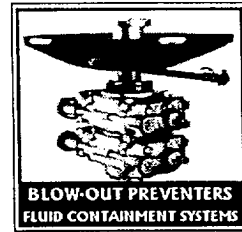


**D & L Meters & Instrument Service, Inc.**  
P.O. Box 1621  
Lovington, NM 88260  
(505) 396-3715 FAX (505) 396-5812



I & W

Saturday, August 18, 2001

**Certification of Pressure Recorder Test:**

Model: PMC 1000# 8" SER. # 12137

This Pressure Recorder was tested at midrange for accuracy and verified within  
+5% and -5% for 1,000 # Pressure Element.

  
\_\_\_\_\_  
Jesse Arenivas, Technician



ARTESIA  
(505) 746-4214  
1 (800) 748-1972

CARLSBAD  
(505) 885-6663  
1 (800) 658-2739

P.O. BOX 98  
LOCO HILLS, NEW MEXICO 88255

LOCO HILLS  
(505) 677-2111  
1 (800) 748-1972

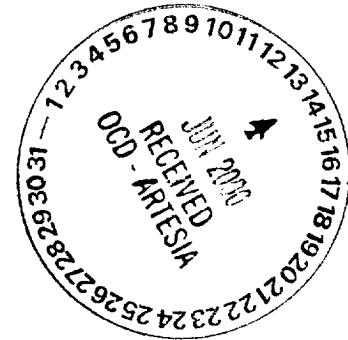
LOVINGTON  
(505) 396-3331  
1 (800) 748-2084

New Mexico Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87505

June 12, 2000

Attn: Wayne Price

Re: Eugenio #1  
Brine Extraction Facility  
Discharge Plan # BW-006



To Whom It May Concern:

We received permission to begin loading the cavern from the OCD, for a cavern Test. We began using our own pump truck units to load the cavern putting approximately 4,000 bbls of fresh water into the cavern. Due to truck scheduling, customer service, and the loss of revenue we would have to pull the unit when needed to fill prior commitments leaving the truck off the cavern for 3 to 4 days at a time. At this time we hired Davis Tool reverse unit pump and resumed pumping, continuing for approx. 3 1/2 days @ 2.5 bbls. Per minute. Pressure did not seem to be coming up after reaching a point around 240 PSI. After pumping another 2 or 3,000 bbls, we shut down and called Wayne Price in Santa Fe. Relaying to him that the well would hold about 235 to 240 PSI and would not go any further. The total amount of Barrels pumped was approximately 17,500.

Mr. Price agreed that the well was 1 1/2 times the normal pump in pressure. Which is 75 to 100 PSI. He then instructed us to test the well with Mr. Mike Stubblefield As the witness for Oil Conservation Division. As Instructed we ran a chart for 4 hours. Showing no change at all. The gauge as of June 12, 2000 is setting at 233 PSI. The Chart was ran May 31, 2000.

Sincerely,

A handwritten signature in cursive script that reads 'George Parchman'.

George Parchman  
Manager

GP:lr