



COLEMAN OIL & GAS, INC.

VIA US MAIL
Tuesday, May 29, 2007

Oil Conservation Division
District III
1000 Rio Brazos Rd.
Aztec, NM 87410


RCVD MAY30'07

OIL CONS. DIV.

Attn: Charlie Perrin

DIST. 3

Re: Administrative Order SWD-1055

 Dear Mr. Perrin:

30-045-33771

As per the requirements for Administrative Order SWD-1055 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 OCD Representative Monica Kuehling for the Braden-head and the Tubing Casing Annulus Integrity test. Verbal approval to dispose of water into the Juniper West SWD #1 was given by Aztec OCD. On Wednesday April 18, 2007, COG 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, please give me a call at the phone number listed below.

Sincerely,

Coleman Oil & Gas, Inc.



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

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