

After completion of this well, in August, 1978, the production of adequate supplies of brine could not be maintained due to the relatively thin section of salt being washed, i.e. 456' to 547'. The second well Eugenie No. 2 was drilled, in November, 1979, and fractured across to the No. 1 well. This well was drilled to a total depth of 610'. 5 1/2", 17#/ft. casing was set at 285' and 125 sacks of cement circulated. 2 1/2", 6.5#/ft. tubing was set at 583' and 100 sacks of cement circulated. The well was fractured across to No. 1 well through a salt and shale stringer 576' to 592'.

Exhibit 2, attached is the drillers log for the No. 2 well, Fresh Water for operations is obtained from the city of Carlsbad from a connection at the lease site. The fresh water is pumped down the tubing of the No. 2 well and brine circulated up the tubing of the No. 1 well to the 500 bbl: brine storage tanks. Water circulation at a rate of 70 GPM is maintained by a booster pump taking suction from the Carlsbad water system. Truck loading facilities have been provided adjacent to the No. 1 brine well -

A search of the area surrounding the brine station did not reveal the presence of any fresh water wells.

The flood potential of this station appears remote. It is approximately 50' above the normal level of the Pecos River, 20' above the downtown area of Carlsbad and the highways provide excellent drainage to the west. See USGS Map 2, attached.

Sample connections are provided at the well heads of the brine wells.

A drillers logs for both wells are attached, exhibits 1 & 2 which describes the lithological character of the underground formations.

Since there are no water wells in the vicinity of the brine station no facilities for monitoring are available.

* P.01 *
* TRANSACTION REPORT *
* NOV-24-99 WED 04:15 PM *
* DATE START RECEIVER TX TIME PAGES TYPE NOTE M# *
* NOV-24 04:13 PM 915058858477 1'31" 2 SEND OK *

SAXED N.O.V.

State of New Mexico

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

2040 South Pacheco
P.O. Box 6429
Santa Fe, New Mexico 87505-5472

Name _____
First Name _____
Second Name _____
Return _____

NOV 24



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

CERTIFIED

NOV 24 1999
SANTA FE, N.M.

P 410 425 209

MAIL

Mr. George Parchman
I&W, Inc.
P.O. Box 727
Carlsbad, New Mexico 88220

PO-1685

88220

O O D

NOV 22 1999

- Not Deliverable As Addressed
- Unable To Forward
- Insufficient Address
- Moved, Left No Address
- Unclaimed Refused
- Attempted - Not Known
- No Such Street Vacant
- No Such Number
- No Mail Receptacle
- Box Closed - No Order
- Forwarding Order Expired



corrective plan.
io of the tanks. Garry was informed that the tanks had

Price, Wayne

From: Gum, Tim
Sent: Monday, November 22, 1999 9:33 AM
To: Anderson, Roger; Price, Wayne
Cc: Gum, Tim
Subject: I & W BRINE WELL

Roger --- FYI and consideration when I & W submits there corrective plan. They are currently in the process of coating the inside of two of the tanks. Gary was informed that the tanks had SEEPS . We have received no spill reports. Thanks TWG.

DISTRICT I
Box 1980, Hobbs, NM 88240
DISTRICT II
O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. _____
5. Indicate Type of Lease STATE FEE
6. State Oil & Gas Lease No. _____

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

1. Type of Well: OIL WELL GAS WELL OTHER F/W Injection Well
2. Name of Operator I&W, Inc.
3. Address of Operator P.O. Box 98 Loco Hills, New Mexico 88255

7. Lease Name or Unit Agreement Name Eugenie
8. Well No. #2
9. Pool name or Wildcat

4. Well Location
Unit Letter _____ : _____ Feet From The _____ Line and _____ Feet From The _____ Line
Section 17 Township 22S Range 27 NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON TEMPORARILY ABANDON CHANGE PLANS PULL OR ALTER CASING OTHER: _____
SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT CASING TEST AND CEMENT JOB OTHER: _____

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.
November 8th 1999 Proposed: Rig up wireline unit, Run gauge rig & bars to Approximately 550' to check casing. Rig up C/I bridge plug to set in 2 7/8 casing. Set plug at approximately 285'. Then rig up tubing gun, 3 shots at 120 degrees perf 2 7/8 at 284'.
November 9th 1999 Continued: Rig up cement truck pump 25 sacks down 2 7/8 through perf and try to circulate cement up beside 2 7/8 casing inside 5 1/2 casing, to stop flow.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE George Parchman TITLE MGR. DATE 11/3/99
TYPE OR PRINT NAME George PARCHMAN TELEPHONE NO. 505-8856663

(This space for State Use)
APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:



Date: November 2, 1999

By: Wayne Price-OCD

I&W BW-006 Brine well #1 Production Well



Date: November 2, 1999

By: Wayne Price- NMOCD

I&W BW-006 Brine Well #2 - Well leaked during Mechanical Integrity Test of Cavern. Brine water was noted to be flowing out from between the tubing and tubing/casing cemented macro-annulus. This well is normally used to inject fresh water with produced brine coming out well #1 located approximately 150-200 feet away.



Date: November 2, 1999

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ACKNOWLEDGEMENT OF RECEIPT
OF CHECK/CASH

I hereby acknowledge receipt of check No. [REDACTED] dated 2/28/97,
or cash received on _____ in the amount of \$ 190.00
from I & W

for Engine Brine BW-004
(Facility Name) (DP No.)

Submitted by: _____ Date: _____

Submitted to ASD by: R. Chuden Date: 3/19/97

Received in ASD by: _____ Date: _____

Filing Fee _____ New Facility _____ Renewal
Modification _____ Other _____
(optional)

Organization Code 521.07 Applicable FY 97

To be deposited in the Water Quality Management Fund.

Full Payment or Annual Increment _____



I & W INC.
P.O. BOX 98 (505) 677-2111
LOCO HILLS, NM 88255

95-198
1122

WESTERN BANK
ARTESIA, NEW MEXICO 88210



CHECK NO.	CHECK DATE	VENDOR NO.
[REDACTED]	02/28/97	NMED

PAY SIX HUNDRED NINETY AND 00/100 DOLLARS*****

CHECK AMOUNT
\$*****690.00

TO THE ORDER OF NMED-WATER QUALITY MGM
OCD SANTA FE OFFICE
2040 SOUTH PACHECO ST.
SANTA FE NM 87505

Lewell M. [Signature]



ACCOUNT NO.		VENL	NMED NMED-WATER QUALITY MGM		CHECK N.	CHECK DATE 2/28/97	
VOUCHER	INVOICE NUMBER	INV. DATE	REFERENCE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
32402	20797	2/07/97	FLAT FEE FOR EUGENIE BRIN	690.00	690.00	.00	690.00
						CHECK TOTAL	690.00



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

February 7, 1997

CERTIFIED MAIL

RETURN RECEIPT NO. P-288-258-898

Mr. George Parchman
I & W, Inc.
P.O. Box 727
Carlsbad, New Mexico 88220

**RE: Discharge Plan Fees BW-006
Eugenie Brine Extraction Facility
Eddy County, New Mexico**

Dear Mr. Parchman:

On April 15, 1996, I&W, Inc. received, via certified mail, a letter from the New Mexico Oil Conservation Division (OCD) stating that the discharge plan BW-006 for the Eugenie Brine Extraction Facility located in the SW/4 SW/4 Section 17, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico was approved. In that letter it was also stated that, in accordance with Water Quality Control Commission Regulation 3114, a \$50 filing fee and a \$690 flat fee were required upon receipt of the approval letter. The \$50 filing fee was received by the OCD on August 18, 1995. As of this date, the OCD has not received the \$690 flat fee. Please submit the required flat fee by March 7, 1997.

