



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

June 23, 1997

Beckham Oil Company
P.O. Box 1203
Jal, New Mexico 88252

Attention: Mr. Monty Beckham

Re: Lea "20" 7406-JV-S Well No.1
Unit P, Section 20, T-26S, R-36E,
Lea County, New Mexico

Dear Mr. Beckham:

In an effort to update our records concerning the Lea "20" 7406-JV-S Well No. 1, the Division is requesting that you supply the following described information:

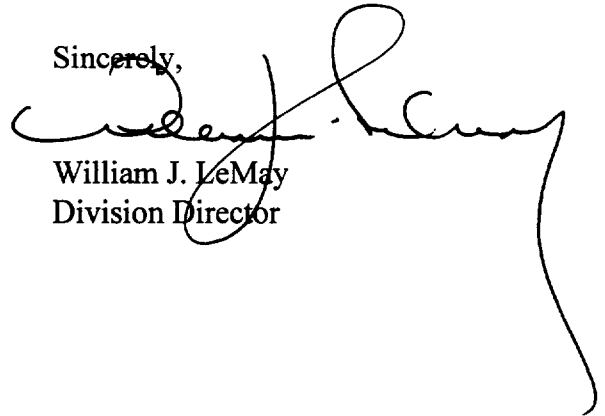
A description and analysis of the fluid being injected into the commercially operated Lea "20" 7406-JV-S Well No. 1. This includes an analysis of each and every water source and a description of its point of origin (i.e. San Andres produced water from the Grayburg-Jackson Pool). In addition, this includes water delivered to the well by pipeline and truck.

Division and Federal UIC Rules and Regulations require that all operators of disposal wells provide source water analysis at reasonable frequency. Our information indicates that the Lea "20" 7406-JV-S Well No. 1 was permitted by BTA Oil Producers in September, 1978, and that our files have not been updated since that time.

Please provide the information requested within 60-days from the date of this letter. If you need additional time, or you wish to discuss the matter further, please contact Mr. David Catanach at (505) 827-8184.

Failure to comply may result in the imposition of fines and/or the termination of injection authority.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', with a long, sweeping vertical line extending downwards from the end of the signature.

William J. LeMay
Division Director

xc: File-SWD-210 /
OCD-Hobbs
UIC Enforcement File