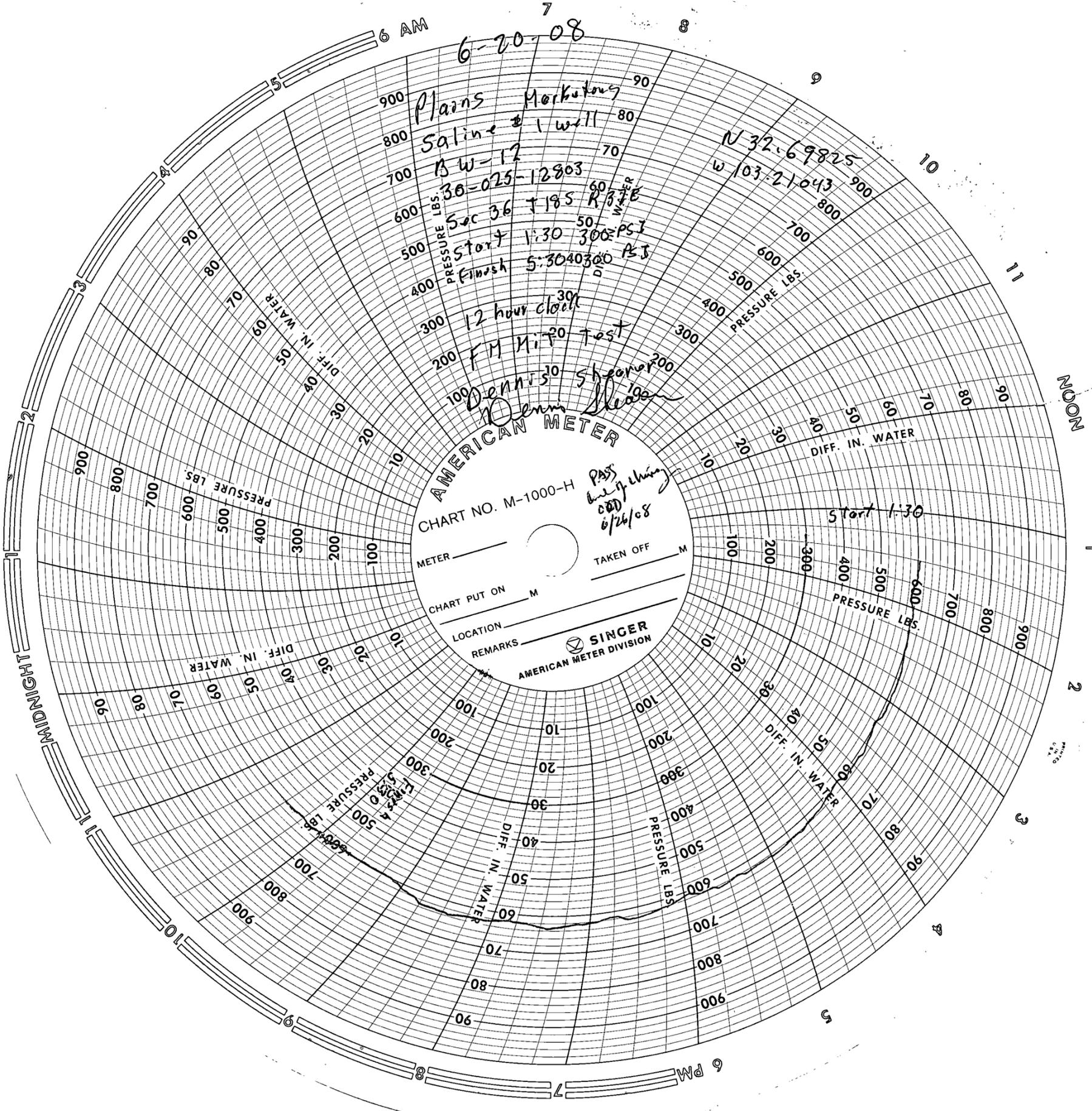


BW - 12

**MECHANICAL
INTEGRITY TEST
(MITs)**

DATE: _____



900
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N 32-69825
W 103-21043

DIFF. IN. WATER

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DIFF. IN. WATER

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Start 1:30

Start 5:30

Finish 5:30

Pressure 40300

American Valve & Meter, Inc.

1113 W. BROADWAY

P.O. BOX 166

HOBBS, NM 88240

TO: Plains

DATE: 3-10-08

This is to certify that:

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

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

72" Press./Temp recorder Serial No: 240015

at these points.

Pressure 0-1000* Temperature 0-150°

<u>Test</u>	<u>Found</u>	<u>Left</u>	<u>Test</u>	<u>Found</u>	<u>Left</u>
<u>0</u>	—	<u>0</u>	<u>32</u>	—	<u>32</u>
<u>500</u>	—	<u>500</u>	<u>71</u>	—	<u>71</u>
<u>1000</u>	—	<u>1000</u>	<u>148</u>	—	<u>148</u>
<u>700</u>	—	<u>740</u>	—	—	—
<u>200</u>	—	<u>200</u>	—	—	—
<u>0</u>	—	<u>0</u>	—	—	—

Remarks: _____

Signature Bud Collins

2008 JUN 26 PM 3 45
RECEIVED

Chavez, Carl J, EMNRD

From: Ronnie D Devore [rddevore@paalp.com]
Sent: Friday, June 27, 2008 6:32 AM
To: Chavez, Carl J, EMNRD
Cc: Dennis L Shearer; GFulfer@aol.com; Williams, Chris, EMNRD; Price, Wayne, EMNRD; GFulfer@aol.com; Larry M Evans; Pierce Broach; Jeril R Benedict
Subject: RE: FW: BW-12 Formation MIT Friday 6-20-08 (PASS)

Thank you Mr. Chavez. We appreciate your cooperation during this process. Hopefully the sale will be completed in the near future.

-----Original Message-----

From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]
Sent: Thursday, June 26, 2008 5:47 PM
To: Ronnie D Devore
Cc: Dennis L Shearer; GFulfer@aol.com; Williams, Chris, EMNRD; Price, Wayne, EMNRD; GFulfer@aol.com
Subject: RE: FW: BW-12 Formation MIT Friday 6-20-08 (PASS)

Mr. Devore, et. al:

Re: BW-12 Formation MIT 6/20/08

The Permian Corporation	SCURLOCK/PERMIAN -HOBBS (Saline #1 Well)	BW-12	30-025-12803	N 32.69825 W 103.21043	(UL-M)36-18S-37E	Lea
-------------------------	--	-------	--------------	------------------------	------------------	-----

I am in receipt of the chart with chart recorder calibration sheet from last Friday's (June 20, 2008) Formation Mechanical Integrity Test (MIT). The Salado Formation was pressured up to 300 psig at 13:30 and held pressure at 300 psig until 17:30.

The MIT was not witnessed by the New Mexico Oil Conservation Division (NMOCD). Mr. Greg Fulfer (prospective purchaser of BW-12) was on location during the MIT. By receipt of this e-mail message, the NMOCD hereby approves the MIT.

Access to BW-12 information is available on the OCD On-line at <http://ocdimage.emnrd.state.nm.us/imaging/AEOrderCriteria.aspx> (to view MIT charts, enter the API# into the search engine).

Please contact me if you have questions. Thank you.

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

From: Ronnie D Devore [mailto:rddevore@paalp.com]
Sent: Tuesday, June 24, 2008 7:56 AM
To: Chavez, Carl J, EMNRD
Cc: Dennis L Shearer
Subject: RE: FW: BW-12 Formation MIT Friday 6-20-08

Will do. Yes sir the test went very well. Thanks

-----Original Message-----

From: Chavez, Carl J, EMNRD [mailto:CarlJ.Chavez@state.nm.us]
Sent: Tuesday, June 24, 2008 8:57 AM
To: Ronnie D Devore
Cc: Price, Wayne, EMNRD; GFulfer@aol.com
Subject: RE: FW: BW-12 Formation MIT Friday 6-20-08

Mr. Devore:

Please make a copy of the chart from last Friday's MIT and mail me the original chart and calibration sheet for the recorder used to conduct the MIT. Mr. Fulfer indicated that the test went well. Thank you.

Carl J. Chavez, CHMM
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 Office: (505) 476-3491
 Fax: (505) 476-3462
 E-mail: CarlJ.Chavez@state.nm.us
 Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
 (Pollution Prevention Guidance is under "Publications")

From: GFulfer@aol.com [mailto:GFulfer@aol.com]
Sent: Monday, June 23, 2008 9:02 AM
To: Chavez, Carl J, EMNRD
Subject: Re: FW: BW-12 MIT

Carl,
 The well test on BW12 went real well, I could not see any bleed off on the test at all, and we had good flow back after we finished the test.
 Thanks,
 Gregg Fulfer

In a message dated 6/19/2008 8:38:32 A.M. Mountain Daylight Time, CarlJ.Chavez@state.nm.us writes:

Buddy:

6/27/2008

Re: BW-12 MIT Friday, June 20, 2008 1:00 p.m. – 5:00 p.m.

The Permian Corporation	SCURLOCK/PERMIAN -HOBBS (Saline #1 Well)	BW-12	30-025-12803	N 32.69825 W 103.21043	(UL-M)36-18S-37E	Lea
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Good morning. Could you or your staff witness the start and ending of a Formation MIT (4 hr) on BW-12 just S. of the Hobbs Airport this Friday (tomorrow)? Thank you.