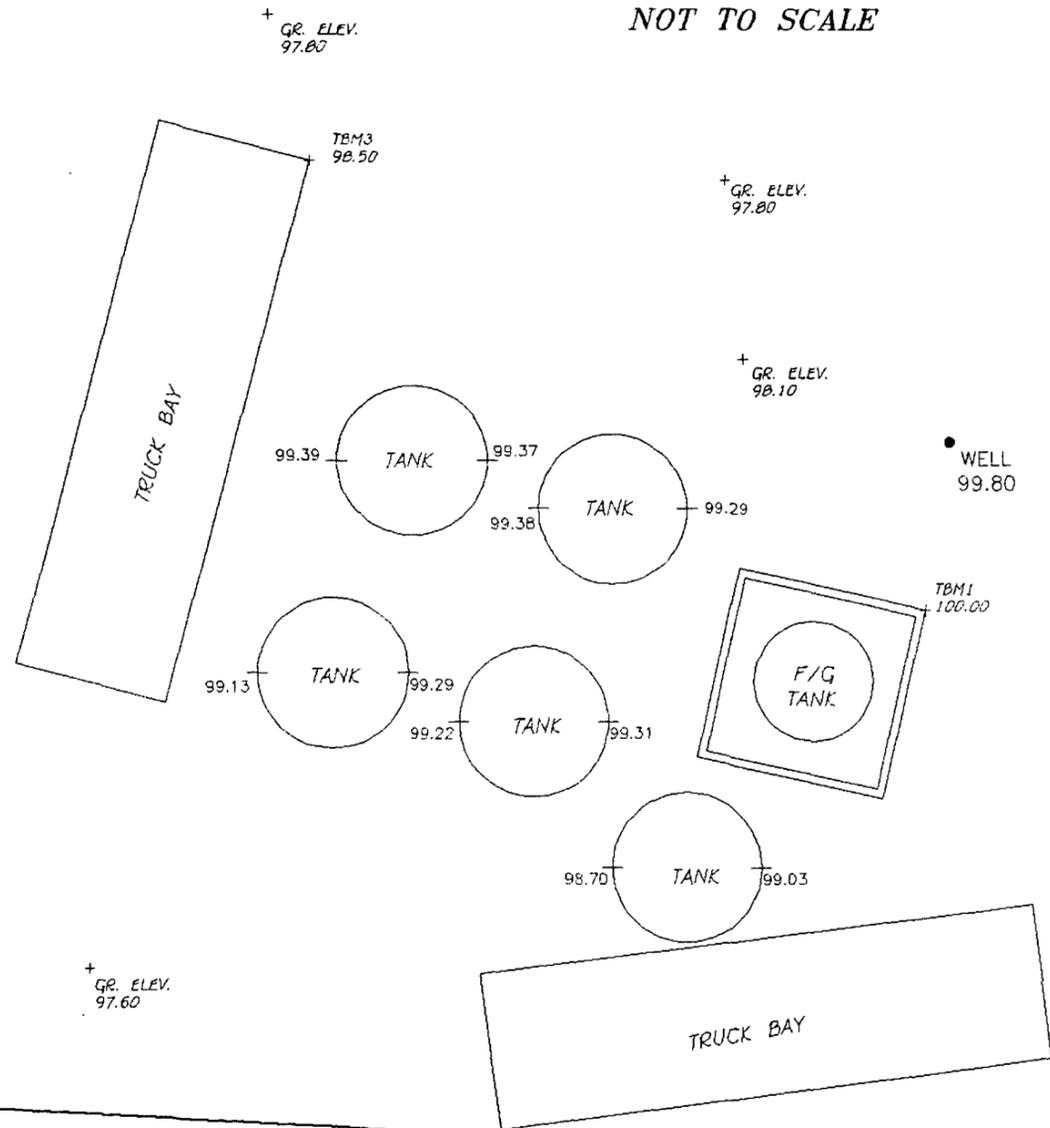
Please make all checks payable to: **NMED-Water Quality Management** and addressed to the OCD Santa Fe Office.

If you have any questions regarding this matter, please contact me at (505) 827-7152.

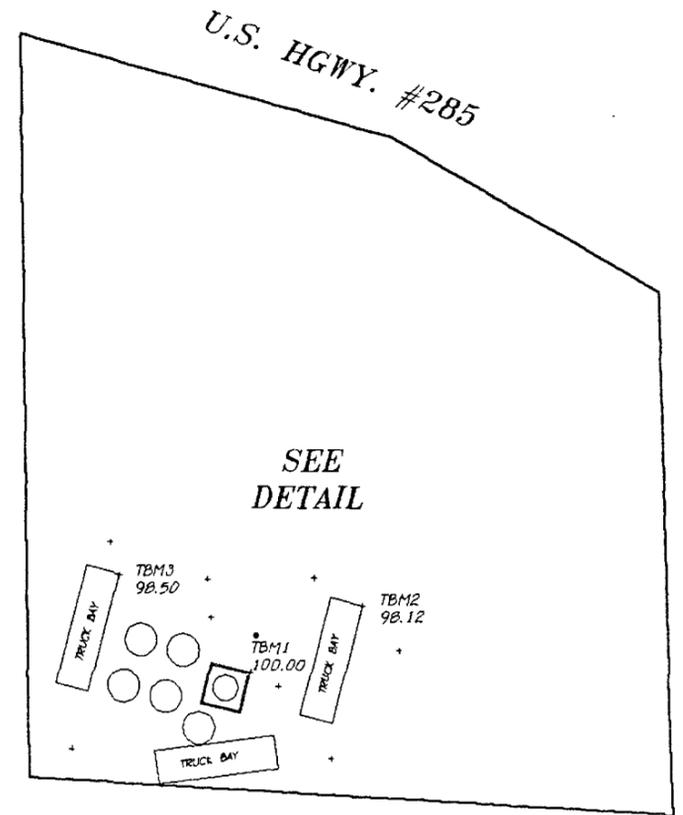
Sincerely,

Roger Anderson
Environmental Bureau Chief

DETAIL
NOT TO SCALE



U.S.R.S. MAIN IRRIGATION DITCH



U.S.R.S. MAIN IRRIGATION DITCH



I.W. INC.

ELEVATIONS ON WELL PAD IN THE SOUTHWEST QUARTER
OF SECTION 17, TOWNSHIP 22 SOUTH, RANGE 27 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

W.O. Number: 6589 Date: 01-09-97 Drawn By: S.C. NICHOLS
Survey Date: 12-30-96 Disk: SCN #34 - IW65989A.DWG

MEMORANDUM OF MEETING OR CONVERSATION

<input checked="" type="checkbox"/> Telephone <input type="checkbox"/> Personal	Time 9:30 AM	Date 12-6-96
<u>Originating Party</u> MARK ASHLEY		<u>Other Parties</u> GEORGE ARCHAMBAULT
<u>Subject</u> IOW - CARLSBAD		
<u>Discussion</u> DISCHARGE POW REQUIREMENTS FOR SUBSTANCE MONITORING AND BERMING.		
<u>Conclusions or Agreements</u> GEORGE SAID HE WAS IN THE PROCESS OF DOING BOTH, & WOULD HAVE THEM DONE BY THE END OF THE YEAR AS REQUIRED BY THE OGD.		
<u>Distribution</u>	Signed Mark Ashley	

SONAR & WELL TESTING SERVICES, INC.

