

12/03/08 DATE IN	SUSPENSE	T. WARNELL ENGINEER	12/03/2008 LOGGED IN	IPI TYPE	pKAA0834550938 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS
 WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☒ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

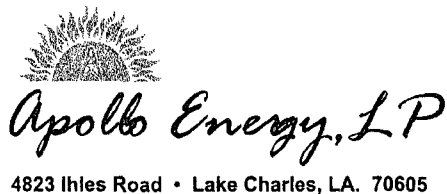
SSO Thomas G. Wright
 Print or Type Name

Signature

Executive Officer
 Title

12/03/2008
 Date

tommyw@DORENERGY.com
 e-mail Address



December 3, 2008

Mr. Terry Warnell
New Mexico OCD
1220 South St. Francis Dr.
Santa Fe, NM 87505

Re: Russell Field, Eddy County, NM
Injection Pressure Increase

Dear Mr. Warnell:

I am requesting an expedited approval to increase injection pressures on the Russell USA #9, 24, 39, 41, 49 and 50.

A field test was performed on the above listed wells on December 9, 2008. Attached is the field testing data and a graph depicting the relationship between injection rate and pressure.

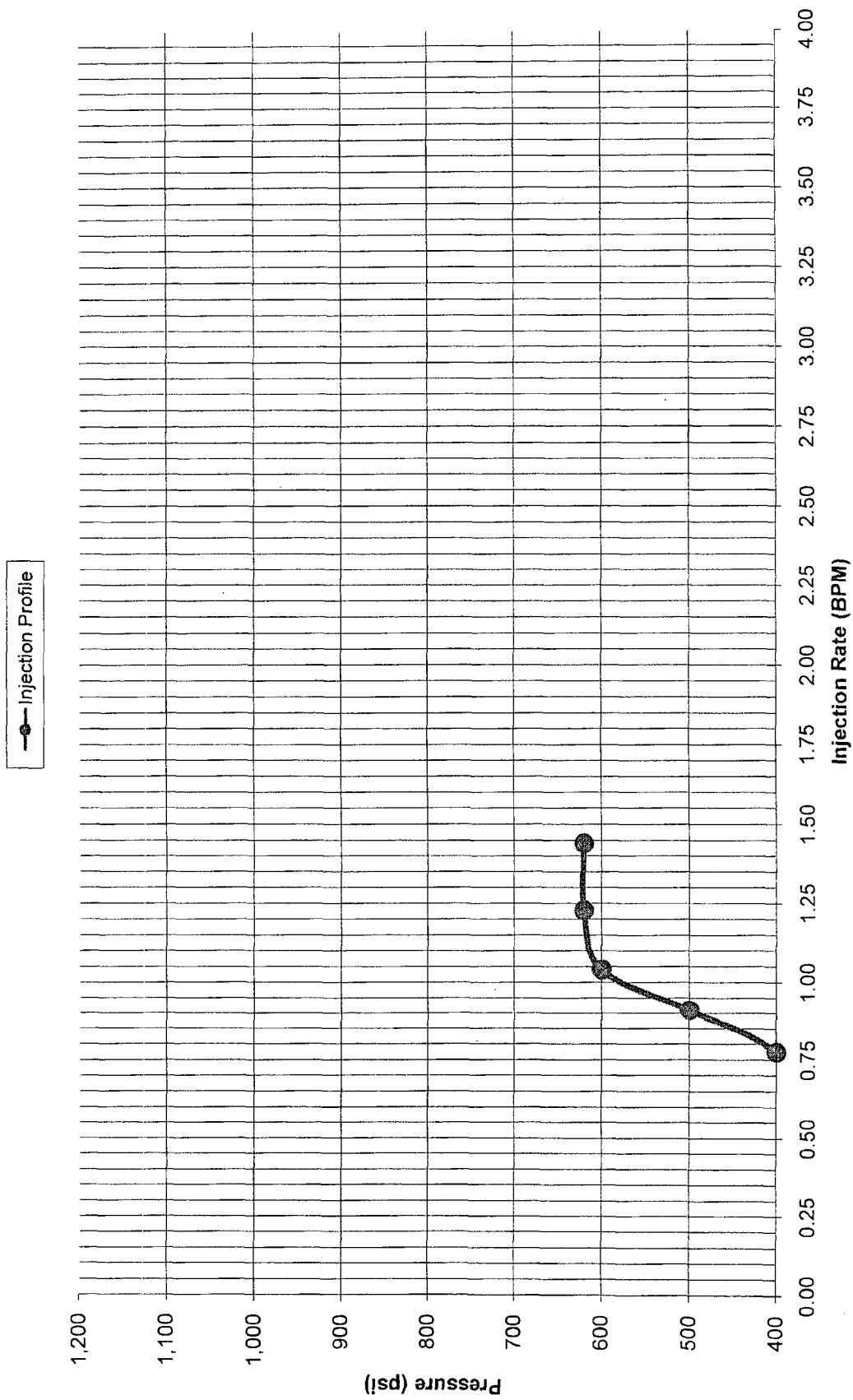
Apollo Energy, LP is requesting to increase injections pressures from their current level per the individual step rate test performance on each well.

