

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor Betty Rivera Cabinet Secretary Lori Wrotenbery Director Oil Conservation Division

5/15/02

H.R.C. PO Box 5102 Hobbs, NM 88241

Re: Hobbs State #10, 30-025-35915, F-29-18S-38E-Brine Well APD

CONDITION OF APPROVAL

The approval of this APD is conditional:

1) HRC must either get letters of release from the objecting parties or;

2) Settle the objections at an NMOCD hearing in Santa Fe;

3) If HRC should choose to drill this well before the objections are waived or settled at hearing then HRC does so at its own risk.

Chris Williams-District I Supervisor

OPER. OGRID NO. 13/652
PROPERTY NO. 236 12
POOL CODE 96/23
EFF. DATE 5-14-02
API NO. 30-025-359/5