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Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/index.htm>
(Pollution Prevention Guidance is under "Publications")

From: GFulfer [mailto:gfulfer@aol.com]
Sent: Tuesday, June 17, 2008 1:51 PM
To: Chavez, Carl J, EMNRD
Subject: Re: FW: BW-21 MIT

Carl,
I've been working with Plains legal department and mine and I think we are in agreement to do the MIT test. Plains is sending me an agreement today to sign for the test. I don't believe we can have the reservoir filled by 18th can we set it up for the 20th?

Thanks,
Gregg Fulfer
505-631-0522

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6/27/2008

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Sent: Thursday, June 26, 2008 4:47 PM
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Cc: Dennis L Shearer: 'GFulfer@aol.com'; Williams, Chris, EMNRD; Price, Wayne, EMNRD; 'GFulfer@aol.com'
Subject: RE: FW: BW-12 Formation MIT Friday 6-20-08 (PASS)
Attachments: BW-12 Fm MIT 6-20-08.tif; BW-12 MIT Calib Sheet 6-20-08.tif

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Re: BW-12 Formation MIT 6/20/08

The Permian Corporation	SCURLOCK/PERMIAN -HOBBS (Saline #1 Well)	BW-12	30-025-12803	N 32.69825 W 103.21043	(UL-M)36-18S-37E	Lea
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 Office: (505) 476-3491
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The Permian Corporation	SCURLOCK/PERMIAN -HOBBS (Saline #1 Well)	BW-12	30-025-12803	N 32.69825 W 103.21043	(UL-M)36-18S-37E	Lea
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Carl J. Chavez, CHMM
New Mexico Energy, Minerals & Natural Resources Dept.
Oil Conservation Division, Environmental Bureau
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Fax: (505) 476-3462
E-mail: CarlJ.Chavez@state.nm.us
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Carl,
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Thanks,
Gregg Fulfer
505-631-0522

Get the [Moviefone Toolbar](#). Showtimes, theaters, movie news, & more!

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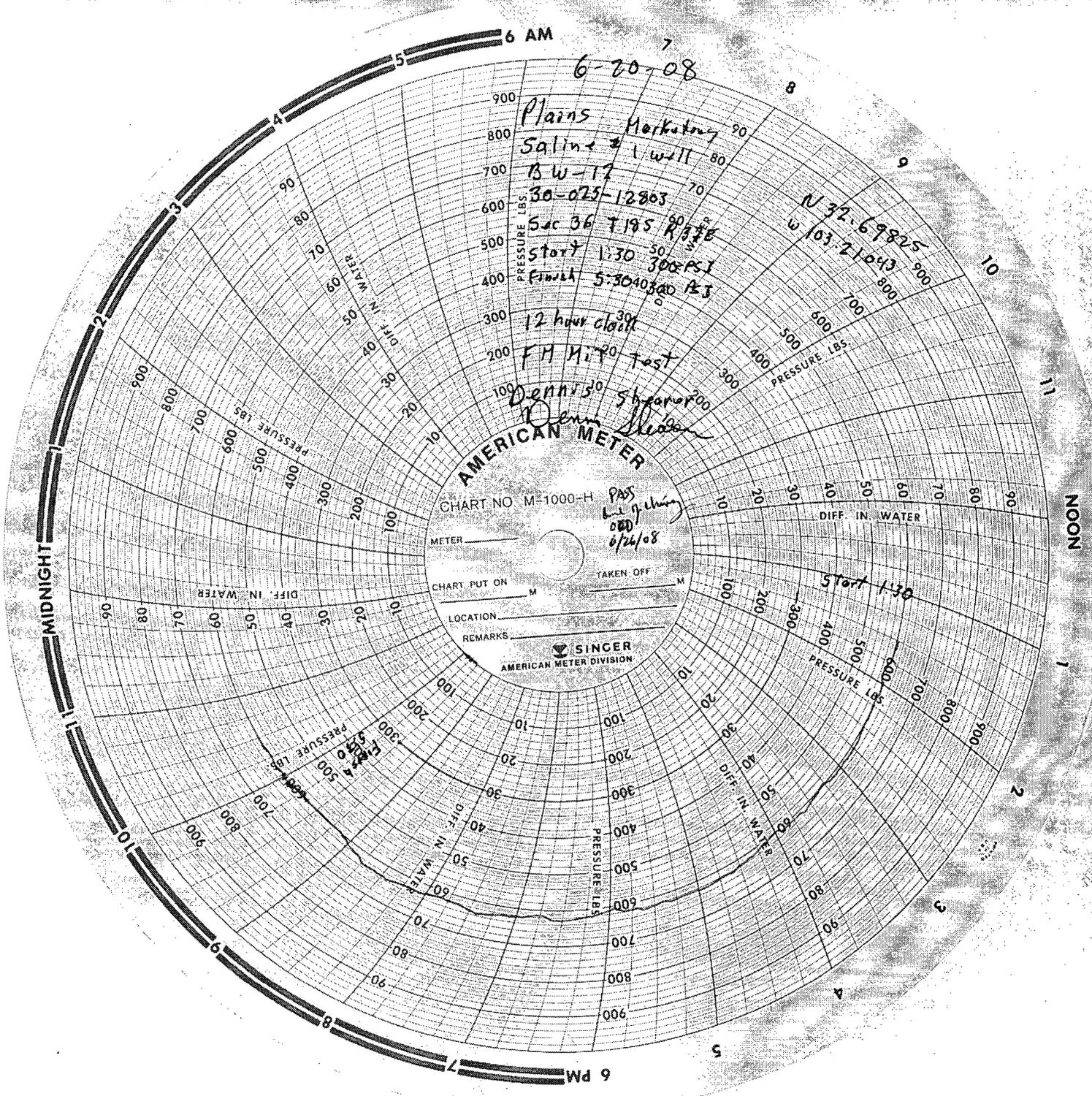
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Gas prices getting you down? Search AOL Autos for fuel-efficient [used cars](#).

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This inbound email has been scanned by the MessageLabs Email Security System.



6-20-08

Plains Marketing
 Saline #1 well
 BW-12
 30-025-12803
 Sac 36 7195 R/B/E
 Start 1:30 300 PSI
 Finish 5:30 300 PSI

N 32-69825
 W 103-21043

12 hour clock
 FM Mit Test
 Dennis Shipman
 Dennis Shipman

AMERICAN METER

CHART NO. M-1000-H
 METER _____
 CHART PUT ON _____ M
 TAKEN OFF _____ M

LOCATION _____
 REMARKS _____

SINGER
 AMERICAN METER DIVISION

Start 1:30

Pressure 500

DIFF. IN WATER

MIDNIGHT

NOON

Wd 9

American Valve & Meter, Inc.

1113 W. BROADWAY

P.O. BOX 166

HOBBS, NM 88240

TO: Plains

DATE: 3-10-08

This is to certify that:

I, Bud Collins, Technician for American Valve & Meter, Inc., has checked the calibration of the following instrument.

72" Press./Temp recorder Serial No: 240015

at these points.

Pressure 0-1000*

Temperature 0-150°

<u>Test</u>	<u>Found</u>	<u>Left</u>	<u>Test</u>	<u>Found</u>	<u>Left</u>
<u>0</u>	<u>—</u>	<u>0</u>	<u>32</u>	<u>—</u>	<u>32</u>
<u>500</u>	<u>—</u>	<u>500</u>	<u>71</u>	<u>—</u>	<u>71</u>
<u>1000</u>	<u>—</u>	<u>1000</u>	<u>148</u>	<u>—</u>	<u>148</u>
<u>700</u>	<u>—</u>	<u>700</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>200</u>	<u>—</u>	<u>200</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>0</u>	<u>—</u>	<u>0</u>	<u>—</u>	<u>—</u>	<u>—</u>

Remarks: _____

Signature Bud Collins

2008 JUN 26 PM 3 45

RECEIVED

PRINTED IN U.S.A.