SONAR CALIPER SURVEY

DEPT. OF ENERGY
RELIANCE

500 00 100 00 0 52

TREATMENT NO:

JOB NO: 3092

WELL DATA

T.D. SONAR:	497 ft.	T.D. OPERATOR:	500 ft.
CASING SIZE:	5 1/2 in.	CASING DEPTH:	452 ft.
INTERMEDIATE SIZE:		INTER. DEPTH:	
TUBING SIZE:	2 7/8 in.	TUBING DEPTH:	out

I & W, Inc.

Eugenie No.1

Carlsbad, N.M.

October 19, 1996

GENERAL COMMENTS:

Zero at 5 1/2 in. casing flange.
No depth corrections.

MAILING ADDRESS:

P.O. Box 939
Lovington, N.M. 88260

Attn: George Parchman

CUSTOMER REP:

George Parchman

SONAR ENGINEER:

Bill Schnitger

SONAR & WELL TESTING SERVICES
SONAR CALIPER SURVEY

PAGE 1

I & W, Inc.
Eugenie No.1

October 19, 1996
JOB NO: 3092

VOLUME CALCULATIONS

	DEPTH	INCR CU FT	TOTAL CU FT	INCR BBLs	BBLs
ABOVE	452	54,064.	54,064.	9,629.	9,629.
	454	25,738.	79,802.	4,584.	14,213.
	456	20,976.	100,779.	3,736.	17,949.
	458	16,519.	117,297.	2,942.	20,892.
	460	13,125.	130,422.	2,338.	23,229.
	462	10,355.	140,777.	1,844.	25,074.
	464	8,270.	149,047.	1,473.	26,546.
	466	6,968.	156,015.	1,241.	27,787.
	468	5,628.	161,643.	1,002.	28,790.
	470	4,247.	165,890.	756.	29,546.
	472	3,092.	168,982.	551.	30,097.
	474	2,126.	171,108.	379.	30,476.
	476	1,405.	172,513.	250.	30,726.
	478	678.	173,190.	121.	30,846.
	480	139.	173,329.	25.	30,871.
	482	10.	173,339.	2.	30,873.
	484	28.	173,368.	5.	30,878.
	486	33.	173,400.	6.	30,884.
	488	8.	173,408.	1.	30,885.
	490	18.	173,426.	3.	30,888.
	492	29.	173,455.	5.	30,894.
	494	20.	173,475.	4.	30,897.

SONAR & WELL TESTING SERVICES
SONAR CALIPER SURVEY

PAGE 2

I & W, Inc.
Eugenie No.1

October 19, 1996
JOB NO: 3092

VOLUME CALCULATIONS

DEPTH	INCR CU FT	TOTAL CU FT	INCR BBLs	BBLs
496	10.	173,485.	2.	30,899.
497	3.	173,487.	0.	30,899.

SONAR & WELL TESTING SERVICES
SONAR CALIPER SURVEY

PAGE 1

I & W, Inc.
Eugenie No.1

October 19, 1996
JOB NO: 3092

RADII IN FEET

DEPTH	ANGLE	N	S	E	W	NE	SW	SE	NW
452	90	63.1	65.1	66.4	70.5	65.5	73.1	65.4	70.4
454	90	63.4	57.5	57.3	62.3	61.2	64.7	61.8	63.9
456	90	48.2	56.6	46.8	63.5	47.2	65.6	51.8	52.9
458	90	39.4	50.3	46.2	46.4	41.6	60.9	46.4	44.7
460	90	36.4	46.3	45.1	42.1	39.0	58.7	45.4	40.6
462	90	32.9	44.8	42.5	38.1	33.9	34.0	43.5	35.9
464	90	26.5	43.9	39.9	36.3	28.6	32.6	38.3	27.3
466	90	24.1	40.7	36.9	33.1	28.2	28.1	36.4	25.4
468	90	21.8	33.4	33.7	30.2	26.3	25.8	29.1	22.6
470	90	19.2	31.6	30.0	24.0	20.4	22.7	24.3	21.6
472	90	15.9	21.5	26.0	21.0	16.9	20.0	19.9	17.5
474	90	14.6	18.9	21.0	16.0	16.0	14.5	15.5	14.6
476	90	10.0	10.6	17.0	14.0	10.9	13.5	16.0	12.0
478	90	4.7	5.4	5.5	10.2	4.0	10.4	2.1	8.2
480	90	1.8	1.5	2.1	1.1	1.6	1.4	1.9	1.2
482	90	0.9	0.7	0.8	0.8	0.9	0.8	0.9	0.8
484	90	3.6	3.5	2.7	0.8	3.1	3.0	3.3	3.7
486	90	0.8	2.3	0.8	0.8	0.9	0.7	0.8	0.8
488	90	1.0	1.1	0.8	1.2	0.8	1.2	1.1	1.2
490	90	1.8	2.3	1.0	2.0	0.8	4.2	2.9	2.3
492	90	2.2	1.9	0.6	2.8	0.9	2.8	0.8	3.1
494	90	1.8	0.7	1.6	0.9	1.7	1.4	0.8	2.3

SONAR & WELL TESTING SERVICES
SONAR CALIPER SURVEY

PAGE 2

I & W, Inc.
Eugenie No.1

October 19, 1996
JOB NO: 3092

		RADII IN FEET							
DEPTH	ANGLE	N	S	E	W	NE	SW	SE	NW
496	90	1.3	0.8	1.0	1.4	1.2	0.8	1.1	0.8
497	90	0.9	0.8	0.7	0.7	0.7	0.7	0.8	0.8

SONAR & WELL TESTING SERVICES
SONAR CALIPER SURVEY
UPS

PAGE 3

I & W, Inc.
Eugenie No.1

October 19, 1996
JOB NO: 3092

RADII IN FEET

DEPTH	ANGLE	N	S	E	W	NE	SW	SE	NW
462	1	16.8	16.7	16.6	17.0	16.6	17.1	16.6	16.8
462	5	16.5	16.5	16.5	16.5	16.6	16.5	16.6	16.2
462	10	16.5	16.4	16.4	16.4	16.6	16.3	16.4	16.3
462	15	16.4	16.5	16.2	16.2	16.6	16.2	16.4	16.0
462	20	16.6	17.0	16.8	16.7	16.9	16.7	16.8	16.8
462	25	17.6	17.4	17.0	17.4	17.4	17.1	17.3	17.6
462	30	18.2	18.0	17.4	17.5	17.8	17.4	17.5	18.1
462	35	19.5	19.0	18.1	17.9	18.9	18.4	18.5	18.5
462	40	20.1	19.6	19.1	18.5	19.9	19.1	19.6	19.1
462	45	21.7	21.1	21.3	19.8	21.8	19.9	21.1	20.9
462	50	23.6	22.6	22.5	21.4	23.1	21.8	23.0	22.1
462	55	25.3	24.0	23.5	22.8	26.9	24.3	24.2	23.8
462	60	28.4	27.7	27.6	27.9	29.1	27.4	29.1	29.8
462	65	36.2	34.7	34.0	36.3	35.2	34.2	35.0	34.4
462	70	44.8	40.9	40.6	41.1	41.3	38.2	45.3	44.8
462	75	58.6	50.0	57.7	57.0	56.5	51.7	53.6	58.1
462	80	68.0	67.8	63.4	69.0	63.9	67.3	61.9	65.1
462	85	45.7	52.7	45.5	65.8	46.4	64.7	49.0	46.2

