



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

October 10, 2007

Administrative Order IPI-286

Coleman Oil & Gas, Inc.
P.O. Drawer 3337
Farmington, NM 87499-3337

Attention: Michael T. Hanson

RE: Injection Pressure Increase Request

Juniper SWD Well No. 4 (API No. 30-045-32783)
Unit N, Section 17, Township 24 North, Range 10 West, NMPM
SWD; Mesaverde Pool (Menefee and Point Lookout Injection Intervals)
Perforations: 2815 feet to 3765 feet
San Juan County, New Mexico

Reference is made to your request dated October 4, 2007, to increase the surface injection pressure on the above named disposal well.

Administrative Order No SWD-1010 approved on December 27, 2005, permitted this well for injection into the above referenced formation and perforations and allowed a maximum surface injection pressure of 563 psi. It is our understanding that this well will not take a sufficient volume of water at this pressure and additional pressures are needed to enable increased water disposal from Coleman's operations.

The basis for granting this pressure increase is an injection test run by Coleman on this well on September 5, 2007. Coleman measured both surface and bottomhole pressures during this test.

You are hereby authorized to utilize up to 960 psi as the maximum surface injection pressure on this well provided the tubing, size, type, and setting depth does not change.

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

Sincerely,

Mark E. Fesmire, P.E.
Director

cc: Oil Conservation Division - Aztec
File: SWD-1010