

James Ranch Unit No. 3

1. Name of formation(s) producing water on the lease:

Morrow

2. Amount of water produced from all formations in bbls/day:

The well averages 8 barrels of water/day

3. How water is stored on lease:

210 barrel fiber glass tank

4. How water is moved to the disposal facility:

Polypipe line to Bass' SWD well.

5. Primary disposal facility:

Bass Enterprises' Legg Federal #1, R-6643, located 660' FNL & 1980' FEL (UL B), Section 27, T22S, R30E, Eddy County, New Mexico.

6. Secondary disposal facilities:

Enron Oil & Gas Company's Vaca Ridge 30 Federal #1 SWD-549, located 1980' FSL & 1980' FWL (Unit K) of Section 30, T24S, R34E. Lea County.

Bettis, Boyle & Stovall's Littlefield Federal No. 1 SWD R-485, located 660' FNL & 1980' FEL (Unit B) of Section 11, T24S, R31E. Eddy County.

Aug 23 1 51 PM '96

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