

4/5/06

NMOCD Engineering
Attn: David Catanach
1220 S. St. Francis Drive
Santa Fe, NM 87504

2006 APR 10 PM 1 23

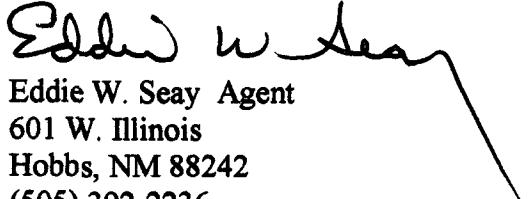
RE: Buckeye Disposal LLC
State AF #3
Unit L Section 8, T18, R35
R-8596

Mr. Catanach,

This letter is to confirm that Buckeye Disposal Took operations of the above listed well from Penroc Oil. The well was and has been operated as a commercial disposal. Attached is a listing of analytical from produced water that have been put into the system or that may have been disposed in the future.

If you have any questions or need additional information please call.

Thanks,


Eddie W. Seay Agent
601 W. Illinois
Hobbs, NM 88242
(505) 392-2236
seay04@leaco.net

POOL: Lusitano - Standard

All values in Parts per Million - PPM.

Pool Chloride Average (All Pool Formations).	Form.	Strata	64,839
Pool Formation Average - PPM Cl.	Form.		
Pool Formation Av. Value - PPM Cl.	Form.		
Pool Formation Average - PPM Cl.	Form.		

CODE:

WF = Water Flood Water

מג' ר' יוסי ר' מילא

PW = Produced Water (Primary)

R = Reef water.

POOL: first - 2nd

All values in Parts per Million - PPM.

COMPANY	LOCATION	FORMATION	CODE	Chloride Cl.	Sodium Na.	Magnesium Mg.	Calcium Ca.	Sulfate SO ₄	Sulfide H ₂ S
-	22-18-32	Natas	W	25,600					
Pool Chloride Average (All Pool Formations).		Form.	Wf ₂₃	25,600					
Pool Formation Average - PPM Cl.		Form.							
Pool Formation Av. rate - PPM Cl.		Form.							
Pool Formation Average - PPM Cl.		Form.							

CODE:
WF = Water Flood Water
PW = Produced Water (Primary)
R = Reef water.

POOL: Dean - Penn

All values in Parts per Million - ppm.

COMPANY	LOCATION	FORMATION	CODE	Chloride Cl.	Sodium Na.	Magnesium Mg.	Calcium Ca.	Sulfate So4	Sulfide H2S
Atlantic ~020	5-16-37	Pearl	Pa	44,730	29,025				
A.H. Rich Ros Stn.	35-15-36	Plan	Pr	48,700	27,500	668	2680	460	

Pool Chloride Average (All Pool Formations).	Form.	100,000	46,915
Pool Formation Average - PPM Cl.	Form.		
Pool Formation Avg. Value - PPM Cl.	Form.		
Pool Formation Average - PPM Cl.	Form.		

CODE:

WF = Water Flood Water

PW = Produced Water (primary)

R = Reef water.

POOL: "Parable" A. also

All values in Parts per Million - PPM.

COMPANY	LOCATION	FORMATION	CODE	Chloride Cl.	Sodium Na.	Magnesium Mg.	Calcium Ca.	Sulfate So4	Sulfide H2S
-	20-117-36	Ales	PW	118,800	7,000	4/65	?	Trace	
Pool Chloride Average (All Pool Formations).	Form.	118,800							
Pool Formation Average - PPM Cl.	Form.								
Pool Formation Average - PPM Cl.	Form.								
Pool Formation Average - PPM Cl.	Form.								

CODE:
WF = Water Flood Water
PW = Produced Water (Primary)
R = Reef water.

POOL: E. H. — Queen

E. K. — Queen

All values in Parts per Million - PPM.

POOL: Hume - Queen (Pool Abd)

LEA

POOL: HEMMIZ - Lower Wolfcamp

16A