

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

August 14, 2007

Mr. Sammy Stoneman Jim's Water Service of New Mexico P.O. Box 1387 Artesia, New Mexico 88211-1387 AUG 17 2007 OCD-ARTESIA

Re:

Jims Water Service, Brine Well Discharge Plan (BW-005)

State 24 Well #1 (API# 30-015-02036)

UL:J 24-18S-28E, Eddy County

Dear Mr. Stoneman:

The New Mexico Oil Conservation Division (OCD), Environmental Bureau (EB) has confirmed that your discharge plan is currently expired and without a permit. This is a violation of your discharge plan permit and is subject to penalties under 20.6.2 NMAC.

Therefore, the EB hereby requests that you submit a discharge plan renewal application with \$100.00 filing fee (check made payable to the "Water Quality Management Fund") by September 17, 2007. Along with your application, you will need to address the attached 20.6.2.3108 NMAC Public Notice provisions for administrative completeness.

In addition, the OCD is upgrading the minimum bond amount to \$50,000.00 for Class I and III Wells effective January 1, 2008. Our current bond record for your brine well indicates that it will need to be increased to at least \$50,000.00. Our bond record for your well currently indicates the following:

Bond: BO01493; \$5000.00; 4/25/05; US Specialty Insurance Company

Please contact me at (505-476-3491) or E-mail <u>carlj.chavez@state.nm.us</u> if you have questions. Thank you.

Sincerely,

Char of Characas

Mr. Carl J. Chávez

UIC Quality Assurance/Quality Control Officer

xc: OCD District Office