

AP - 053

**GENERAL
CORRESPONDENCE**

2008

NEW MEXICO SALT WATER DISPOSAL COMPANY, INC.

400 N. Pennsylvania Ave.
Suite 1000
P.O. Box 1518 (88202)
Roswell, NM 88201
575/625-0277 Telephone
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2008 NOV 25 PM 1 25

November 21, 2008

NMEMNRD, OCD
Attention: Wayne Price, Environmental Bureau Chief
1220 South St. Francis Drive
Wendell Chino Building
Santa Fe, NM 87505

RE: AP053
New Mexico Salt Water Disposal Company, Inc.

Dear Mr. Price:

On behalf of my client, New Mexico Salt Water Disposal Company, Inc. (NMSWDCo) I am enclosing for your review, comments and response the following: a drilling and completion prognosis for two (2) new monitor wells and a scaled map showing the locations for those two (2) new monitor wells. This proposal is submitted in response to your letter dated October 9, 2008 and in particular reference to your paragraph titled **REQUIREMENT TO SUBMIT PHASE TWO OF STAGE 1 ABATEMENT PLAN.**

While NMSWDCo is still in the process of preparing its responses to the balance of the items listed within your above referenced letter, other than that one item (Item 13) that we have already addressed and phase two of its Stage 1 Abatement Plan, we are in agreement with the desire of the OCD to drill the additional monitor wells to obtain the data from that drilling and sampling and to demonstrate our intent to move this process forward. Therefore, we would appreciate receiving your concurrence to our desire to not delay this part of our response in order for us to be able to provide a more rapid complete response to the above referenced requirement.

Please note, that as soon as we receive your agreement to this proposal, we will contract for the drilling and will provide your office with our proposed schedule.

Yours Sincerely,



Rory McMinn
Sage Service Group, LLC as consultant to and for:
New Mexico Salt Water Disposal Company, Inc.

cc: NMSWDCo OCD files
Charles B. Read
Gary Larson, Hinkle Law Firm
Thaddeus Kostrubala, SLO Environmental Engineer

Drilling and Completion Prognosis
New Mexico Salt Water Disposal Company, Inc.
November 21, 2008
Station #11, Unit D, Section 10, T10S,-R34E
Lea County, New Mexico

Drill two 2 inch diameter (completed diameter) monitor wells to 65 feet below ground surface.

- Proposed monitor well #4 will be located approximately 30 feet east and 30 feet south of the existing monitor well #1.
- Proposed monitor well #5 will be located approximately 100' due north of existing monitor well #2.

PROGNOSIS:

- Hollow stem auger drilling method will be utilized for both wells. Upon reaching total depth, 15 feet of 0.010 slotted screen will be set from total depth, 65 feet BGS to 50 feet BGS.
- Sand filter pack (16/30) will be from 65' feet to two foot above the top of the slotted screen at 48 feet BGS.
- A minimum two foot bentonite seal will be set a 48'-46 feet BGS, and then cement-bentonite seal from 46 feet to ground surface.
- A four foot concrete pad and 4' foot steel stick up well protector will be covering and protecting the monitor well.

SAMPLING:

Beginning at the surface to total depth, samples will be taken at least every 10 feet until the final sample from total depth. Sampling of captured fluids will include the following at both 30 feet BGS to 32 feet BGS and 60 feet BGS to 62 feet BGS: TPH Mod 8015 GRO/DRO, TPH 418.1, and Chloride

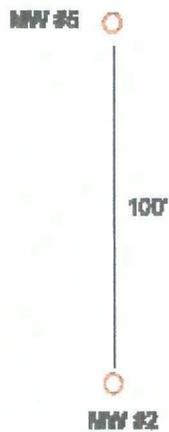
Should ground water be encountered, the monitor wells will subsequently be developed by the drilling contractor, all purged water will be stored on site drums, a minimum of three well volumes will be extracted and a groundwater sample taken and analyzed for total water chemistry which will include silica.

Drill cuttings will be placed on plastic sheeting or drummed until lab analysis results are completed and will then be disposed of in an approved site.

New Mexico Salt Water Disposal Co., Inc.

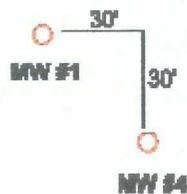
Station #11, Unit D Sec. 10, T10S - R34E

Lea County, New Mexico



**Proposed Monitor Well locations
MW #4 and MW #5. Drill to 65 ft BGS**

Plot is to scale



○ Monitor well

GeoScience Technologies
Kay Harvener, Ph.D., RFG
Roswell, New Mexico
November 18, 2008