

NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

September 16, 1997

Mallon Oil Company
P.O. Box 3256
Carlsbad, New Mexico 88220

Attention: Mr. Terry Lindeman

Re: Permit Modification
SWD-665

Dear Mr. Lindeman:

RECEIVED
SEP 18 1997

OIL CON. DIV.
DIST. 3

Reference is made to your request dated September 15, 1997, for authorization to inject approximately 100 MCF per day of H₂S gas into the Simms Well No. 1 located in Unit J of Section 13, Township 30 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, a disposal well permitted by Division Order No. SWD-665.

Pursuant to Division and/or Federal UIC Rules and Regulations, your request is hereby approved subject to the following conditions:

- a) the volume of injected H₂S gas shall be limited to 100 MCF per day; and,
- b) the operator shall conduct a mechanical integrity pressure test on an annual basis, and shall notify the Aztec district office of the Division prior to testing.

Division Order No. SWD-665 is hereby amended to include these conditions.

Sincerely,

William J. LeMay
Director

xc: NMOCD-Aztec
File-SWD-665