

Tipperary

CORPORATION

First Interstate Tower North
633 17th Street, Suite 1550
Denver, Colorado 80202

Our Phone: 303-293-9379
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Today's Date: 1/07/94

Pages: # 3 (In addition to this cover sheet)

TO: # 1-505-827-5741

Person: Mr. Ben Stone

Company: OCD New Mexico

From: Robert T. Larson Jr.
Manager, Oil and Gas Operations

*Elanie
Trice*

Message: Ben, here is the information that you requested regarding the documentation of the purchase of the O.G. State #2, [T11s - R33E Sec 9 tract 'L' (NWSW), Lea Co. NM] by Burro Pipeline Corporation from LBO New Mexico, Inc. The permit for subsurface water disposal in the O.G. State #2 should be prepared in the name of Burro Pipeline Corporation. A notice of Burro Pipelines intent to apply for a water disposal permit was run in the Hobbs, New Mexico paper on July 22, 1993. An affidavit of that notice being run was sent to LBO and was supposed to have been sent to the New Mexico OCD at the same time. If you have not found the notice, please call me so that we can follow up.

We are in the last stages of completing the surface installations so that we may begin injecting water into the O.G. State #2. The construction of the connecting pipeline from Satellite #5 to the O.G. State #2 is finished. I have been in constant contact with Kathy Brown in this regard. Please call if there is anything else that is required before issuing our permit.

Thanks for all your help.