DAY

NIGHT

TEJAS
INSTRUMENT ENGINEERS

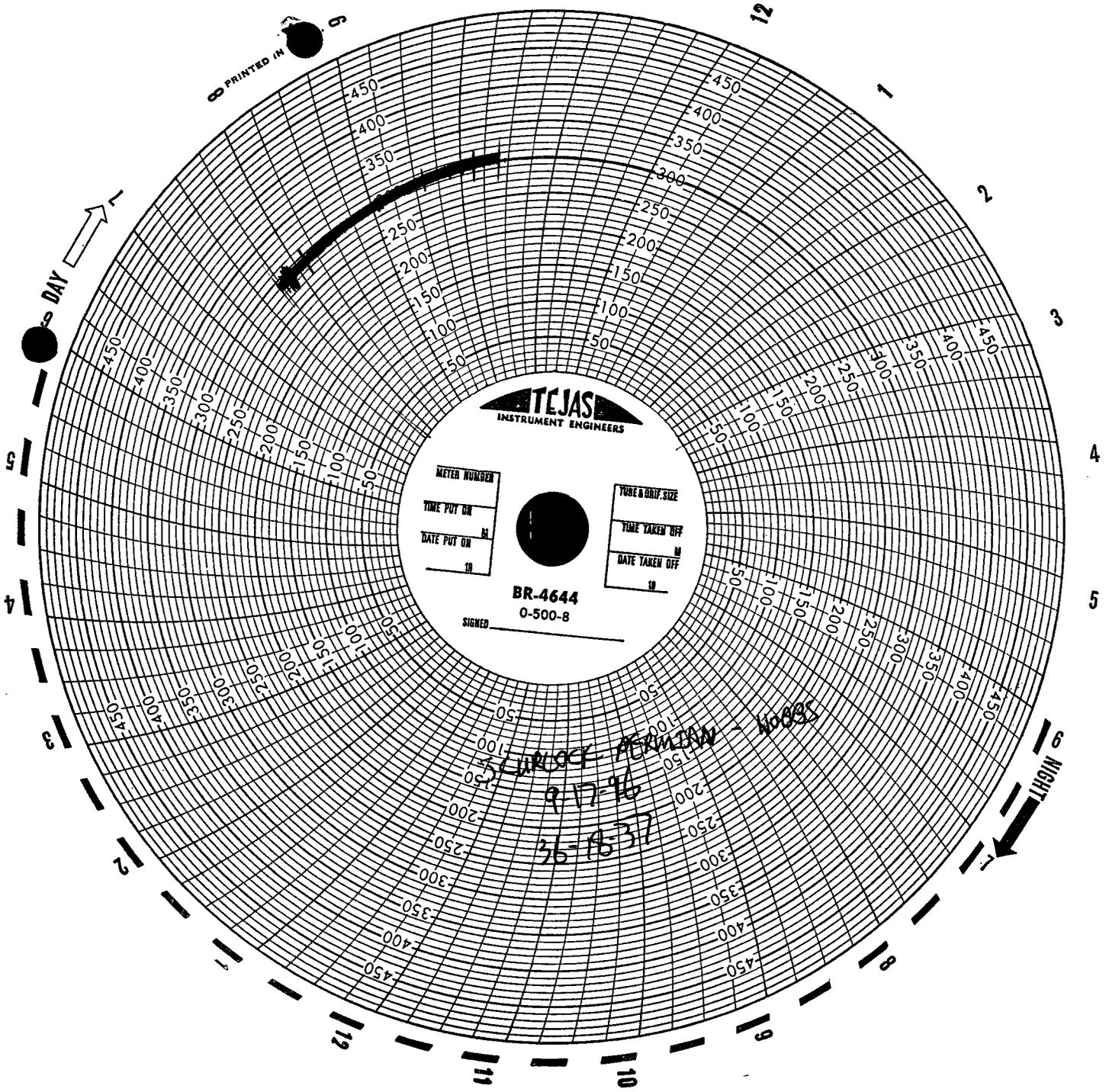
METER NUMBER
TIME PUT ON
DATE PUT ON

TUBE & GRIP SIZE
TIME TAKEN OFF
DATE TAKEN OFF

BR-4644
0-500-8

SIGNED _____

CHARLOCK AERIAN W0985
9-17-46
75-18-37



PRINTED
U.S.A.

NOON

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6 PM

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MIDNIGHT

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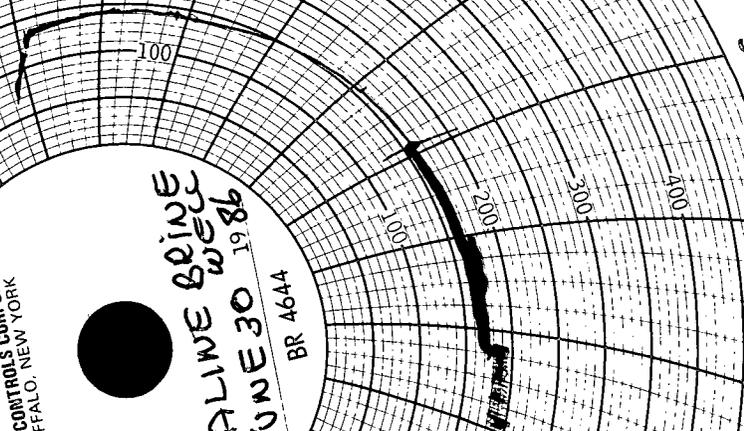
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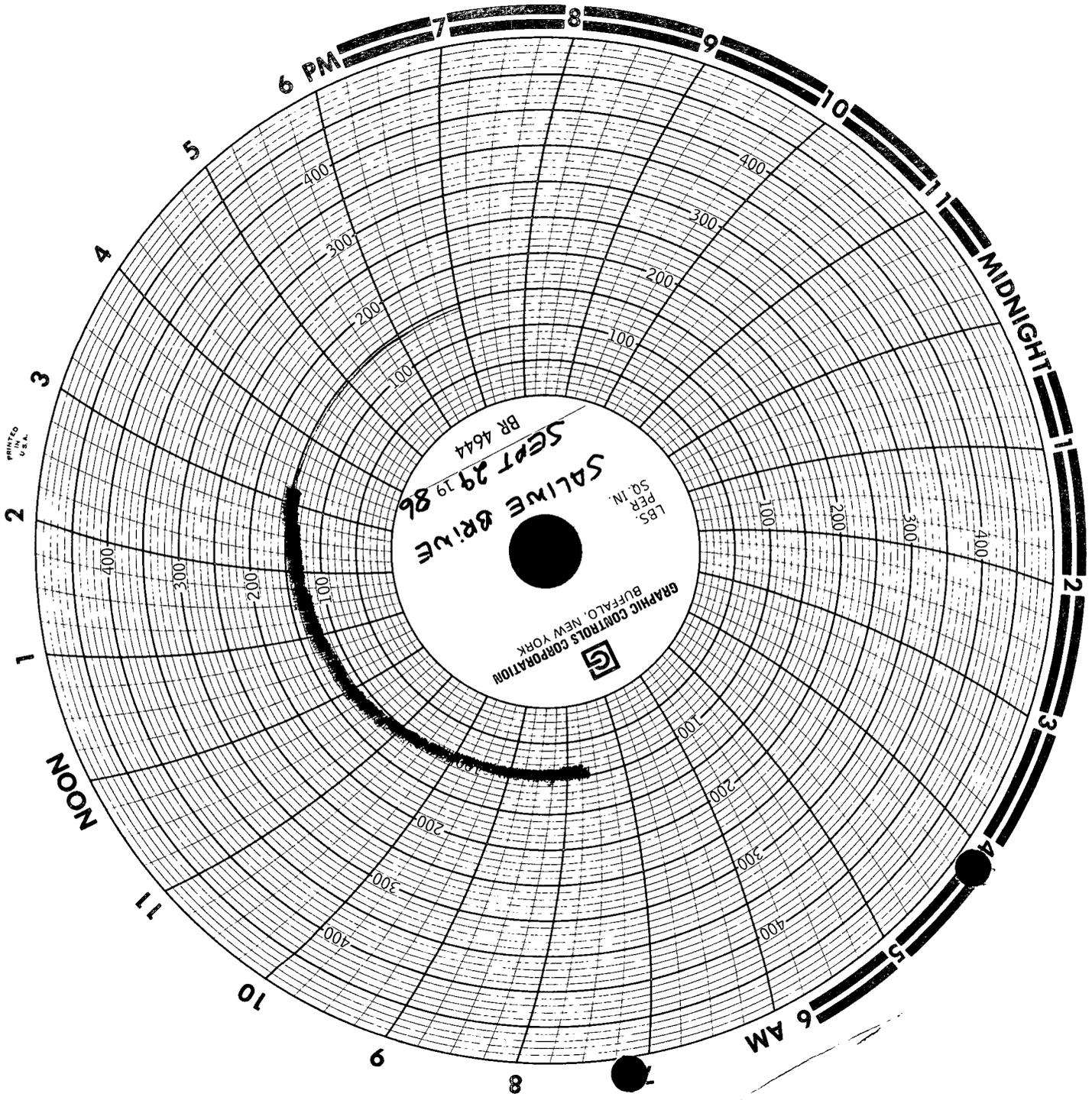
NOON

