

# AGAVE ENERGY COMPANY

105 South Fourth Street

Artesia, New Mexico 88210

(505) 748-4555

Fax (505) 748-4275

**VIA Certified Mail 7006 2150 0000 3855 1513**

March 29, 2007

Gerry Guye  
OCD District 2  
1301 W. Grand Avenue  
Artesia, NM 88210



Re: Mechanical Integrity Test  
Metropolis Disposal Well  
API No. 30-015-31905

Dear Gerry:

Agave received a letter in December 2006 requesting a mechanical integrity test on the Metropolis Disposal Well by February 2007. In December 2006, pressure tests and other tasks were performed on the well. I spoke with you on February 8, 2007. You indicated in that conversation that the work performed in December fulfilled the requirements mentioned in the previous letter. You also indicated that Agave would have to perform the mechanical integrity test by December 2007.

This letter is just to follow up that verbal agreement that Agave does not have to perform an integrity test on the Metropolis Disposal Well until December 2007.

If you have any questions, please do not hesitate to call me at 505-748-4471.

Sincerely,

A handwritten signature in cursive script that reads "Jennifer Knowlton".

Jennifer Knowlton  
Environmental Engineer

Accepted for record  
NMOCD A handwritten signature in cursive script, likely of the same person as the main signature, written over the "NMOCD" text.