SONAR & WELL TESTING SERVICES
SONAR CALIPER SURVEY
DOWNS

PAGE 4

I & W, Inc.
Eugenie No.1

October 19, 1996
JOB NO: 3092

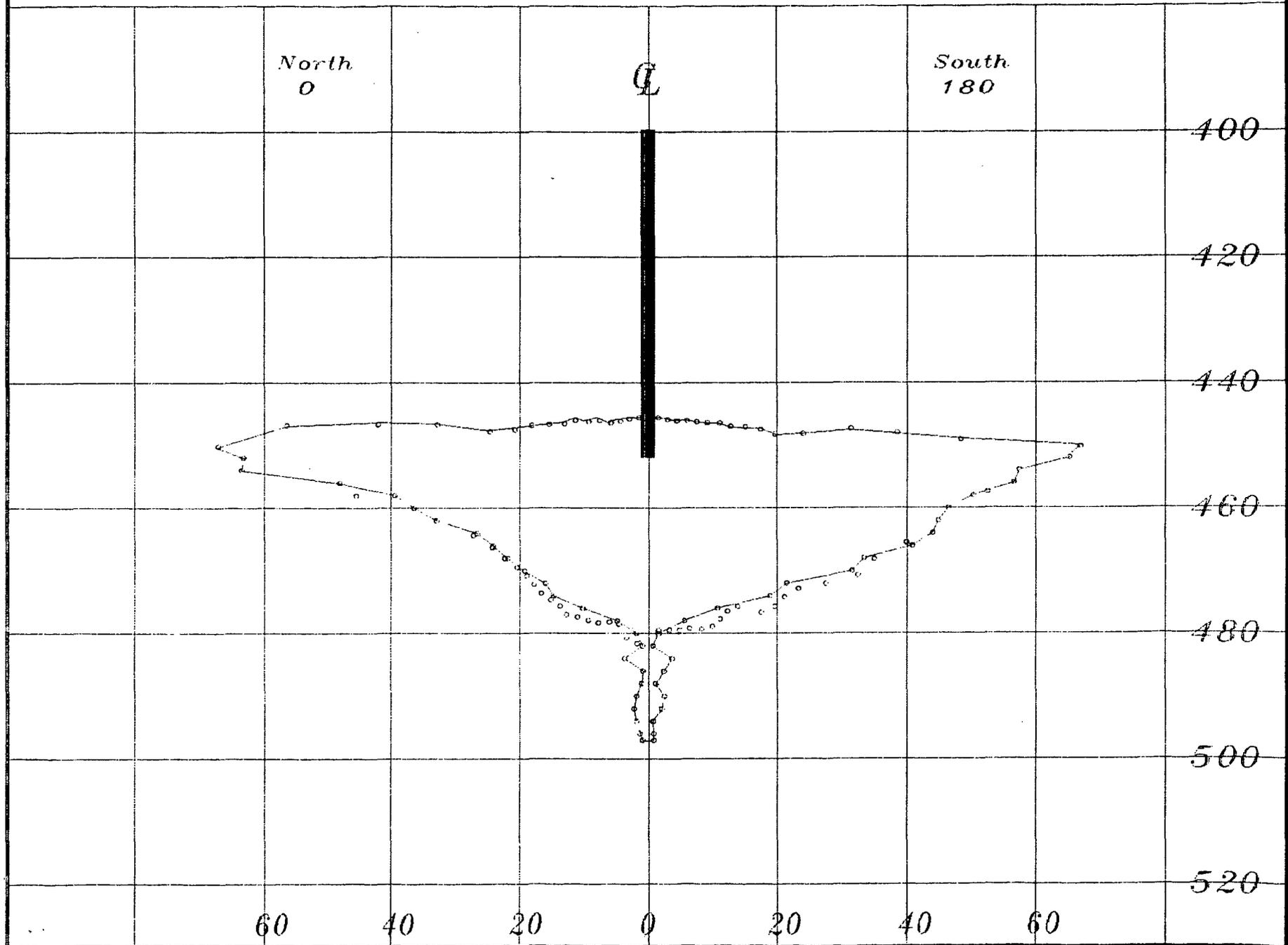
RADII IN FEET

DEPTH	ANGLE	N	S	E	W	NE	SW	SE	NW
462	95	27.2	40.0	37.7	36.0	31.9	29.5	36.4	28.1
462	100	24.6	35.5	35.4	33.7	30.9	27.9	34.6	26.0
462	105	23.1	33.6	31.9	29.0	27.9	25.3	26.8	24.5
462	110	21.7	29.3	29.5	26.5	25.3	24.2	25.1	22.8
462	115	20.8	25.7	27.5	23.5	22.7	23.9	24.2	23.1
462	120	20.4	24.4	26.8	22.4	22.0	22.9	22.8	22.2
462	125	20.2	23.9	24.7	21.7	21.5	21.2	21.8	21.5
462	130	19.7	22.8	23.7	21.8	19.6	19.5	22.1	21.0
462	135	19.3	19.4	21.9	21.2	19.2	19.6	21.8	20.1
462	140	19.6	18.9	20.8	21.4	18.9	20.0	21.2	19.8
462	145	18.8	19.2	19.2	21.3	18.8	20.8	20.0	18.5
462	150	18.4	19.5	18.8	21.8	18.7	20.0	19.3	17.7
462	155	18.0	19.1	18.4	21.4	17.8	21.0	18.4	17.6
462	160	17.2	18.3	17.6	20.8	17.8	20.4	18.2	17.2
462	165	17.1	18.1	17.5	20.9	18.3	18.9	17.4	17.4
462	170	19.0	17.7	17.3	18.2	18.2	17.7	17.1	19.0
462	175	19.7	17.6	17.3	17.9	18.6	17.9	17.3	18.2

