



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

December 12, 1997

Devon Energy Operating Corporation
20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102-8260

Attn: Mr. Randy Jackson

Re: Recent request for increase in injection pressures - additional data required.

Dear Mr. Jackson:

Reference is made to your recent request for administrative approval to increase your injection pressures on 59 wells in Turner 'A', Turner 'B', C.A. Russell, Hudson Federal, and Friess-Fren Waterflood Projects in Eddy County, New Mexico. During the review process by the Engineering Bureau, the recommendation was made to not allow additional pressure increases based solely stimulation pressure gradient data. As the area in question is quite large, and the Division used leniency in allowing similar data to be used previously resulting in approved injection gradients ranging from .35 to .55 psi per foot. The Division therefore requests that, prior to approving an additional increase, actual step-rate test data be obtained. However, it will be acceptable to strategically plan the step-rates so as to allow a three-for-one coverage of the area.

With step-rate test data on one well of every three, in combination with the stimulation pressure gradient data, our confidence level will be much greater that the formations will be protected and the possibility of upward migration of any injected fluids will be lessened.

As soon as this data, along with a plat showing wells actually tested and those for which data is inferred, the Division will expedite the continued processing of your request. You may fax this data if desired to: (505)827-8177 or 827-1369.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay", written over a horizontal line.

William J. LeMay
Director

WJL/BES