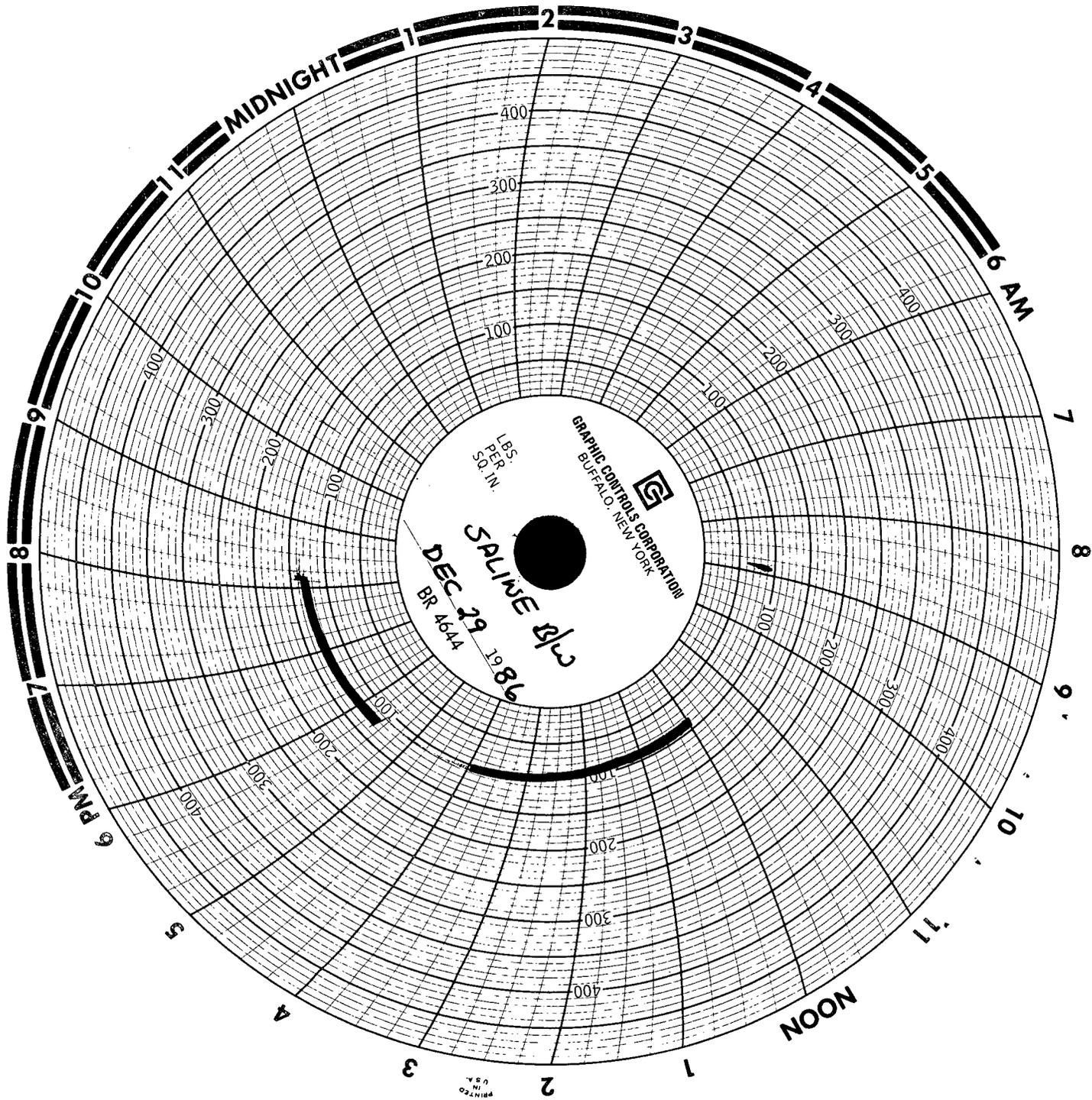

GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

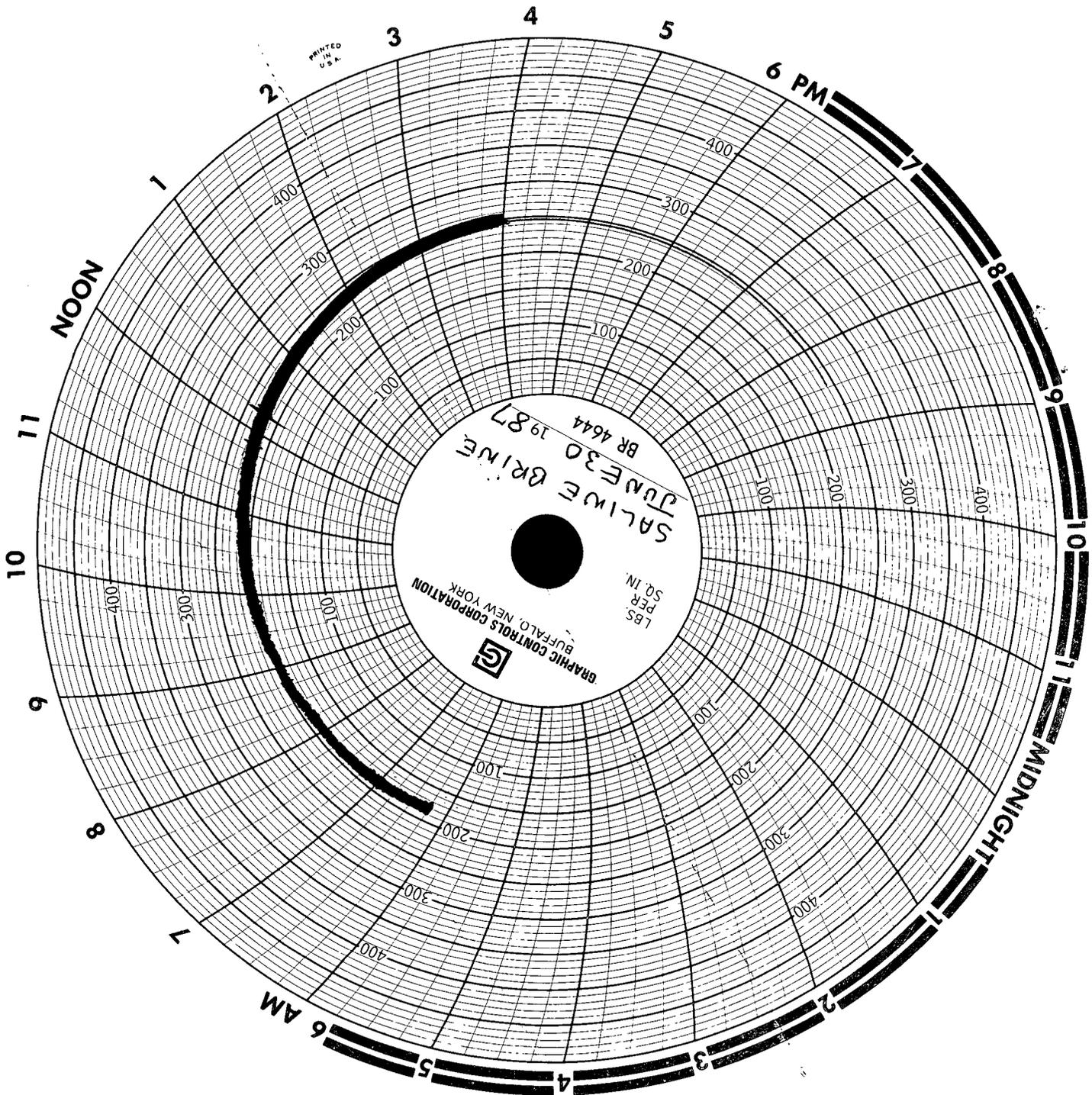
LBS.
PER
SQ. IN.

SALINE BRINE
WELL
JUNE 30 1986
BR 4644

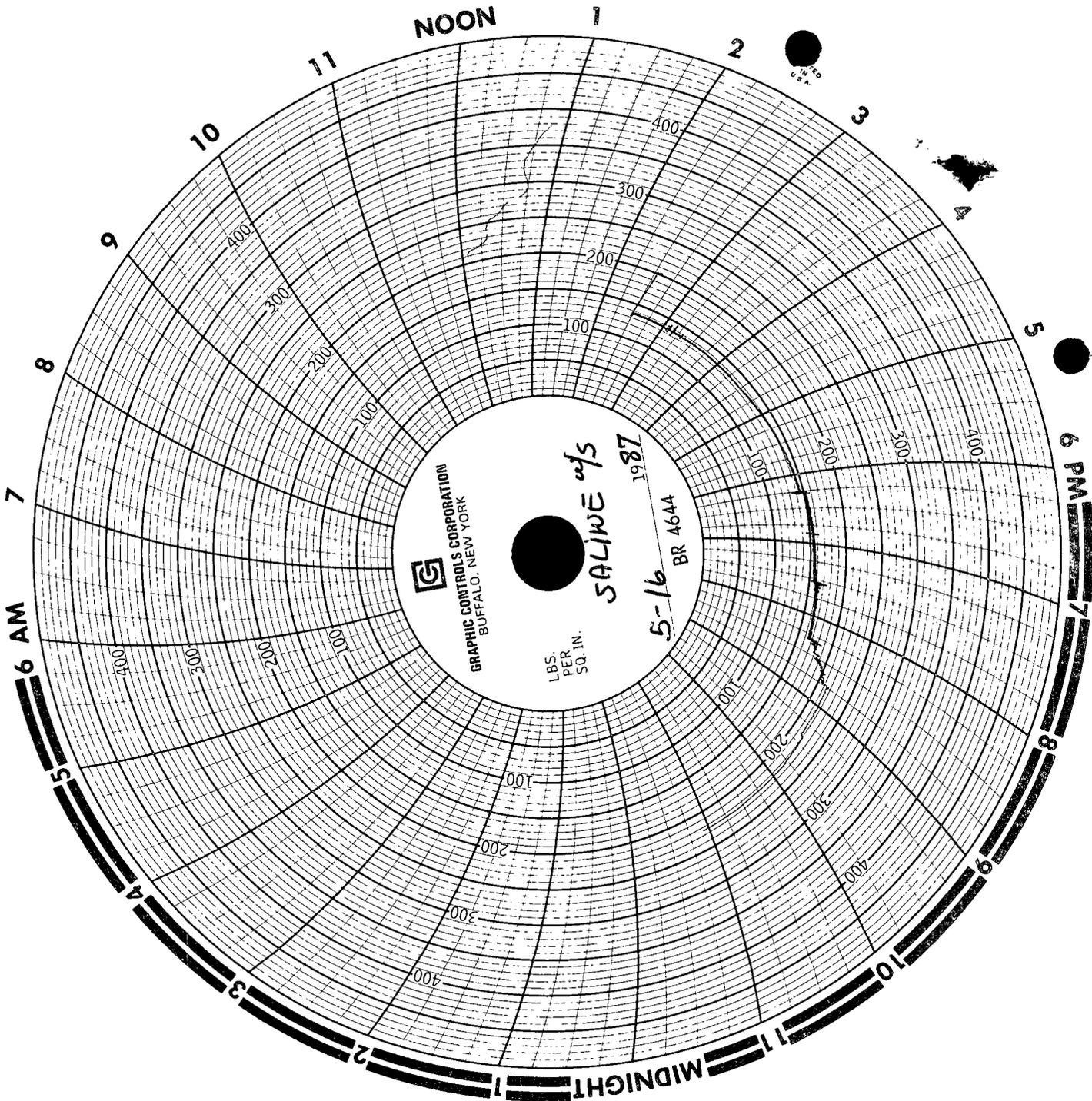








NOON



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

LBS.
PER
SQ. IN.