I & W, Inc.
Eugenie No.1

VERTICAL CROSS SECTION

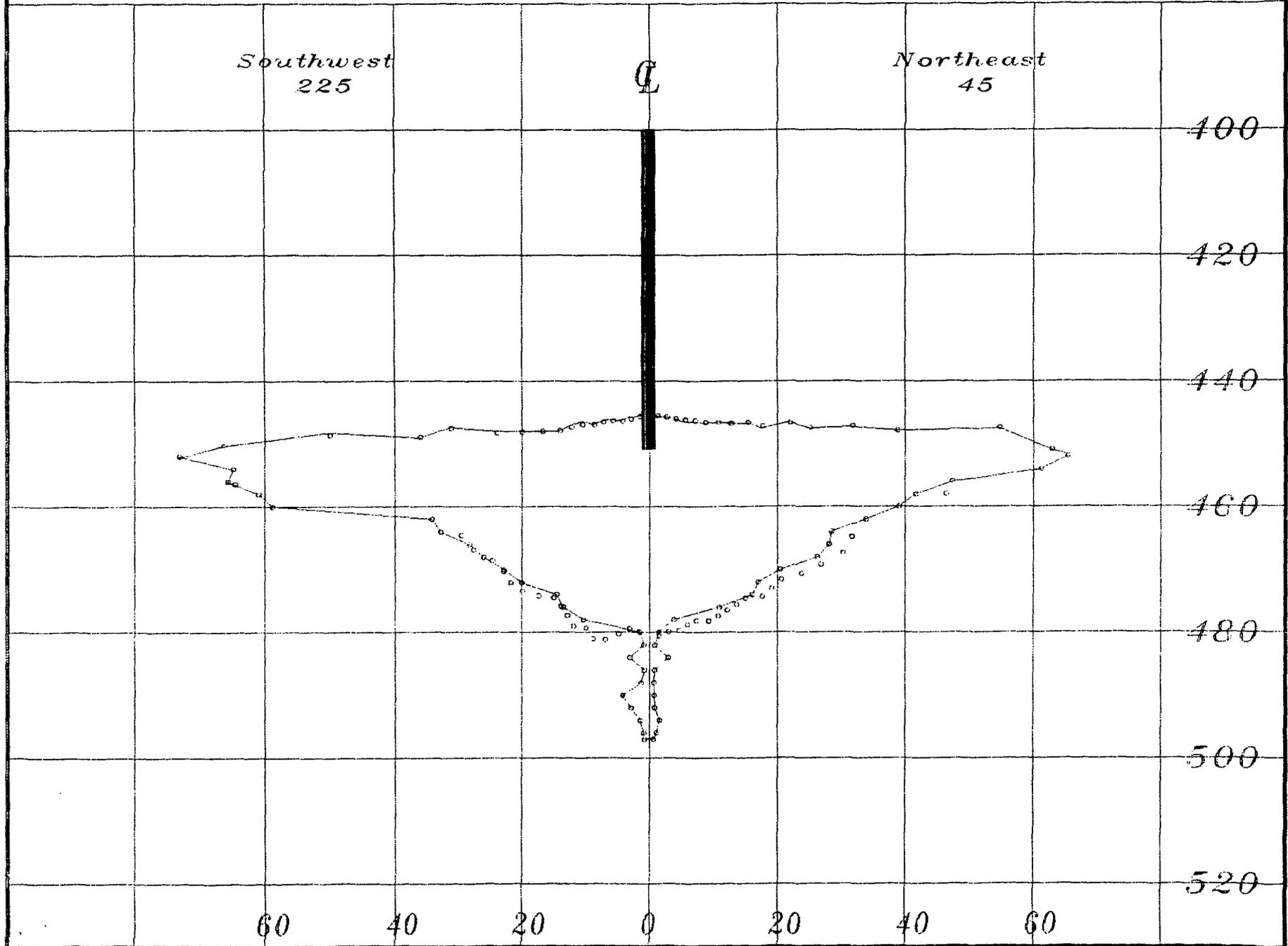
Carlsbad, N.M.
October 19, 1996
Job Number - 3092



I & W, Inc.
Eugenie No.1

VERTICAL CROSS SECTION

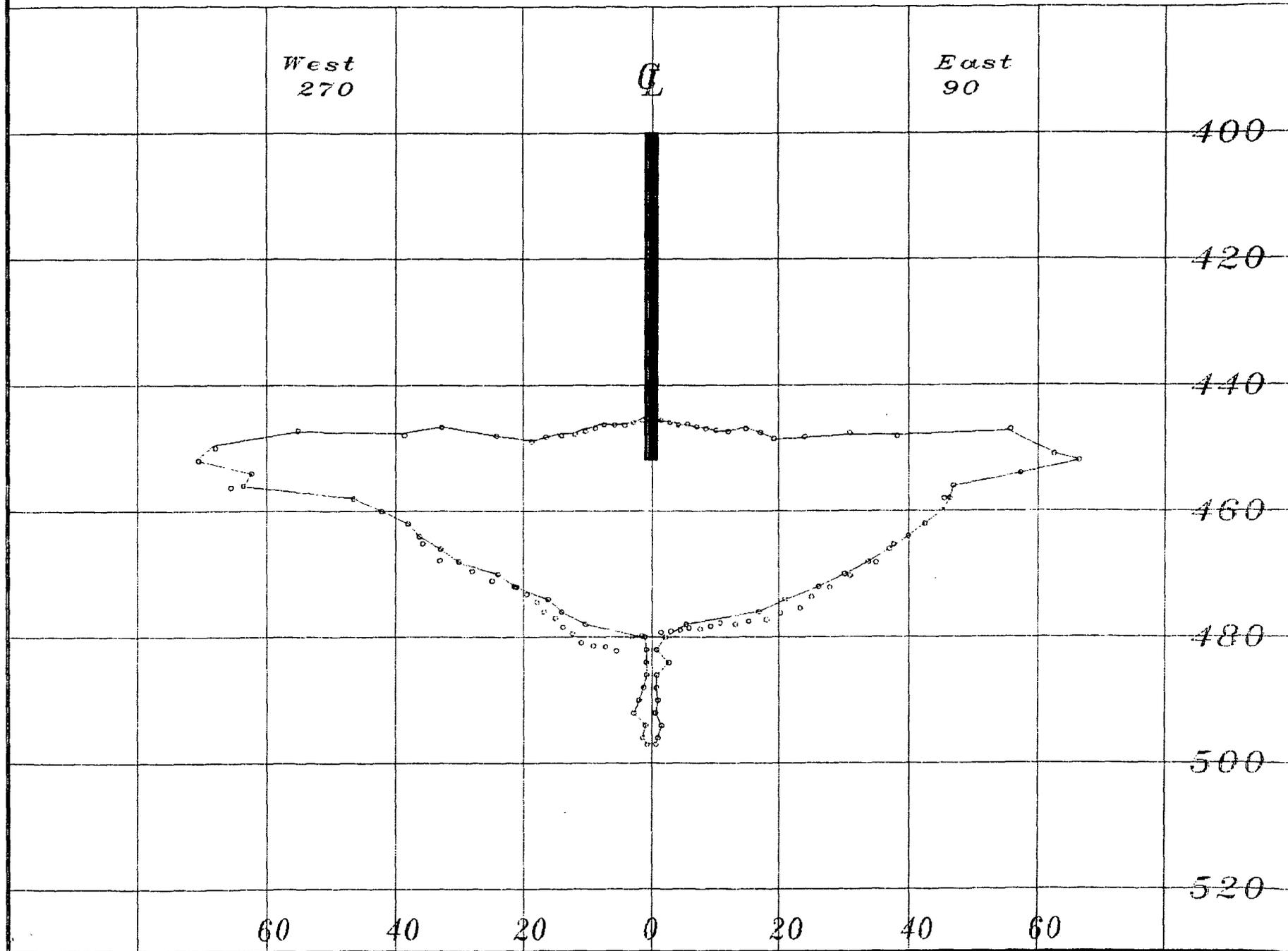
Carlsbad, N.M.
October 19, 1996
Job Number - 3092



