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Houston, TX, 77084 Phone: 281.944.3000 Fax: 281.944.3042

UNDERGROUND STORAGE ENGINEERING

Thursday, December 27, 2012

HOSS OCD

JAN 02 2013

Cyril Breheret Engineering Manager 16420 Park Ten Place Dr. Suite 450 Houston, TX 77084

RECEIVED

Elidio Gonzales – District Supervisor New Mexico – Oil Conservation Division District 1 – Hobbs 1625 N. French Dr. Hobbs, NM 88240

Accepted for Record Only EC-71-7-2013

Our ref: JA3301/12 004/O/N/O

Subject: Mechanical Integrity Test - JAL LPG STORAGE WELL#3 (30-025-35956)

Dear Mr Gonzales,

The Mechanical Integrity Test for the subject well, which is owned and operated by Western Refining, JAL NM LPG Storage was carried out on December 22, 2012.

The observed variation in pressure and measured apparent seepage rate are in compliance with the OCD pass criteria. The subject well and salt formation is considered as tight within the accuracy of the test method.

Please find attached two (2) copies of the test results for your perusal.

Regards,

Cyril Breheret Engineering Manager