SALINE w/s

1987

5-16

BR 4644

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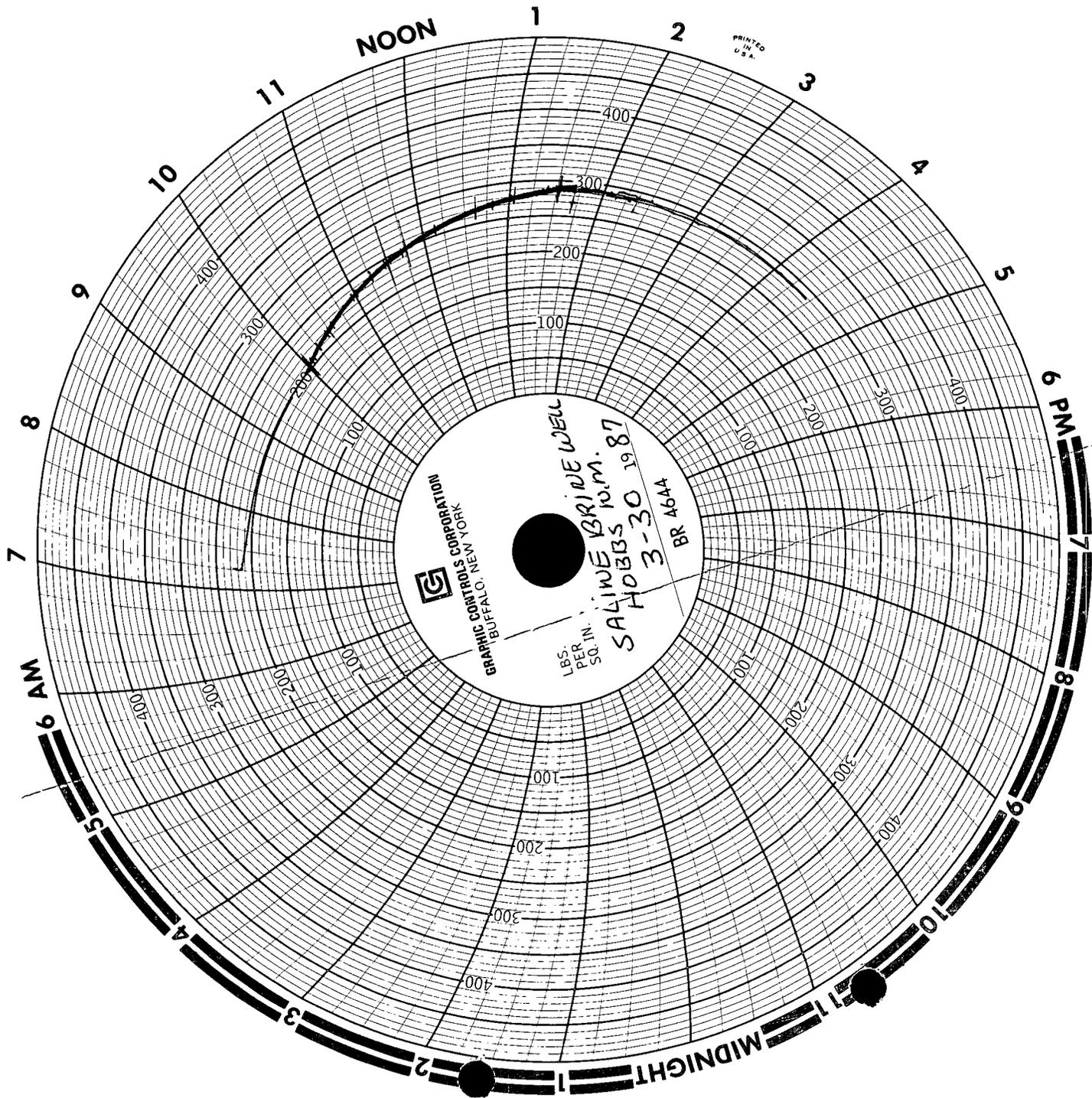
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MIDNIGHT

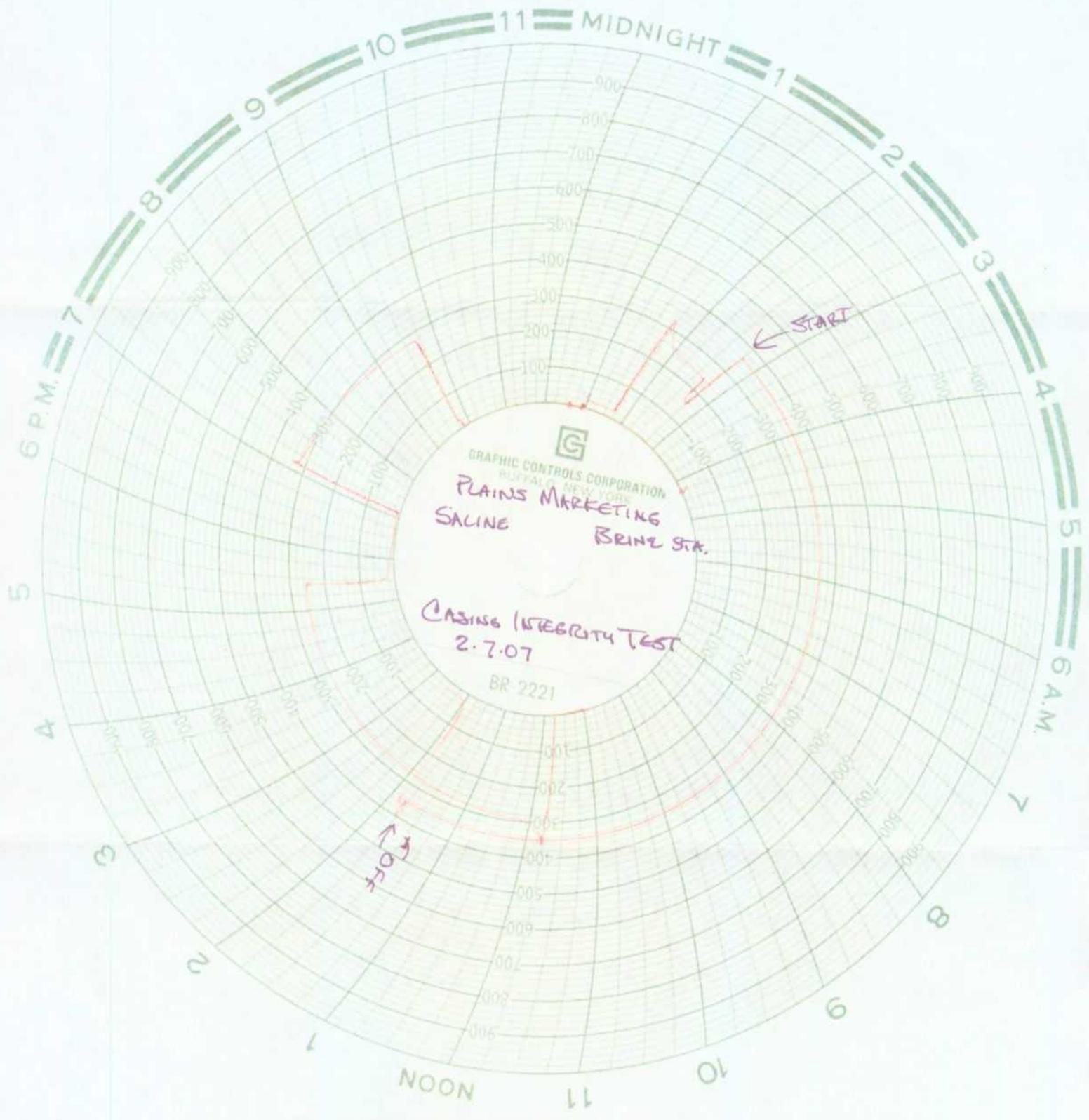


GRAPHIC CONTROLS CORPORATION
BUFFALO, N. Y.

LBS. PER 50 IN.
SALINE BRINE WELL
S HOBBS 10.M. 87
3-30 1987
BR 4644

PRINTED
U.S.A.