I & W, Inc.
Eugenie No.1

VERTICAL CROSS SECTION

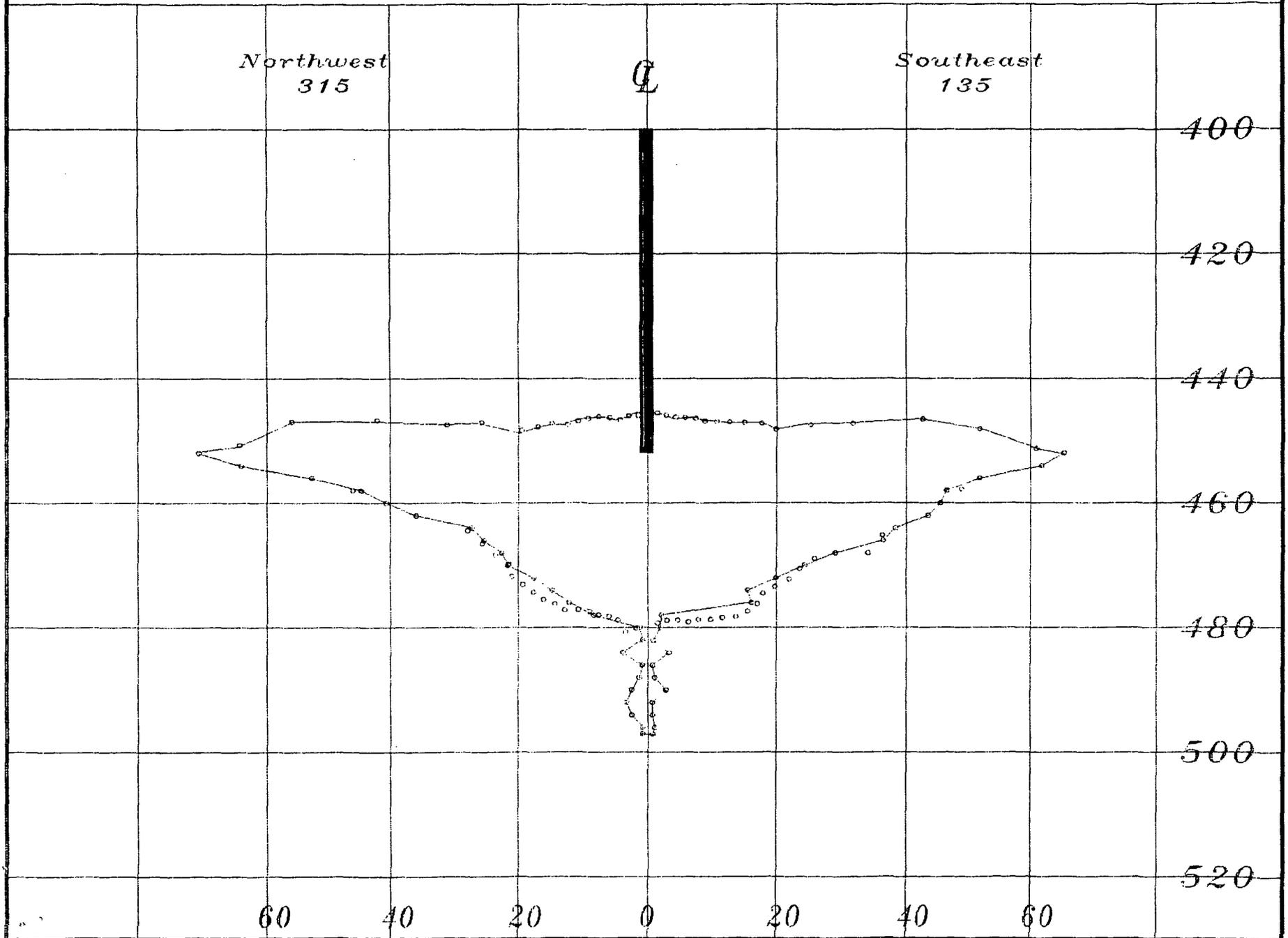
Carlsbad, N.M.
October 19, 1996
Job Number - 3092