Please fax the approval to our office at 337-502-5230 or email to me. Please call if you have any questions. Your help in this matter is greatly appreciated.

Sincerely,

Thomas G. Wright
Enclosure

USA 9 - Step Rate Test

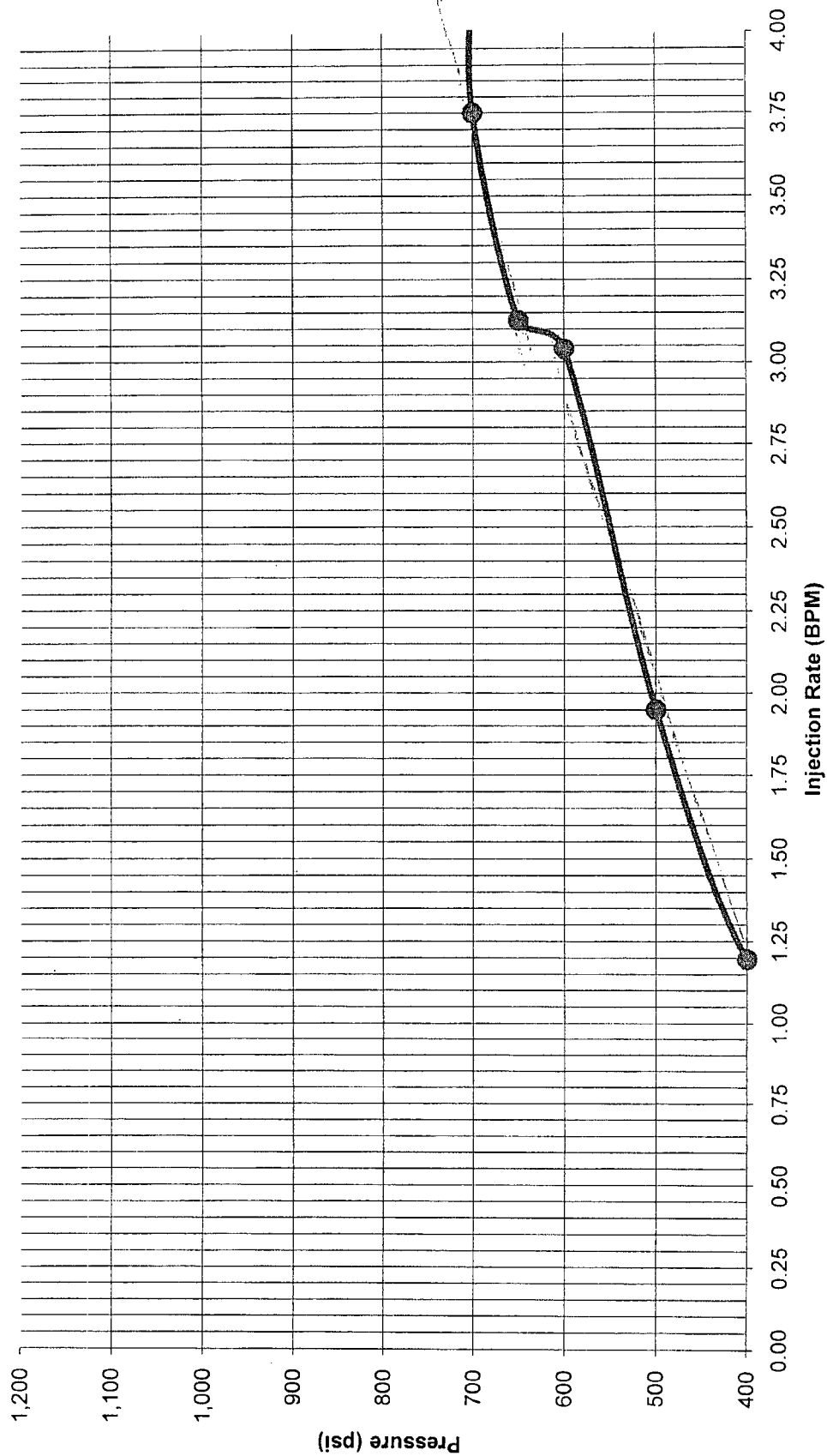


Field Test Data	
Barrels Per Minute (BPM)	Pressure (psi)
X	Y
0.500	300
0.775	400
0.910	500
1.040	600
1.228	620
1.440	620