BW-12





THE PERMIAN CORPORATION
P. O. BOX 1183 HOUSTON, TEXAS 77251-1183

ATTN: MS. PAIGE



GROUND WATER SECTION
EID: GROUND WATER/HAZARDOUS WASTE BUREAU
P. O. BOX 968
SANTA FE, N. M. 87504-0968



BW-12 ✓
P/aim's Markings

Saline Brake

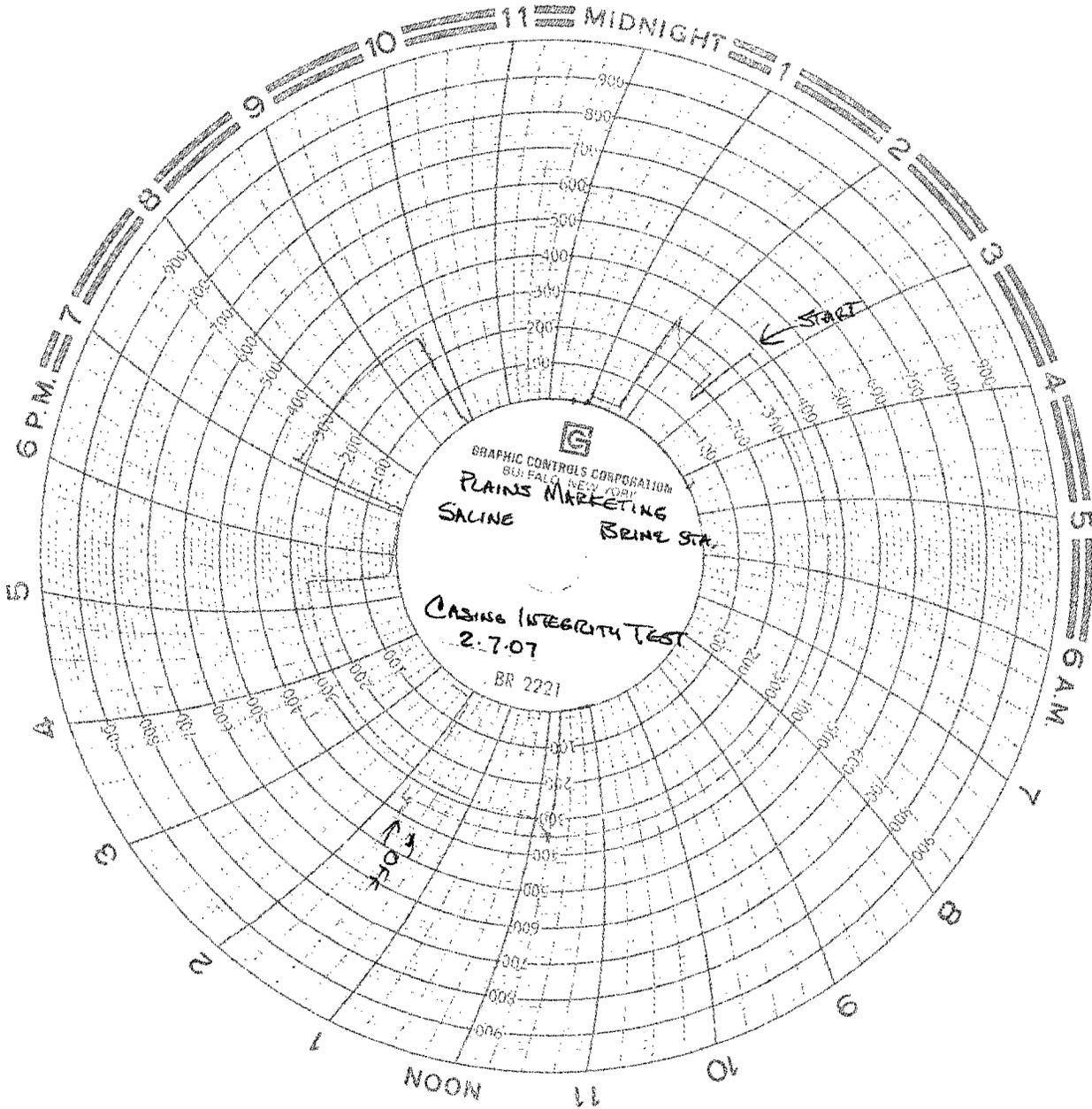
2-7-07

Dennis Kester

Johnson Road

TESTED 9:30-10:05 AM

Scurlock Permian LLC (BW-12) MIT
API# 30-025-12803 (2/7/2007)
350 to 340 psig per 30 minutes (Passed)
Witness: Larry Johnson (Hobbs District Office)



American Valve & Meter, Inc.

113 W. Broadway
P.O. Box 166
Hobbs, NM 88240

B-12
2/6/07
Culley

MIT 2/7/07 350 → 340psi 30 min
PASS

To: Key

Date: 11/27/06

This is to Certify that:

I, Brd Collins, Technician for American Valve & Meter, Inc.,

has checked the calibration of the following instrument

8" pressure recorder Serial Number 549A

at these points.

Pressure 0 - 1000 [±]

Temperature _____

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

Remarks: _____

Signature Brd Collins

Chavez, Carl J, EMNRD

From: Chavez, Carl J, EMNRD
Sent: Tuesday, January 30, 2007 8:36 AM
To: 'dfshear@paalp.com'
Cc: 'rddevore@paalp.com'; Price, Wayne, EMNRD
Subject: BW-12 MIT February 2007

Dennis:

Thank for contacting me to inform me about plans for the upcoming MIT. Every 5 years the OCD requires that the tubing be pulled and packer be set near the bottom of the casing shoe and a MIT run at 300 psig for 30 minutes with a chart recorder. Please find attached some guidance to assist you in the process.

Please contact me if you have questions. Thank you.

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

Brine Well Testing Technical Guidance

- 1) The cavern and all piping must be filled, pressured up and stabilized for a period of at least 24 hours prior to testing. If this test requires a packer then casing/tubing annulus must be loaded with inert fluid 24 hours prior to testing.
- 2) Have manpower and equipment available for pressure test. Wellhead shall be prepared for test and all valves and gauges should be in good working order.
- 3) Pumps, tanks, external lines etc. must be isolated from the wellhead during test.
- 4) A continuous recording pressure device with a **8 or 12-hour clock** shall be installed on the casing/tubing annulus. The pressure range shall not be greater than 500 psig. The operator must provide proof that the pressure-recording device has been calibrated within the past 6 months. **Note: Wells with packer installed: If this test requires both the casing/tubing annulus and cavern to be tested then two recording devices must be supplied or one recording device with two pins.**
- 5) A minimum of one pressure gauge shall be installed on the casing/tubing annulus.
- 6) OCD must witness the beginning of test (putting chart on) and ending of test (removing chart). At the end of test operator may be required to bleed-off well pressure to demonstrate recorder and gauge response.
- 7) The Operator shall supply the following information on the pressure chart:
 - A. Company Name, Well Name, API #, Legal Location.
 - B. Test Procedure (1) Casing + Formation (2) Casing Test Only (3) Both (4) Other
 - C. Testing Media: Water, Gas, Oil, Etc.
 - D. Date, time started and ending.
 - E. Name (printed) and signature of company representative and OCD Inspector
- 8) **TEST ACCEPTANCE:** The OCD will use the following criteria in determining if a well has passed the Mechanical Integrity Test:
 - A. **Passes** if Zero Bleed-Off during the test.
 - B. **Passes** if Final Test Pressure is within $\pm 1\%$ of Starting Pressure, if approved by the OCD inspector.
 - C. **Fails** if any Final Test Pressure is greater than $\pm 1\%$ of Starting Pressure. Operators must investigate for leaks and demonstrate that mechanical integrity of the well(s) by ensuring there are no leaks in the tubing, casing, or packer, and injected/produced fluids are confined within the piping and injection zones. Wells shall not resume operations until approved by OCD.

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

Also note: This document is intended to provide technical guidance to operators on technical means to achieve compliance with the rules and regulations of the Oil Conservation Division and the Oil and Gas Act. The test procedures set forth are not regulations or policies and therefore other methods may exist to achieve compliance with the rules and regulations and the Oil and Gas Act.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

January 26, 2007

Mr. Ron Devore
Plains Marketing L.P.
3514 Lovington Hwy.
Hobbs, New Mexico 88240

Re: BW-12 Annual Mechanical Integrity Test (MIT)
Scurlock Permian LLC.

Dear Mr. Devore:

The New Mexico Oil Conservation Division (OCD), Environmental Bureau had corresponded with you on July 26, 2006 to schedule a date and time for the Underground Injection Control (UIC) annual MIT. You had mentioned that Scurlock Permian LLC. was waiting for Key for a pulling unit to perform the MIT. On October 13, 2006, the OCD corresponded with you again about the MIT and allowed you an extension of 30 days or by November 13, 2006 to schedule a date and time to run the MIT.

To date, our records indicate that Scurlock Permian LLC. has not provided a date and time for conducting the MIT. The excuse has been acquiring a pulling unit to complete the MIT. The OCD recently witnessed a series of brine well MITs where operators indicated that they also experienced equipment delays on work over rigs, pulling units, etc.; however, they were all able to complete their MITs within their required MIT schedules.

Consequently, the OCD is allowing Scurlock Permian LLC. a final 30-day extension until February 28, 2007 to schedule a date and time to complete the MIT. If you do not meet this date, you may be out of compliance with OCD/EPA UIC Regulations.

Please contact Carl Chavez of my staff at (505-476-3491) or E-mail carlj.chavez@state.nm.us to schedule a date and time for the MIT that will allow the OCD to witness the MIT. Thank you.

Sincerely,

Wayne Price
Environmental Bureau Chief

LWP/cc
xc: OCD District Office

Chavez, Carl J, EMNRD

From: Ronnie D Devore [rddevore@paalp.com]
Sent: Friday, October 13, 2006 2:57 PM
To: Price, Wayne, EMNRD; Ronnie D Devore
Cc: Chavez, Carl J, EMNRD; Dennis L Shearer; Pierce M Broach
Subject: RE: Hobbs Brine well BW-12 pressure test

We are still waiting for a pulling unit to come available. We are on a waiting list. Thanks

-----Original Message-----

From: Price, Wayne, EMNRD [mailto:wayne.price@state.nm.us]
Sent: Friday, October 13, 2006 2:28 PM
To: rddevore@paalp.com
Cc: Chavez, Carl J, EMNRD
Subject: Hobbs Brine well BW-12 pressure test

Mr. Ron Devore:
505-441-6601

OCD requested this brine well to be tested on July 26, 2006. As of this date our records indicate this test has not been performed. Please note once every five years OCD requires that the tubing be pulled and packer be set near the bottom casing shoe and a MIT be ran for 300 psig for 30 minutes with a chart recorder. Please make arrangements with Mr. Carl Chavez (505-476-3491) to witness this test within 30 days.