I & W, Inc.
Eugenie No.1

VERTICAL CROSS SECTION

Carlsbad, N.M.
October 19, 1996
Job Number - 3092

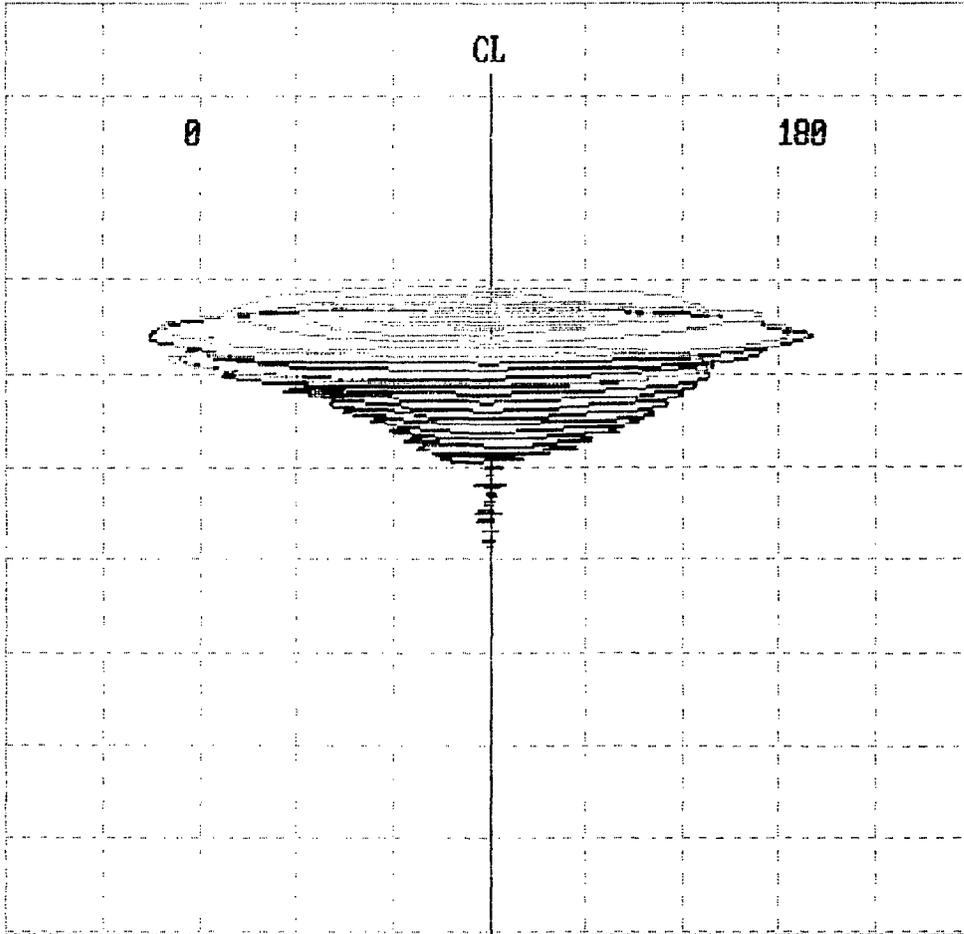


I & W, Inc.
Eugenie No.1

VERT = 20
HORZ = 20

October 19, 1996
JOB NO: 3092

300 Ft

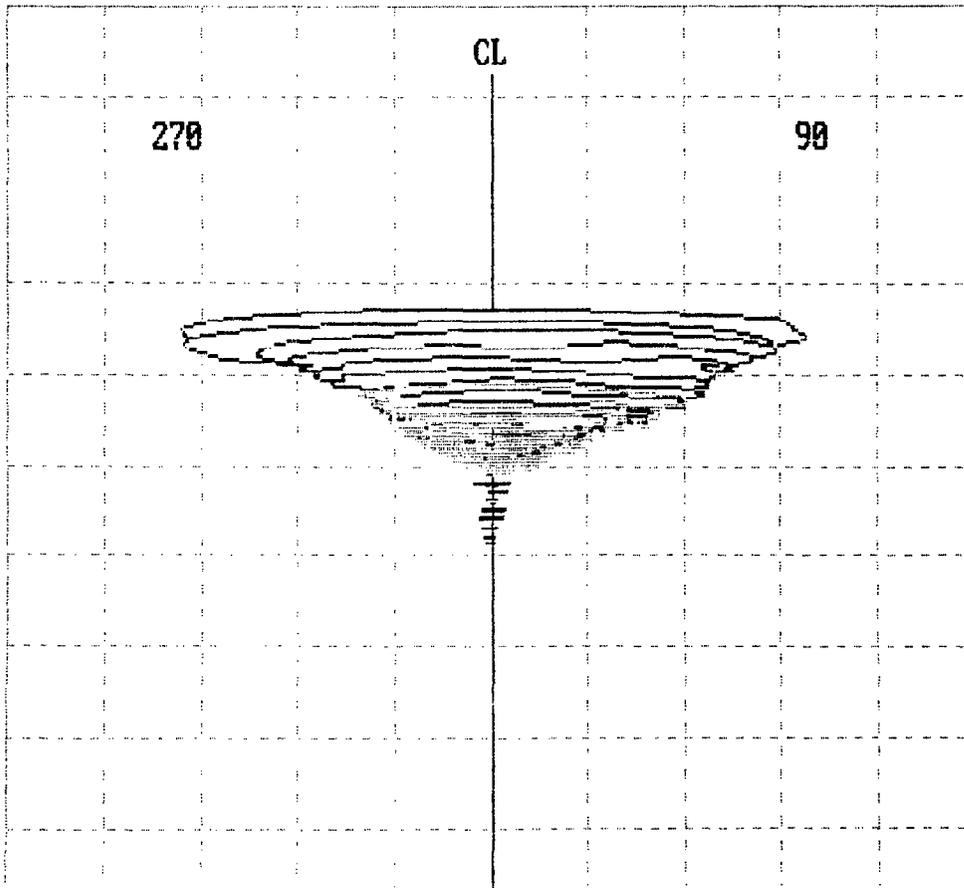


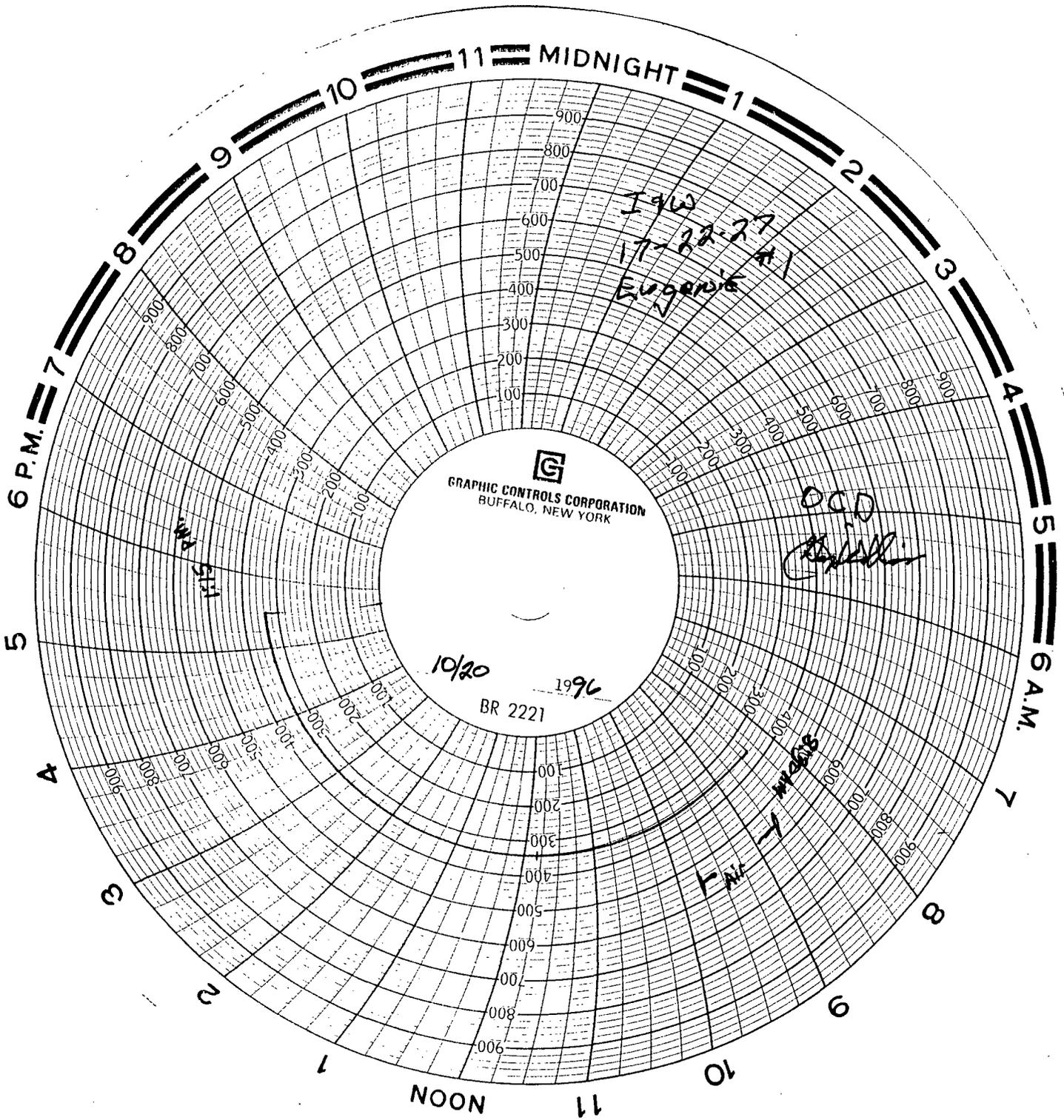
I & W, Inc.
Eugenie No.1

VERT = 20
HORZ = 20

October 19, 1996
JOB NO: 3092

300 Ft







NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

MEMORANDUM

TO: Bill LeMay and Roger Anderson
FROM: Mark Ashley *MA*
SUBJECT: I&W Brine Well (BW-006) - Carlsbad
DATE: October 15, 1996

On October 11, 1996 at 9:30 am the OCD required I&W to shut in their brine well in Carlsbad after they failed to have the well ready for mechanical integrity testing (MIT) and cavern surveying. This was the OCD's fourth attempt to test the well since October 12, 1995. The last scheduled MIT was performed on September 30, 1993.

Chronology of events:

- October 12, 1995: The OCD visited the facility for a discharge plan renewal inspection, MIT and cavern survey. The scheduling of the inspection, MIT and cavern survey was setup in advance by the OCD with the cooperation of I&W. The requested MIT and cavern survey was not performed. I&W wanted to reschedule the tests when both could be performed at the same time, and the OCD agreed. The OCD was represented by Mark Ashley, Gary Williams and Bryan Arrant.
- August 16, 1996: I&W was notified by certified mail that the MIT would be performed on their well on September 16, 1996. I&W was notified by phone that the cavern survey would be performed at the same time as the MIT, and I&W agreed. The scheduling of the MIT and cavern survey was setup in advance by the OCD with the cooperation of I&W.
- September 16, 1996: The OCD visited the facility to conduct the scheduled MIT and cavern survey. I&W was not ready due to availability of equipment, and the test was rescheduled for October 8, 1996. The OCD was represented by Mark Ashley, Gary Williams and Bryan Arrant.
- September 23, 1996: I&W was contacted to reschedule the October 8, 1996 test to October 10, 1996 due to OCD schedule conflicts. I&W did not protest rescheduling.

October 9, 1996: The OCD visited the facility and was informed by I&W that they would not be ready for the MIT and cavern survey that was rescheduled for October 10, 1996 due to availability of equipment. They rescheduled for October 11, 1996. The OCD was represented by Mark Ashley, Gary Williams.

October 11, 1996: Roger Anderson and Tim Gum were notified of I&W's failure to comply with OCD requirements, and a decision was reached by both of them that I&W would be required to shut in their brine well if they were not ready for the October 11, 1996 MIT and cavern survey.

The OCD visited the facility and was informed by I&W that they would not be ready for the rescheduled MIT and cavern survey due to availability of equipment. At that time the OCD required the well to be shut in until further notice. I&W was also informed that the MIT and cavern survey would be scheduled and witnessed by the OCD. OCD representatives present were Tim Gum, Mark Ashley, Bryan Arrant.