Note: At 620 psi fracturing ensued, desired max pressure is 500 psi (.91 BPM)

USA 24 - Step Rate Test

—●— Injection Profile

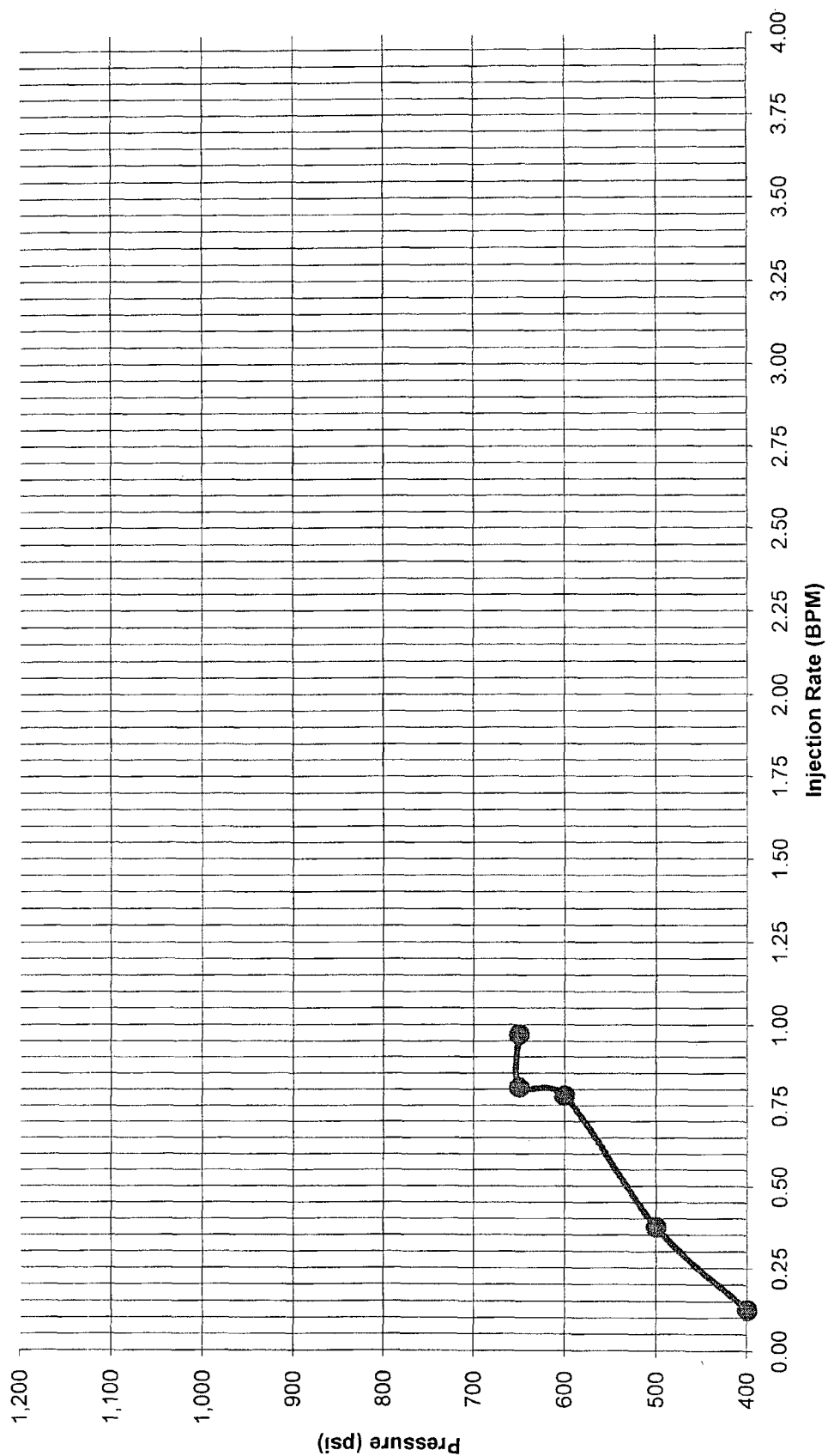


Field Test Data	
Barrels Per Minute (BPM)	Pressure (psi)
X	Y
0.996	300
1.196	400
1.950	500
3.040	600
3.125	650
3.750	700
4.200	700

