

Coleman Oil & Gas, Inc.
P.O. Drawer 3337
Farmington, NM 87499-3337

VIA US MAIL

Tuesday, June 06, 2006

Oil Conservation Division
District III
1000 Rio Brazos Rd.
Aztec, NM 87401

Attn: Charlie Perrin

Re: Administrative Order SWD-1010

*Juniper SWD #4
30-045-32783
N-17-24N 10W*

Dear Mr. Perrin:

As per the requirements for Administrative Order SWD-1010 for the authorization to dispose of produced water from the Fruitland Coal Formation into the Menefee and Point Lookout Members of the Mesaverde Formation; operator shall provide written notice of the date of commencement of injection to the Aztec district office of the Division. Bruce Taylor with Coleman Oil & Gas, Inc. met on location with BLM representative Lester Jaramillo and OCD representative Monica Kuehling for the braden-head test. Tubing casing annulus integrity test was previously witnessed on March 17, 2006 by the same government personnel as mentioned above with Joe Lisenbee representative for Coleman Oil & Gas, Inc. Final approval to dispose of water into the Juniper SWD #4 was given by Aztec OCD. On Wednesday May 17, 2006 started disposing of produced water from the Basal Fruitland Coal into the Menefee and Point Lookout members of the Mesa Verde Formation.

If you have any questions give me a call at the phone number listed below.

Sincerely,

Coleman Oil & Gas, Inc.

Michael T. Hanson

Michael T. Hanson
Operations Engineer
(505) 327-0356

xc: Bureau of Land Management – Farmington
Chris Coleman
Well File

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