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

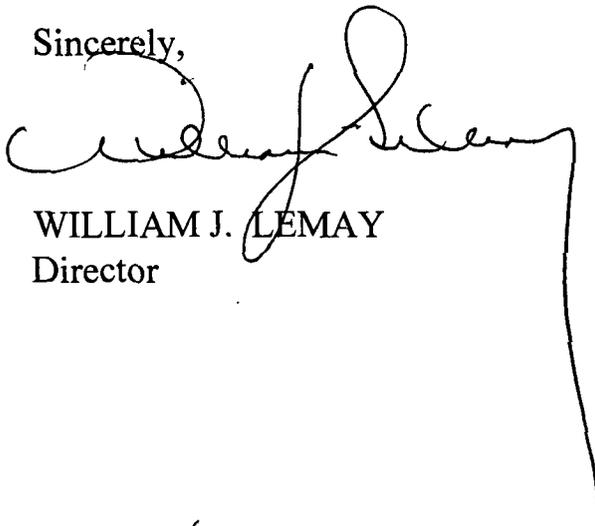
October 11, 1996

Mr. Mike Butts
I & W
Loco Hills, New Mexico

Dear Mr. Butts:

The brine well which was the subject of our conversation today will be shut
in until further notice.

Sincerely,



WILLIAM J. LEMAY
Director

Roger / mark

I've had numerous conversations w/ Butts
and George and Butts wanted an order shutting
him down. This ~~is~~ is it. Get together with
Iow for a ^{witnessed} test (why can't Antonio witness it?)
let me know what the schedule is and

when you want to lift the S.I. order if
you want to lift it. Becc



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

October 11, 1996

Mr. Mike Butts
I & W
Loco Hills, New Mexico

Dear Mr. Butts:

The brine well which was the subject of our conversation today will be shut in until further notice.

Sincerely,

WILLIAM J. LEMAY
Director

Roger / Mark

I've had numerous conversations w/ Butts
and George and Butts wanted an order shutting
him down. This ~~is~~ is it. Get together with
IOW for a ^{witnessed} test (why can't Antonio witness it.
let me know what the schedule is and

when you want to lift the S.I. order if
you want to lift it. Beer



ARTESIA
(505) 746-4214
1 (800) 748-1972

CARLSBAD
(505) 885-6663
1 (800) 658-2739

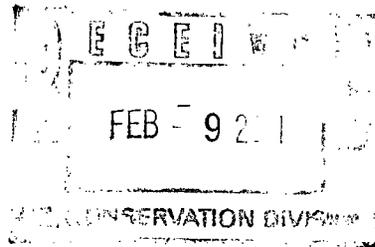
P.O. BOX 98
LOCO HILLS, NEW MEXICO 88255

LOCO HILLS
(505) 677-2111
1 (800) 748-1972

LOVINGTON
(505) 396-3331
1 (800) 748-2084

January 30, 2001

Mr. Wayne Price
Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, New Mexico 87504



Re: Eugenie Brine Extraction Facility
Discharge Plan Application
Discharge Plan BW-006
SW/4 SW/4 Section 17-T22S-R27E

Dear Mr. Price:

Enclosed please find our Discharge Plan Application and a copy of the New Existing Plot of Location. I would appreciate it if you would look this over and let me know if there is anything else I need to do.

Please feel free to call me at (505) 677-2111 if there is anything else needed.

Thank you,

A handwritten signature in cursive script that reads 'George Parchman'. The signature is written in dark ink and is positioned above the printed name.

George E. Parchman
Manager

THE SANTA FE
NEW MEXICAN
Founded 1849

NM OIL CONSERVATION DIVISION
ATTN: WAYNE PRICE
1220 S. ST. FRANCIS DRIVE
SANTA FE, NM 87505

AD NUMBER: 211290 ACCOUNT: 56689
LEGAL NO: 69498 P.O.#: 01199000033
299 LINES 1 time(s) at \$ 131.80
AFFIDAVITS: 5.25
TAX: 8.57
TOTAL: 145.62

AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO
COUNTY OF SANTA FE

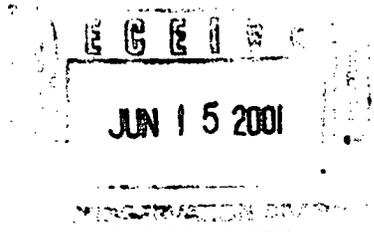
I, MM Weideman being first duly sworn declare and say that I am Legal Advertising Representative of THE SANTA FE NEW MEXICAN, a daily newspaper published in the English language, and having a general circulation in the Counties of Santa Fe and Los Alamos, State of New Mexico and being a Newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 on Session Laws of 1937; that the publication #69498 a copy of which is hereto attached was published in said newspaper 1 day(s) between 06/13/2001 and 06/13/2001 and that the notice was published in the newspaper proper and not in any supplement; the first publication being on the 13 day of June, 2001 and that the undersigned has personal knowledge of the matter and things set forth in this affidavit.

/s/ MM Weideman
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this
13 day of June A.D., 2001

Notary Laura E. Harding
Commission Expires 1/23/03

*Approved
7/06/01*



NOTICE OF PUBLICATION

STATE OF NEW MEXICO
ENERGY, MINERALS
AND NATURAL RE-
SOURCE DEPARTMENT
OIL CONSERVATION
DIVISION

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

(BW-004) - Gandy Corporation. Larry Gandy, Vice-President, P.O. Box 827, Tatum, New Mexico, 88267 has submitted an application for renewal of its previously approved discharge plan for its brine well facility. The brine extraction facility is located in the SW/4 SW/4 of Section 31, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico. Fresh water is injected to an approximate depth of 2,000 feet and brine is extracted with an average total dissolved solids concentration of 313,000 mg/l. Groundwater most likely to be affected by any accidental discharge is at a depth of approximately 120 feet and has a total dissolved solids content of approximately 325 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

(BW-006) - I&W Incorporated, George Parchman, P.O. Box 98, Loco Hills, New Mexico 88255, has submitted a discharge plan renewal application for their Carlsbad Eugenie Brine Extraction Facility located in the SW/4 SW/4 of Section 17, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. Fresh water is injected down annulus of the No. 1 well to an approximate depth of 550 feet and brine is produced through the tubing. The brine has an average total dissolved solids content of 300,000 mg/l. Groundwater most likely to be affected by any accidental discharge is at a depth of 50 feet with a total dissolved solids concentration of about 1,000 mg/l. The discharge plan addresses how spills, leaks and other accidental discharges to the surface will be managed.

(BW-028) - Gold Star SWD Ltd. Co., Royce Crowell, Manager/Partner, P.O. Box 1480, Eunice, New Mexico, 88231 has submitted an application for their proposed Eunice Brine Station, located in the NW/4 NW/4 of Section 15, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. Fresh water will be injected to an approximate depth of 2,000 feet. Approximately 1,000 barrels per day of brine water will be extracted with an average total dissolved solids concentration of 300,000 mg/l. The brine water will be stored in three 500 barrel aboveground closed top fiberglass tanks. Ground water most likely to be affected by any accidental discharge is at a depth of approximately 80 feet and has a total dissolved solids content of approximately 1,200 mg/l. The discharge plan addresses how spills, leaks, and other accidental discharges to the surface will be managed.

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

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reasons why a hearing should be held. A hearing will be held if the Director determines there is significant public interest.

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

GIVEN under the Seal of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 7th day of June 2001.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

LORI WROTENBERY, Director
Legal #69498
Pub. June 13, 2001

APPROVED OK
W. W. W. W.
7/6/01