Note: At 700 psi fracturing ensued, desired max pressure is 500 psi (1.95 BPM)

USA 39 - Step Rate Test

—●— Injection Profile



Field Test Data	
Barrels Per Minute (BPM)	Pressure (psi)
X	Y
0.125	400
0.375	500
0.780	600
0.806	650
0.970	650

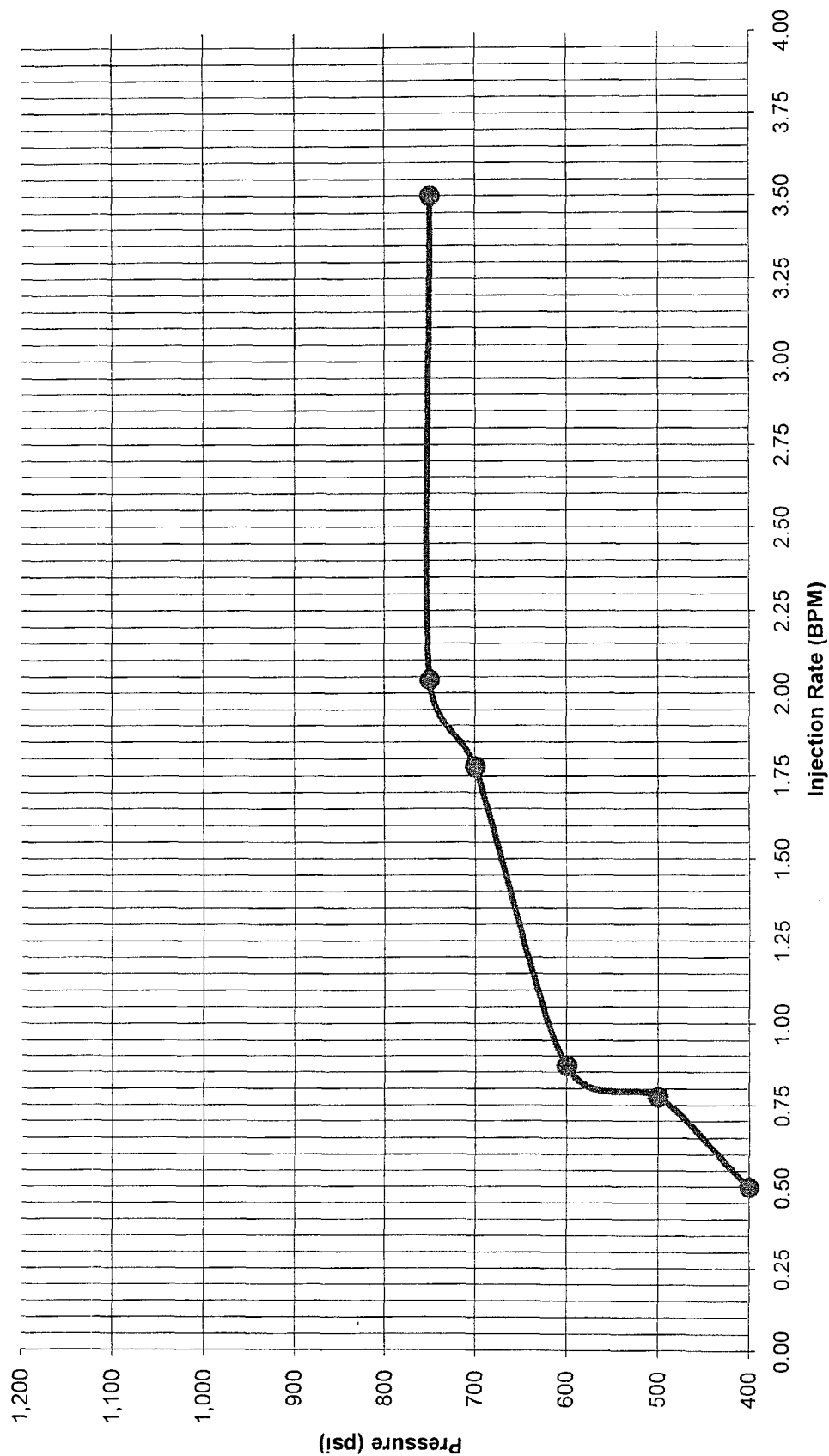
Note: At 650 psi fracturing ensued, desired max pressure is 600 psi (.78 BPM)

