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**JAN 18 1978**

**O. C. C.**  
**ARTESIA OFFICE**

PAUL SLAYTON

P O Box 1936

Roswell, New Mexico 88201

January 17, 1978

N Mex OCC  
P. O. Drawer D D  
Artesia, New Mexico 88210  
Attention: Mr. Mike Williams

Re: Diablo State  
Chaves Co., N Mex.

Dear Mr. Williams;

Reference to your letter of January 12, 1978.

We are this date going to work on the Diablo lease to fill in and clean up pit.

The water that was in the pit when we treated the well was rain water. The bottom of the pit had 1/2 ft. of iron sulfate that had hardened making a solid bottom with no way for any water to get out. To this we added acid water and load water of which we are still recovering a little. Also, we have added a 3 inch layer of interface which floats on top of water sealing the top of the pit so we have several hundred barrels of water which cannot evaporate or soak in. The oil we produce out of this well has a high iron sulfate content making it necessary to bleed off considerable amount of tank bottoms and also we have to change the water in the gun barrel periodically.

When we get the old pit filled in and leveled, we will cut a new pit to handle our iron sulfate and basic settlement drainage.

Hoping this will straighten up any questions you have.

Very truly yours,

  
Paul Slayton

PS/rw