

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary

> Saga Petroleum LLC 415 W. Wall, Suite 1900 Midland, Texas 79701

Attn: Bonnie Husband

RE: Injection Pressure Increases G.H. Mattix Wells No.2 and 5 Lea County, New Mexico

Dear Ms. Husband:

Reference is made to your request to the New Mexico Oil Conservation Division (Division) received October 6, 2003, to increase the surface injection pressure on the subject wells. This request is based on step rate tests conducted in late September 2003. Results of these tests have been reviewed and we feel an increase in injection pressure on these wells is justified at this time.

On each of the following wells, you are hereby authorized to inject water at pressures up to the following maximum surface tubing pressure.

Well and Location	Maximum Surface Injection Pressure
G.H. Mattix Well No. 2 API:30-025-10989	1,650 PSIG
G.H. Mattix Well No. 5 API:30-025-10986	1,700 PSIG
These wells are located in Section 3, Township 24 South, Range 37 East, Lea County, New Mexico.	

The Division Director may rescind these injection pressure increases if it becomes apparent that the injected water is not being confined to the injection zone or is endangering any fresh water aquifers.

Sincerely, Lori Wrotenbery (WVJT) Director

LW/wvjj

cc: Oil Conservation Division - Hobbs File: 2003 PSI-X; Case File 7552, R-7082 File WFX-641

> Oil Conservation Division * 1220 South St. Francis Drive * Santa Fe, New Mexico 87505 Phone: (505) 476-3440 * Fax (505) 476-3462 * <u>http://www.emnrd.state.nm.us</u>

October 14, 2003 IPI-210

Lori Wrotenbery Director Oil Conservation Division