

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary Mark E. Fesmire, P.E. Director Oil Conservation Division

May 20, 2005

Mr. Jim Wilson 505-392-9575 Fax 505-392-3085 Artesia Aeration, LLC PO Box 310 Hobbs, New Mexico 88241

Dear Sir:

The Division received your "Notice of Withdrawal of Application of Artesia Aeration, LLC to Modify its Existing NMOCD Rule 711 Permit No. NM-01030 So That They May Accept Salt-Contaminated Oilfield Wastes" on May 19, 2005.

Please be advised the Division will be issuing a formal order finalizing the status of Division Case No. 13481. However, in the interim, the Division's March 4, 2005 letter to Artesia Aeration, LLC is still in effect. The operative statement in that letter is:

"Effective immediately, the NMOCD permitted landfarm identified above (Permit No. NM-1-0030) is prohibited from accepting oilfield waste contaminated with salts."

Thank You,

Mark E. Fesmire, P.E. Division Director

Copied by Fax 505-983-6344 to: Mr. Bruce S. Garber Garber and Hallmark, P.C. Attorneys at Law 200 W. Marcy, Suite 203 PO Box 850 Santa Fe, New Mexico 87504