Field Test Data	
Barrels Per Minute (BPM)	Pressure (psi)
X	Y
0.400	500
0.915	700
1.248	800
2.080	900
2.730	1000
3.200	1100
3.700	1100

Note: At 1100 psi fracturing ensued, desired max pressure is 800 psi (1.248 BPM)

USA 49 - Step Rate Test

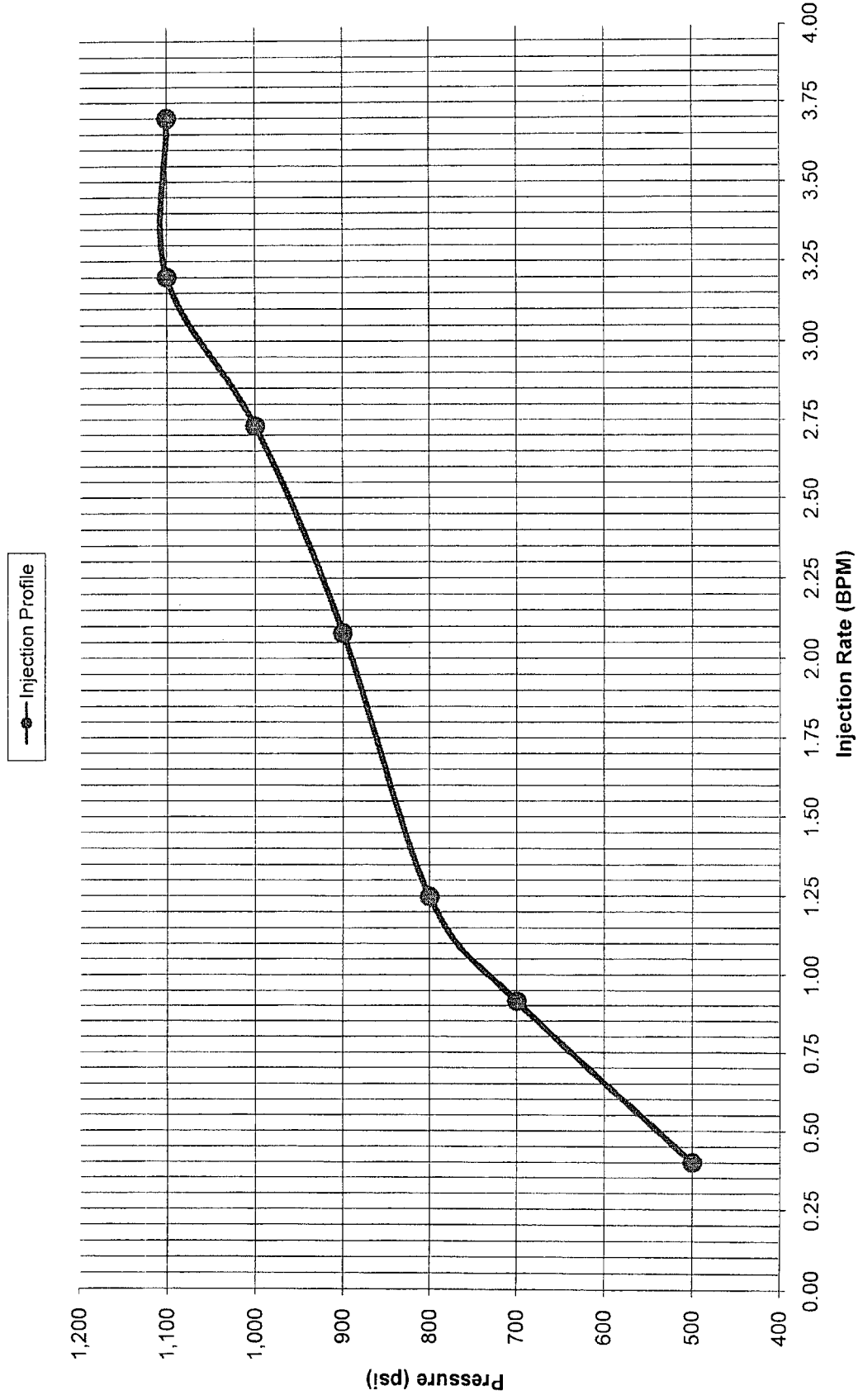
—●— Injection Profile



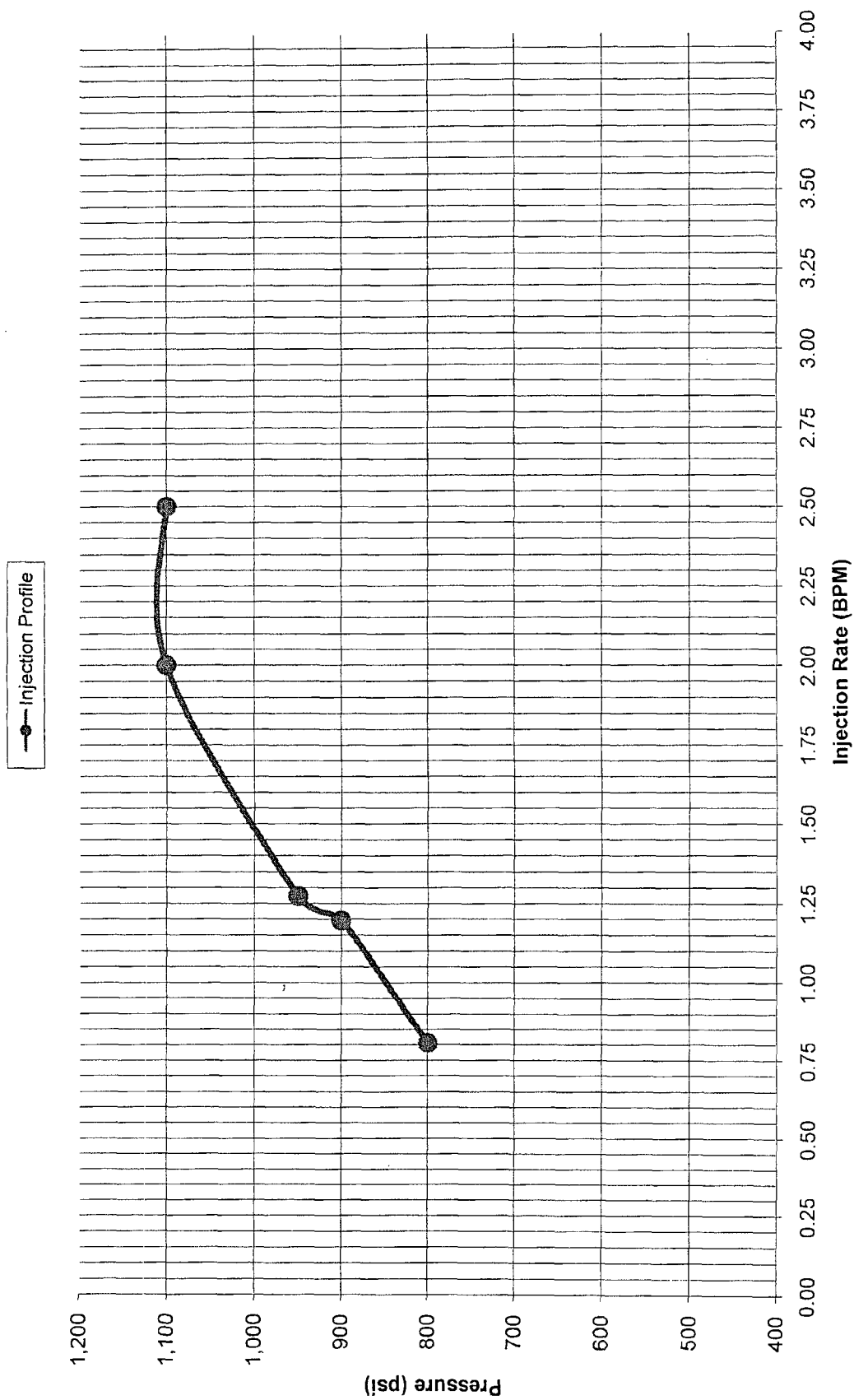
Field Test Data	
Barrels Per Minute (BPM)	Pressure (psi)
X	Y
0.250	300
0.500	400
0.775	500
0.870	600
1.775	700
2.040	750
3.500	750

Note: At 750 psi fracturing ensued, desired max pressure is 600 psi (.87 BPM)

USA 41 - Step Rate Test



USA 50 - Step Rate Test



Field Test Data	
Barrels Per Minute (BPM)	Pressure (psi)
X	Y
0.806	800
1.196	900
1.274	950
2.000	1100
2.500	1100
2.500	1100

Note: At 1100 psi fracturing ensued, desired max pressure is 950 psi (1.274 BPM)