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. - This email has been scanned by the Sybari - Antigen Email System.

Price, Wayne, EMNRD

From: Price, Wayne, EMNRD
Sent: Friday, October 13, 2006 1:28 PM
To: 'rddevore@paalp.com'
Cc: Chavez, Carl J, EMNRD
Subject: Hobbs Brine well BW-12 pressure test

*Called 10/13/06
THEY ARE WAITING ON
KEY FOR A PULLING UNIT!
JJS*

Mr. Ron Devore:
505-441-6601

OCD requested this brine well to be tested on July 26, 2006. As of this date our records indicate this test has not been performed. Please note once every five years OCD requires that the tubing be pulled and packer be set near the bottom casing shoe and a MIT be ran for 300 psig for 30 minutes with a chart recorder. Please make arrangements with Mr. Carl Chavez (505-476-3491) to witness this test within 30 days.

Price, Wayne, EMNRD

From: Price, Wayne, EMNRD
Sent: Wednesday, July 26, 2006 12:30 PM
To: 'Ron Devore (rddevore@paalp.com)'
Subject: Hobbs Brine well BW-12
Contacts: Ron Devore

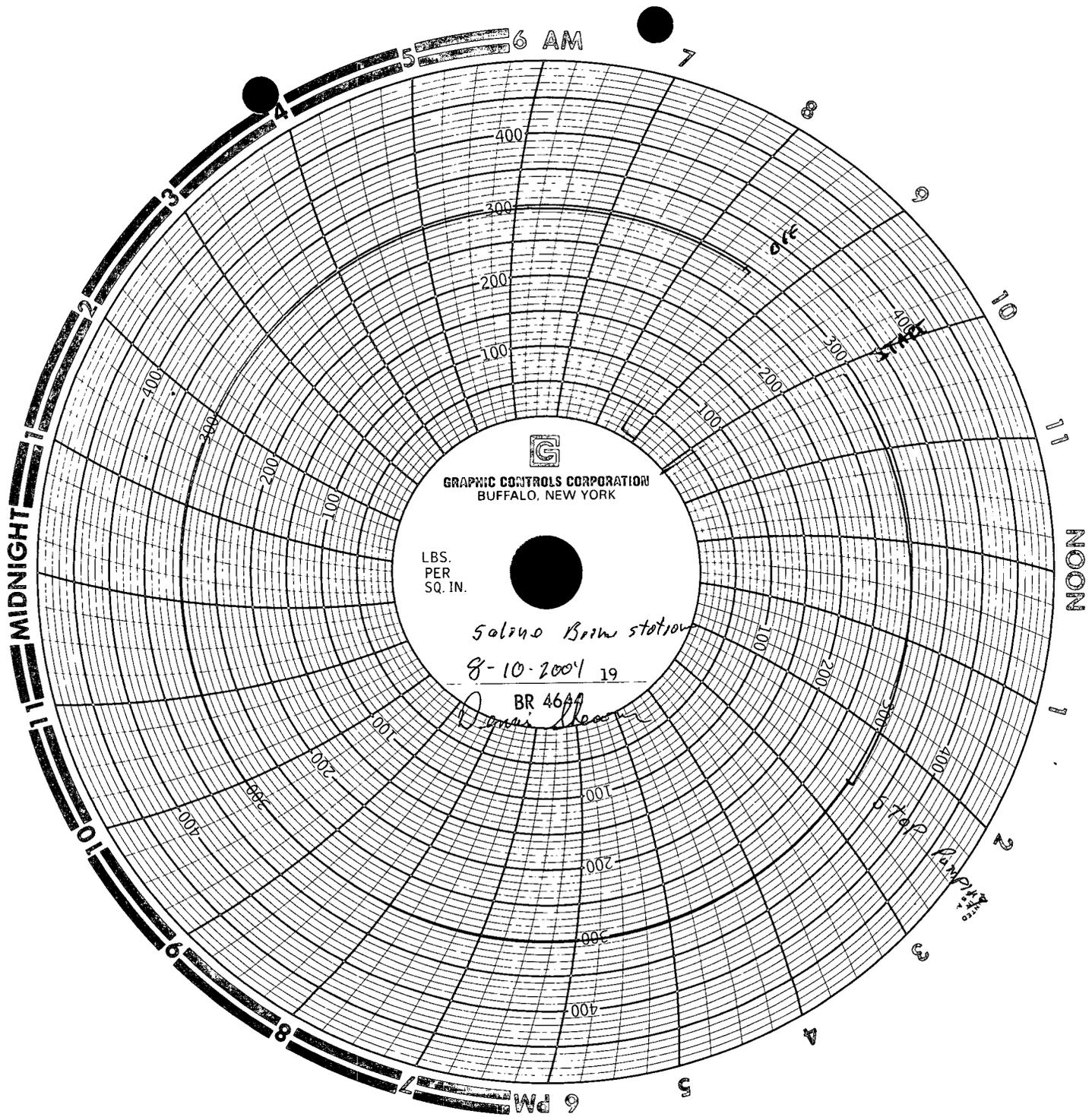
Dear Ron:

OCD records reflect that Plains failed to test the Brine well located on the Carlsbad highway last year. The brine well permit requires a MIT every year. Once every 5 years OCD requires the the tubing be pulled and a packer set near the bottom of the casing and casing pressured up to a minimum of 300 psig and held for 30 minutes.

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 perform this test within 30 days of receipt of this notification. Please notify this office and the local district office 3 working days in advance so we may witness the test.

If you have any questions please do not hesitate to call or write.



GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

LBS.
PER
SQ. IN.

Solino Brim station

8-10-2004 19

BR 4644

Dennis Deane

Step Pump

American Valve & Meter, Inc.

113 W. Broadway
P.O. Box 156
Hobbs, NM 88240

To: Plains

Date: 4/6/04

This is to Certify that:

I, Bud Tallin, Technician for American Valve & Meter, Inc.,

has checked the calibration of the following instrument

8" Pressure recorder Serial Number 19530

at these points.

Pressure 0-500

Temperature _____

Test	Found	Left	Test	Found	Left
<u>0</u>	<u>rechecked</u>	<u>0</u>	_____	_____	_____
<u>250</u>	_____	<u>250</u>	_____	_____	_____
<u>500</u>	_____	<u>500</u>	_____	_____	_____
<u>350</u>	_____	<u>350</u>	_____	_____	_____
<u>150</u>	_____	<u>150</u>	_____	_____	_____
<u>0</u>	_____	<u>0</u>	_____	_____	_____

