

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Dylan M. Fuge
Deputy Secretary

Dylan M Fuge,
Director Oil Conservation
Division (acting)



Ben Stone
SOS Consulting, LLC
Agent for Spur Energy Partners, LLC
ben@sosconsulting.us

RE: Injection Pressure Increase; Order IPI-547
Lakewood Farms NO.1 SWD (30-015-28164)
Pool: SWD; Cisco-Canyon (Pool Code: 96186)
Eddy County, New Mexico

Ben Stone:

Reference is made to your request on behalf of Spur Energy Partners, LLC (OGRID 328947); the “operator”) for the application received on January 25, 2024, to increase the maximum surface injection pressure (“MSIP”) based on Step Rate Test result which is 0.256 psi/ft pressure gradient be applied on the subject well.

Well Name	API Number	UL-S-T-R	Injection Authority	Existing MSIP Limit (psi)	Existing Tubing OD (in)
Lakewood Farms NO. 1 SWD	30-015-28164	D-18-19S-26E	SWD-1544	1552	3.5

It is the Oil Conservation Division’s (“OCD”) understanding that the requested pressure increase is needed to increase the rate of injection and this pressure increase will not result in:

1. the fracturing of the permitted disposal interval;
2. the fracturing of either the upper or lower confining strata; or
3. induced-seismic events as a consequence of the higher injection pressure.

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Spur Energy Partners, LLC.

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Based on the results of the submitted step rate injection test, considering the wellhead pressure rating of the well and application of a 10% of safety factor, the following shall be the new pressure limit for subject well listed below while equipped with 3.5-inch **injection** tubing:

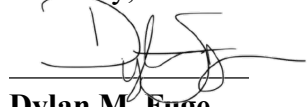
Well Name	Step Rate Test Base on:	New MSIP Limit (psi)	While injecting	Injection Interval (ft)	Pressure Gradient (psi/ft)
Lakewood Farms NO. 1 SWD	30-015-28164	$(0.256 \text{ psi/ft} \times 7760 \text{ ft.} - 10\%*) = 1787.9 \text{ psi}$	Water (8.3 ppg)	7760-8037	0.256

*10% safety factor

This approval is based on the provision that the tubing size, packer setting depth and completion interval for the well do not change and all provisions in IPI-547 are adhered. Any future requested pressure increase will require resubmission of additional data. The Director retains the right to require, at any time, wireline verification of completion and packer setting depths in the well. This approval is subject to your being in compliance with all other OCD rules including, but not limited to, Rule 19.15.5.9 NMAC.

The Director may rescind any injection pressure increase permit if it becomes apparent that the injected fluid is not being confined to the permitted disposal interval, impacts correlative rights, is endangering any freshwater aquifer or endangers public health and safety.

Sincerely,



Dylan M. Fuge
DIVISION DIRECTOR (Acting)
DMF/mgm

Date: 3/27/24

cc: Oil Conservation Division – Santa Fe Office
Order IPI-547
Well file 30-015-28164

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
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CONDITIONS

Action 330458

CONDITIONS

Operator: Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024	OGRID: 328947
	Action Number: 330458
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
mgebremichael	None	4/5/2024