

TESORO PETROLEUM CORPORATION

Suite 2000 First of Denver Plaza Building

633 Seventeenth Street

DENVER, COLORADO 80202

Rocky Mountain District

(303) - 825-2000

October 18, 1977

Mr. Joe D. Ramey
Secretary-Director
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: Application for Conversion of Hospah Sand Unit No. 49 to Water Injection.
(Unit A, Section 1, T17N, R9W, McKinley Co., New Mexico)

Dear Mr. Ramey:

We have received Order WFX No. 456 approved by you on October 3, 1977. The order permits conversion of Hospah Sand Unit No. 49 to water injection, but it restricts the wellhead injection pressure to 320 psi.

Based on our long experience in the area, we feel that 500 to 800 psi will be necessary to inject an adequate volume of water (600-1000 BWPD) and that these pressures will not cause fracturing of confining strata. Numerous injection wells around the edge of this field are currently injecting within this pressure range. We have sand-oil frac treated the northeast offset to HSU No. 49 (HSU No. 50) and the southeast offset (HSU No. 1-Y) without fracturing the confining strata. Based on the breakdown pressures of these two frac jobs, the probable Hospah Upper Sand surface breakdown pressure (with water in the hole) for HSU No. 49 is 940 psi.

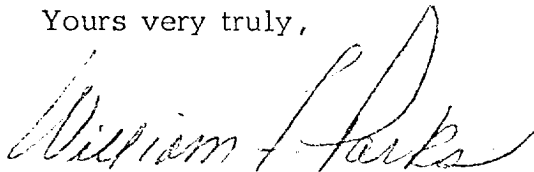
We are requesting an 800 psi maximum injection pressure to reduce future correspondence on this matter, and to prevent the loss of this well as an effective Upper Hospah Sand injector through fracturing of the sand. The initial limit for our field personnel will be 700 psi with increases only after monitoring and evaluation of results by engineers indicate a need for additional pressure and a lack of formation parting.



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If any additional information is necessary for approval of this request,
please feel free to call me or Mr. Fred Kastner collect at (303) 825-2000.
Thank you for your help in this matter.

Yours very truly,

A handwritten signature in cursive script that reads "William F. Parks". The signature is written in dark ink and is positioned above the typed name and title.

William F. Parks
District Production Superintendent

WFP/FEK/iw

cc: Mr. A. R. Kendrick
Supervisor, MNOCC - III
1000 Rio Brazos Road
Aztec, New Mexico 87401
file