Remarks: _____

Signature

Bud Tallin

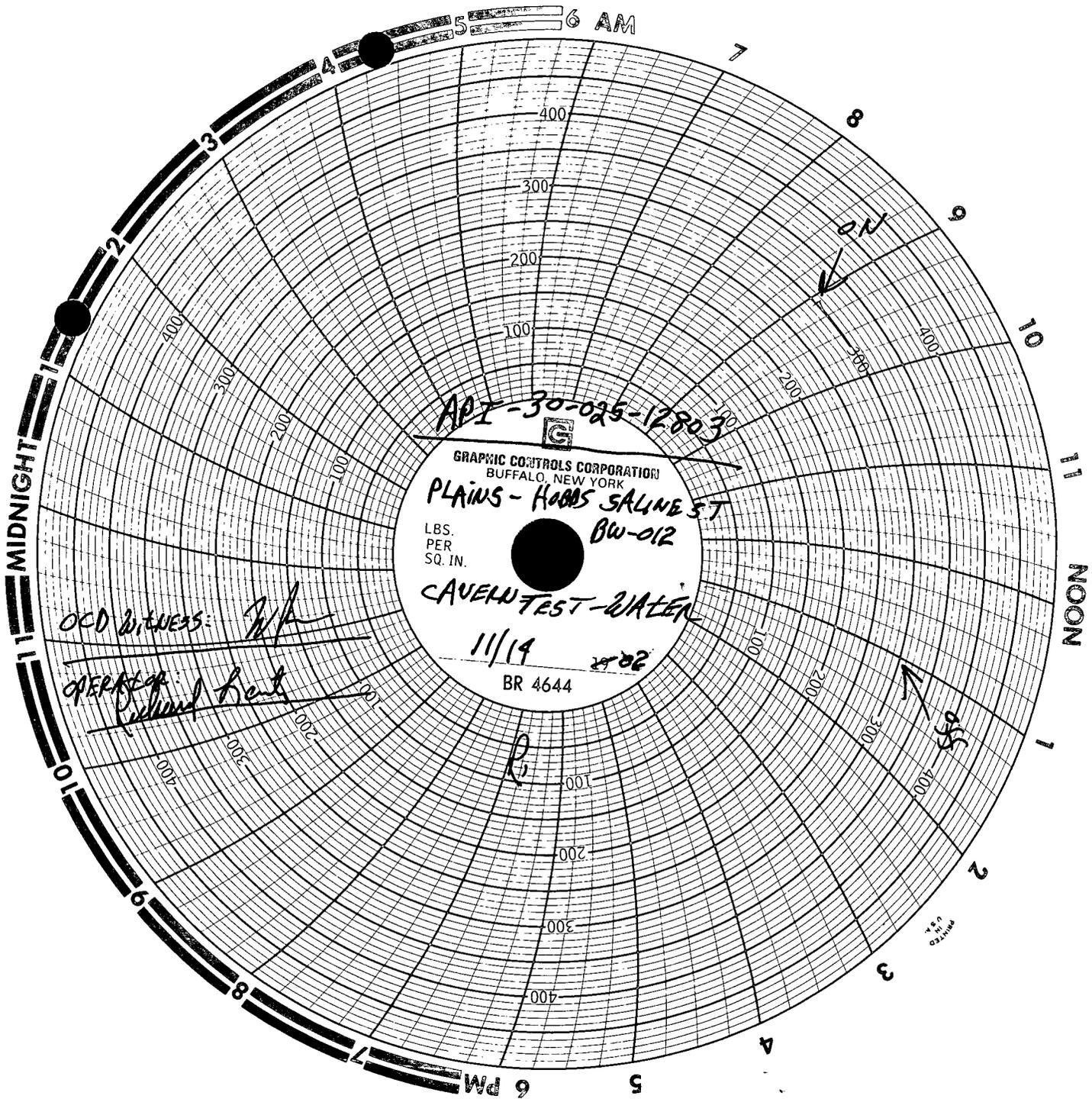
8-10-04 ON 8:30
OFF 1:30

Dennis Shearn

~~John Ross~~

W. Kelly

SALINE BRINE
35 18S 37E



API-30-025-12803

G

GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

PLAINS - HOBBS SALINE ST

LBS.
PER
SQ. IN.

BW-012

CAVE TEST - WATER

11/19 2002

BR 4644

OCD witness: [signature]

OPERATED: [signature]
Pithead test

PRINTED
IN U.S.A.

American Valve & Meter, Inc.

113 W. Broadway
P.O. Box 166
Hobbs, NM 88240

To: PLAINS Marketing - Hobbs

Date: 11-26-01

This is to Certify that:

I, Tony Flores, Technician for American Valve & Meter, Inc.,

has checked the calibration of the following instrument

8" 0-500# P.S.I. Recorder Serial Number _____

at these points.

Pressure 0-500#

Temperature _____

Test	Found	Left	Test	Found	Left
<u>0</u>	<u>0</u>	<u>0</u>	_____	_____	_____
<u>100</u>	<u>100</u>	<u>100</u>	_____	_____	_____
<u>200</u>	<u>200</u>	<u>200</u>	_____	_____	_____
<u>300</u>	<u>300</u>	<u>300</u>	_____	_____	_____
<u>400</u>	<u>400</u>	<u>400</u>	_____	_____	_____
<u>500</u>	<u>500</u>	<u>500</u>	_____	_____	_____

Remarks: _____

Signature Tony Flores



NEW MEXICO ENERGY, MINERALS and
NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

PLAINS ALL AMERICAN October 20, 2001
BW-12 & 27, 27A

CERTIFIED MAIL
RETURN RECEIPT NO. 5357 7539

Attention: Brine Well Operators

Re: Mechanical Integrity Testing of Brine Supply Wells

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

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

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

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

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



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

PLAINS ALL AMERICAN October 20, 2001
BW-12 & 27, 27A

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OCD BRINE WELL TESTING SCHEDULE 2001

Company	DF#	Facility Name	Date of Test	Start	Stop	Type of Test(s) Required	Contact Person	Telephone	FAX #/cell
Stearns Inc.	BW-013	Crossroads Area Crossroads	26-Nov-01	12 noon	4:00 PM	2 Pressure test cavern	L.A. Stearns	1-505-875-2356	1-505-875-2339
Marbob Brine Well	BW-029	Loco Hills Area M. Dodd "A" BW#1	27-Nov	9:00 AM	1:00 PM	2 Pressure test cavern	Doyle Davis	748-5875 cell	1-505-748-2523
Jims Water Ser.	BW-005	SE of Artesia	27-Nov	10:00 AM	2:00 PM	• Pressure test cavern or casing • 1,2 or 3	Sammy Stoneman	1-505-748-1352	1-505-748-3227
Key Energy	BW-018	Hobbs Area Truckers #2 (Hobbs)	28-Nov-01	8:00 AM	12 noon	2 Pressure test cavern	Royce Crowell	(505) 383-9171	505-910-4185
Scurlock-Permian	BW-012	Hobbs Station	28-Nov-01	9:00 AM	1:00 PM	2 Pressure test cavern	Richard Lertz	505-392-8212	392-8988
Zia Transportation	BW-018	Sally Dog-Ark Jct	28-Nov-01	10:00 AM	2:00 PM	2 Pressure test cavern	Piter Bergstein	806-741-1080	
Marathon Brine St	BW-015	Marathon Road	28-Nov-01	11:30 AM	3:30 PM	1 Pressure Test Casing	CW Trainer		
P&S Brine	BW-002	Eunice Area Eunice Brine Station	29-Nov-01	8:00 AM	12 noon	2 Pressure test cavern	Dink Prather	505-394-2545	394-2426
Key Slims-McCasland	BW-009A	Eunice Brine Station	29-Nov-01	9:00 AM	1:00 PM	2 Pressure test cavern	Royce Crowell	(505) 383-9171	505-910-4185
Yale E. Key (Old Goldstar)	BW-028	Eunice Brine Station	29-Nov-01	10:00 AM	2:00 PM	2 Pressure test cavern	Royce Crowell	1-505-394-2504	1-505-394-2560
I & W	BW-08	Carlsbad Area Carlsbad - Euglinie	30-Nov-01	8:00 AM	12 noon	2 Pressure test cavern	George Parchman	505-885-8663	885-8477
Key Energy-Carlsbad	BW-019	Rowland Truckers	30-Nov-01	9:00 AM	1:00 PM	2 Pressure test cavern	John Hutchison	1-505-885-2053	cell 390-1833
Scurlock/Permian	BW-027 & 27A	Carlsbad Brine St.	30-Nov-01	10:00 AM	2:00 PM	2 Pressure test cavern	Richard Lertz	505-392-8212	392-8988
Gandy	BW-04	Wells Already Tested in 2001 Wasserhund-Edison							
Gandy	BW-22	Tatum Brine St.							
Ray Westall	BW-21	Loco Hills Brine St.							
Chapanal SWD	BW-25	Wells Being Repaired- Salado Brine #2- Jcl							
Notes:									
Type of Pressure Test:	1 Casing Test					isolate cavern formation from the casing/tubing annulus and hydrostatic fluid pressure test the casing at 300 psig for 30 minutes.			
	2 Open Hole Cavern Pressure Test					Open hole cavern formation pressure test by pressuring up the formation with fluid to one and one-half times the normal operating pressure or 300 psig whichever is greater for four hours. Operators shall not exceed surface pressures that may cause formation fracturing or system failures OCD prior to test shall approve test pressures below 300 psig and methods that use media other than fluids. Brine supply wells operating with packers will have to pressure both the cavern formation and casing/tubing annulus.			
	3 Others					Nitrogen-Brine Interface Test, Nitrogen Test, Etc.			

PLAINS - SCORLOCK
BW-012

American Valve & Meter Service

1113 W. BROADWAY, HOBBS, N.M. 88240
P.O. BOX 1667, PHONE 505-393-578

TO Plains Marketing

DATE: 10-25-99

THIS IS TO CERTIFY THAT:

I, Jesse Young METER TECHNICAN FOR AMERICAN VALVE, INC., HAS
CHECKED THE CALIBRATION ON THE FOLLOWING INSTRUMENT. 0-1000#

pressure recorder SERIAL NUMBER 12546

AT THESE POINTS.

TEMPERTURE _____			P.S.I. <u>0-1000#</u>		
TEST	AS FOUND	AS LEFT	TEST	AS FOUND	AS LEFT
			<u>0</u>	<u>0</u>	<u>0</u>
			<u>500</u>	<u>500</u>	<u>500</u>
			<u>1000</u>	<u>1000</u>	<u>1000</u>
			<u>700</u>	<u>700</u>	<u>700</u>
			<u>300</u>	<u>300</u>	<u>300</u>
			<u>0</u>	<u>0</u>	<u>0</u>

REMARKS: _____

SIGNED: Jesse Young



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

Fax: 1-505-392-6988

October 19, 1999

Mr. Richard Lentz
Scurlock Permian Corporation
3514 Lovington Hwy.
Hobbs, New Mexico 88240

Re: Mechanical Integrity Testing of Brine Supply Wells.

This is a reminder that New Mexico Oil Conservation Division (NMOCD) will be witnessing mechanical integrity test for all brine supply wells during the time period between October 25 through November 2, 1999. A schedule was sent to each operator on September 11, 1999. Please note that if you were scheduled to "isolate the cavern and pressure test casing, and run a cavern survey", you will have the option this time to defer this procedure and just perform the annual open hole pressure test, however no bleed-off will be allowed. The NMOCD will notify you when these other conditions will be required.

Please have your well(s) ready for testing on the date and time you are scheduled. If there is some emergency which interferes with the scheduled date and time please call and notify NMOCD.

Failure to notify NMOCD may result in your operations being suspended until testing is complete.

If you require any further information or assistance please do not hesitate to write or call me at (505-827-7155) or notify Mr. Roger Anderson at (505-827-7152).

Sincerely Yours,

Wayne Price-Pet. Engr. Spec.
Environmental Bureau