

November 24, 1997

Mr. Paul Prather P&S Brine Sales P.O. Box 7169 Eunice, New Mexico 88231

RE: Mechanical Integrity Testing of Brine Supply Wells

Dear Mr. Paul Prather:

Enclosed is a copy of the mechanical integrity test conducted on your brine well. Please retain this copy for your records.

As a condition of discharge plan approval, all brine facilities are required to submit a quarterly report listing, by month, the volumes of fluids injected and produced. The New Mexico Oil Conservation Division (OCD) has not received any quarterly reports for the Eunice or the Jal brine stations. Please update all delinquent quarterly reports by January 26, 1997.

On behalf of the OCD, I would like to thank you for your time and cooperation during the testing. If you have any questions, please contact me at (505) 827-7155.

Sincerely, Mark July

Mark Ashley Geologist

Attachment