0024550208

1P1-145 N/R

Shahara Oil, LLC

Carlsbad, NM 88220 505-885-5433 (Phone) 505-885-4989 (Fax) 207 West McKay

> SEP - 1 2000 August 30, 2000

Mr. Mark Ashley **Oil Conservation Division** 2040 South Pacheco Santa Fe, NM 87505

Re: Order No's R-11027 & R-11027A Step Rate Test – Beeson "F" Federal No. 2 (30-015-04414)Eddy County, New Mexico

Dear Mr. Ashley,

Our waterflood development continues on the referenced lease. We have initiated injection into Beeson "F" Federal wells No. 2, No. 3 and No. 12. Please see attached map.

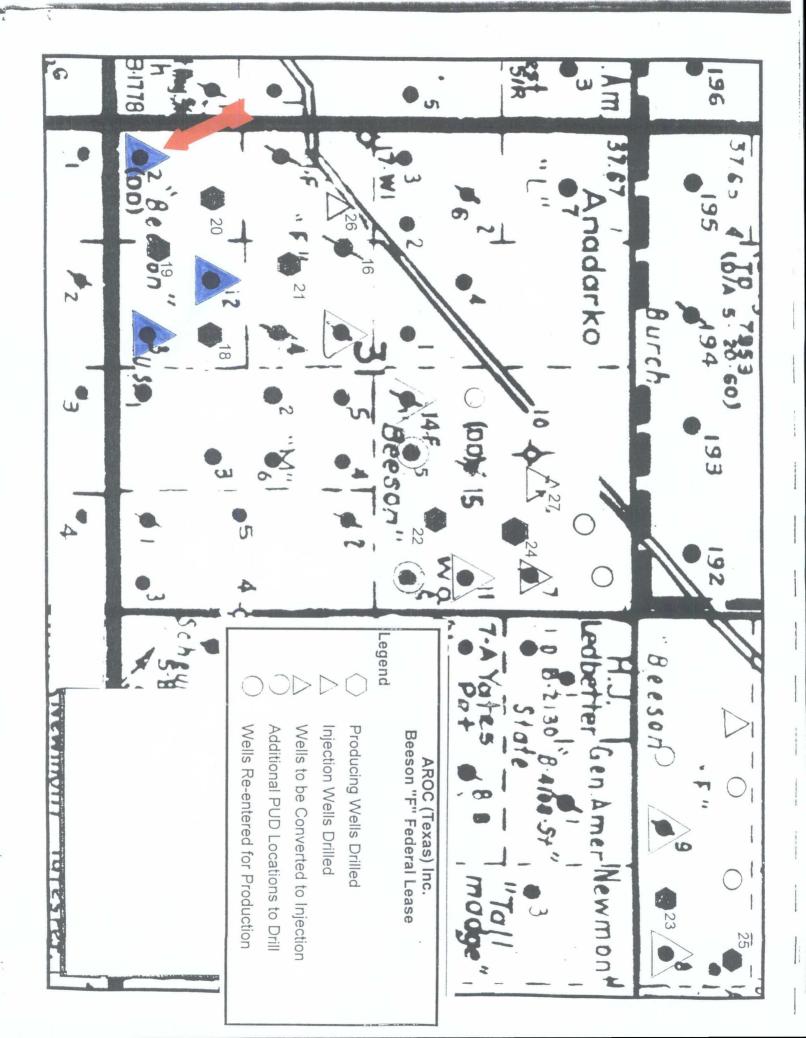
The 0.2psi/ft pressure allowed under the orders as a maximum has proven to be insufficient. Shahara Oil, LLC contracted Holmes Wireline Service, Odessa, TX to conduct a step rate test on the Beeson "F" Federal No. 2 on August 21, 2000. The fracture (closure) pressure is indicated to be 2392 psi bottom hole corresponding to a surface pressure of 1281 psi (see attachments). Shahara Oil, LLC requests a maximum allowable surface injection pressure of 1231 psi for Beeson "F" Federal No. 2 as well as the two other wells No's F-3 & F-12, proposed injectors located in close proximity to F-2.

Your earliest consideration of this request is greatly appreciated.

Sincerely,

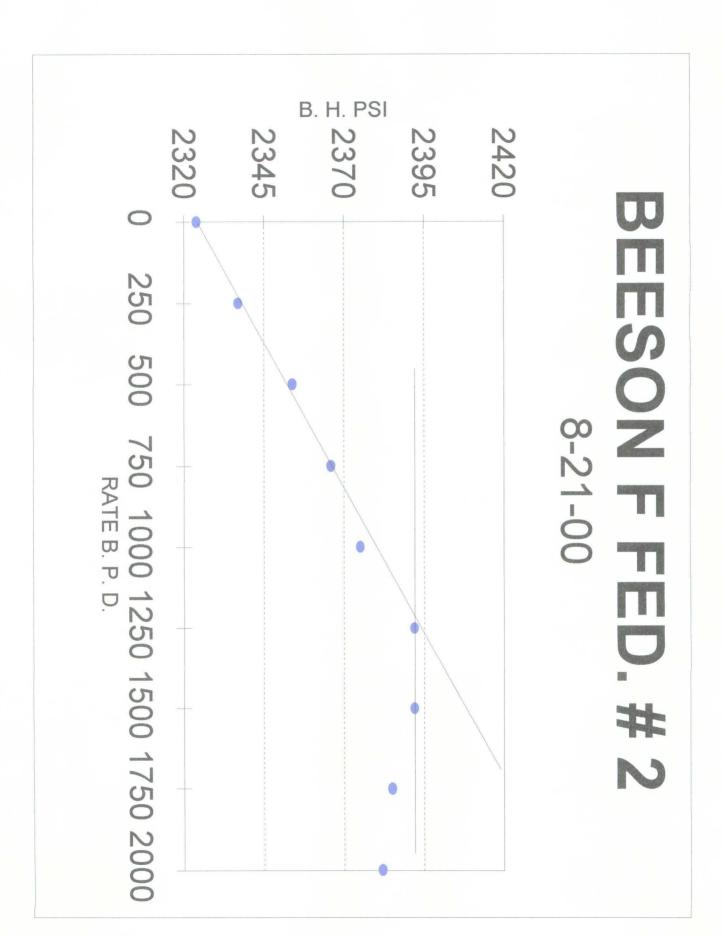
Perry L. Hughes

Attachments



FRACTURE AT 1250 BPD AND 2392 PS

1.5



HOLMES WIRELINE SERVICE

HOLMES WIRELINE SERVICE

TIME	RATE	BH. PSI	SURF. PSI
11:30	0	2324	1042
12:00	250	2337	1113
12:30	500	2354	1200
1:00	750	2366	1220
1:30	1000	2375	1247
2:00	1250	2392	1281
2:30	1500	2392	1306
3:20	1750	2385	1325
3:50	2000	2382	1334

BEESON F FEDERAL # 2

FRACTURE @ 1250 BPD. AND2392 BH. PS

8-21-00